



**OPERATIONS CLUSTER
AGENDA REVIEW MEETING**

DATE: August 16, 2023
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 AS PERMITTED
UNDER THE BOARD OF SUPERVISORS' AUGUST 8, 2023, ORDER SUSPENDING
THE APPLICATION OF BOARD POLICY 3.055 UNTIL MARCH 31, 2024**

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 – Carlos Arreola/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
 - A) Board Letter:
APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE AGREEMENT
NO. H-212780 WITH ESO SOLUTIONS, INC. FOR AN UPGRADED TRAUMA
AND EMERGENCY MEDICINE INFORMATION SYSTEM
DHS/CIO - Julio Alvarado, Dir. of Cont. Admin. & Mntr.,
Richard Tadeo, Director, EMS Agency and
Kevin Lynch, DHS CIO
 - B) Board Letter:
FIFTEEN-YEAR LEASE
USING COMMERCIAL PAPER NOTES TO FUND TENANT IMPROVEMENTS
1294 WEST 6TH STREET, SAN PEDRO
AND
TWO-YEAR LEASE ADDENDUM
1360 WEST 6TH STREET, SUITE 200, SAN PEDRO
DEPARTMENT OF MENTAL HEALTH
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Lease Acquisitions

CONTINUED ON PAGE 2

C) Board Letter:
TEN-YEAR LEASE
ASSESSOR
6167 BRISTOL PARKWAY, CULVER CITY
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Lease Acquisitions

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**
(2 Minutes Each Speaker)

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

- A) CEO - RESPONSES TO THE 2022-2023 CIVIL GRAND JURY FINAL REPORT RECOMMENDATIONS
- B) CEO/CLASS - CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE FISCAL YEAR 2023-2024 FINAL CHANGES BUDGET AND OTHER CLASSIFICATION/COMPENSATION ACTIONS
- C) CEO/RE - NINE-YEAR LEASE
DEPARTMENT OF PUBLIC SOCIAL SERVICES
1050 EAST PALMDALE BOULEVARD, PALMDALE
- D) CEO/RE - THIRTY-FOUR MONTH CONSTRUCTION LICENSE
WFBI, LLC, WHOSE SOLE MEMBER IS THE COLBURN SCHOOL
120 SOUTH OLIVE ST, LOS ANGELES, CA 90012 (PARCEL W-2)
- E) ISD - REQUEST FOR APPROVAL AND AWARD OF ON-DEMAND INTERPRETATION AND TRANSLATION SERVICES MASTER AGREEMENT

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	8/16/2023	
BOARD MEETING DATE	9/12/2023	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	Department of Health Services (DHS)	
SUBJECT	Approval of Amendment No. 12 to sole source Agreement No. H-212780 with ESO Solutions, Inc. (ESO) for an upgraded Trauma and Emergency Medicine Information System (TEMIS).	
PROGRAM	Emergency Medical Services (EMS) Agency	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: The EMS Repository upgrade is necessary to comply with State regulations on data collection and reporting requirements, and it is in the best economic interest of the County.	
DEADLINES/ TIME CONSTRAINTS	The current TEMIS Agreement with ESO expires on September 30, 2023.	
COST & FUNDING	Total cost: The maximum Contract Sum under the Agreement for October 1, 2023 through September 30, 2026 is \$6,037,507. Funding source: The Agreement will be fully funded through the Measure B Special Tax Fund, the County's Trauma, Emergency and Bioterrorism Response Tax. TERMS (if applicable): Explanation:	
PURPOSE OF REQUEST	Authorize the DHS Director/designee to execute Amendment 12 to the Agreement with ESO to extend the term from October 1, 2023 through September 30, 2026 and increase the maximum Contract Sum, approve the annual budget allocation of Measure B Special Tax Fund for the upgrade, maintenance, and support of TEMIS, and delegate authority to the DHS Director/designee to execute future amendments to use Pool Dollars for Additional Work; incorporate administrative changes; and approve changes and modifications to the Statement of Work, subject to review and approval by County Counsel.	
BACKGROUND (include internal/external issues that may exist including any related motions)	<p>TEMIS consists of four data registries (LA Fire-Rescue, LA Base, LA Trauma, and TEMIS Central), and is a Countywide system used by the EMS Agency, 15 trauma centers, 21 paramedic base hospitals and 32 EMS provider agencies. The EMS content/format of the existing TEMIS has been designed/customized for all agencies to access TEMIS records to generate reports for timely data capture, analysis, and sharing of health intelligence data. Aside from providing for the County's continued use of TEMIS, it also covers the upgrade of the legacy client-based LA Fire Rescue to the EMS Repository, which is a software platform hosted in the cloud by ESO, and accessible over the Internet as a SaaS solution to gather real-time EMS incident and patient level data. The EMS Agency needs a software platform that is SaaS to gather real-time emergency medical services incident and patient level data, continue to provide the County with technology to ensure timely data capture, analysis and sharing of health intelligence data, enhanced bio-surveillance, expedited decision-making for casualty management activities, and related hospital data to analyze health information for emergency medical services system management and to meet County, State, and Federal reporting requirements.</p> <p>ESO will provide a cloud-based and fully hosted system known as "EMS Repository NEMSIS 3.5 Standard" (EMS Repository). This will upgrade the client-based legacy LA Fire-Rescue data registry, which is one of the four aforementioned data registries that is utilized to collect patient level information and patient care provided by EMS provider agencies to patients in the pre-hospital setting. The other three databases (LA Base, LA Trauma and TEMIS Central) collect patient-level information from base hospitals and trauma centers. TEMIS Central is a database that combines all three databases (LA Fire-Rescue, LA Base, and LA Trauma) in order to have one record per patient thereby demonstrating the continuity of care rendered by EMS Providers, base hospitals and trauma centers to each "9-1-1" patient. ESO will continue to provide and support LA Base, LA Trauma, and TEMIS Central until they are fully transitioned to the SaaS platform. The EMS Repository will be compliant and certified with the most current National Emergency Medical Services Information System standards and specifications.</p>	
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: - Julio Alvarado, Dir. of Cont. Admin. & Mntr., (213) 288-7819, jvalvarado@dhs.lacounty.gov - Richard Tadeo, Director, EMS Agency, (562) 378-1610, rtadeo@dhs.lacounty.gov - Kevin Lynch, DHS CIO, (213) 288-8128, klynch@dhs.lacounty.gov - Truc Moore, Principal Deputy County Counsel, (213) 808-8779, tlmoore@counsel.lacounty.gov	

September 12, 2023

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District

Holly J. Mitchell
Second District

Lindsey P. Horvath
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

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

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE
AGREEMENT NO. H-212780 WITH ESO SOLUTIONS, INC. FOR
AN UPGRADED TRAUMA AND EMERGENCY MEDICINE
INFORMATION SYSTEM
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

CIO RECOMMENDATION: APPROVE (X)

SUBJECT

Request approval of Amendment No. 12 to the existing Sole Source Agreement No. H-212780 with ESO Solutions, Inc., to upgrade one of the four data registries of the Trauma and Emergency Medicine Information System (TEMIS), LA Fire Rescue, to the EMS Repository, a software-as-a-service (SaaS) platform; extend the term for use of the TEMIS; increase the Contract Sum; amend the Statement of Work; and update the Agreement's terms and conditions for the Department of Health Services, Emergency Medical Services Agency.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or designee, to execute Amendment No. 12 to Sole Source Agreement No. H-212780 (Agreement) with ESO Solutions, Inc. (ESO), to: (a) extend the Agreement's term from October 1, 2023 through September 30, 2026 to ensure the necessary upgrade and continuation of maintenance services of the Trauma and Emergency Medicine Information System (TEMIS); (b) increase the maximum Contract Sum for the extension term by \$6,037,507 from \$18,766,888 to \$24,804,395 which includes fifteen percent above the maximum Contract Sum of the three-year extension term in the amount of \$787,501 in Pool Dollars to fund Additional Work.

*"To advance the health of our
patients and our communities by
providing extraordinary
care"*



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2. Approve the annual budget allocation of Measure B Special Tax Fund to cover the cost of the Agreement with ESO for the upgrade, maintenance, and support of the Department of Health Services (DHS) Emergency Medical Services (EMS) Agency's TEMIS with a cost of \$2,593,405 for October 1, 2023 through September 2024, \$1,692,726 for October 1, 2024 through September 2025, and \$1,751,376 for October 1, 2025 through September 2026.
3. Delegate authority to the Director, or designee, to execute future amendments to the Agreement to: a) use Pool Dollars to fund Additional Work, (b) incorporate administrative changes to the Agreement, including but not limited to: addition, modification, or removal of any relevant terms and conditions as required under Federal or State law or regulation, County policy, County's Board of Supervisors (Board) and/or Chief Executive Office (CEO); and (c) approve necessary changes and modifications to the Statement of Work, with all actions subject to review and approval by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Background

The current TEMIS Agreement with ESO expires on September 30, 2023. An amendment is needed to allow for its continued use by the County. TEMIS is an integrated Countywide Trauma and Emergency Data Management System used by the EMS Agency, 15 trauma centers, 21 paramedic base hospitals and 32 EMS provider agencies. The EMS content and format of the existing TEMIS has been designed and customized for all of the agencies to continually access TEMIS records to generate reports necessary for timely data capture, analysis, and sharing of health intelligence data. The current TEMIS contains over 20 million records with more than 850,000 new records added annually.

TEMIS consists of four data registries: LA Fire-Rescue, LA Base, LA Trauma, and TEMIS Central. Aside from providing for the County's continued use of TEMIS, this Amendment also covers the upgrade of the legacy client-based LA Fire Rescue to the EMS Repository, which is a software platform hosted by the contractor, in the cloud, and accessible over the Internet as a SaaS solution to gather real-time EMS incident and patient level data.

The EMS Agency requires a software platform that is SaaS to gather real-time emergency medical services incident and patient level data, continue to provide the County with the technology required to ensure timely data capture, analysis and sharing of health intelligence data, enhanced bio-surveillance, expedited decision-making for casualty management activities, and related hospital data to analyze health information necessary for emergency medical services system management and to meet County, State, and Federal reporting requirements for the EMS Agency.

Recommendations

Approval of the first recommendation will allow the Director, or designee, to execute Amendment No. 12 to Agreement No. H-212780, substantially similar to Exhibit I, to extend the term of the Agreement through September 30, 2026. Also, ESO will provide the County with a cloud-based and fully hosted system, to be referred to as “EMS Repository NEMSIS 3.5 Standard” (EMS Repository). This will upgrade the client-based legacy LA Fire-Rescue data registry, which is one of the four aforementioned data registries of EMS’s TEMIS that is utilized to collect patient level information and patient care provided by EMS provider agencies (fire departments and ambulance operators) to patients in the pre-hospital setting. The other three databases (LA Base, LA Trauma and TEMIS Central) collect patient-level information from base hospitals and trauma centers.

TEMIS Central is a database that combines all three databases (LA Fire-Rescue, LA Base, and LA Trauma) in order to have one record per patient thereby demonstrating the continuity of care rendered by EMS Providers, base hospitals and trauma centers to each “9-1-1” patient. Also, TEMIS is utilized to analyze health information necessary for EMS system management and to meet County, State and Federal reporting requirements. TEMIS information is also utilized to share significant information between EMS provider agencies, “9-1-1” receiving facilities, and the County.

Further, ESO will continue to provide and support the other three databases (LA Base, LA Trauma, and TEMIS Central) until they are fully transitioned to the SaaS platform. Also, the EMS Repository will be compliant and certified with the most current National Emergency Medical Services Information System (NEMSIS) standards and specifications.

ESO has established a history of responding consistently and quickly to the changing needs and demands of the EMS Agency, trauma centers, paramedic base hospitals and EMS provider agencies. ESO personnel have a comprehensive understanding of the County’s EMS system and have established and maintained an excellent working relationship with the existing TEMIS participants.

Approval of the second recommendation will allow the Director, or designee, to approve the annual budget allocation of Measure B Special Tax Fund to cover the cost of the Agreement with ESO for the upgrade, maintenance, and support of the DHS EMS Agency’s TEMIS with a cost of \$2,593,405 for October 1, 2023 through September 2024, \$1,692,726 for October 1, 2024 through September 2025, and \$1,751,376 for October 1, 2025 through September 2026.

Approval of the third recommendation will allow the Director, or designee, to execute future amendments to the Agreement to incorporate administrative changes to the Agreement, including but not limited to: addition, modification, or removal of any relevant terms and conditions as required under Federal or State law or regulation,

County policy, Board and/or CEO, approve necessary changes to the SOW, and to use Pool Dollars for the ongoing and continuation of services, to acquire additional components for TEMIS, and for Additional Work during the extension term, as requested by County, with all actions subject to review and approval by County Counsel.

Implementation of Strategic Plan Goals

The recommended actions support Goal III. Realize Tomorrow's Government Today, Strategy III.2.1 Enhance Information Technology Platforms to Securely Share and Exchange Data of the County's Strategic Plan and Goals.

FISCAL IMPACT/FINANCING

The maximum Contract Sum under the Agreement will increase by \$6,037,507 for the period of October 1, 2023 through September 30, 2026, which will be fully funded through the Measure B Special Tax Fund, the County's Trauma, Emergency and Bioterrorism Response Tax.

Funding request of \$1,945,054 for Fiscal Year (FY) 2023-24 has been included in DHS FY 2023-24's Supplemental Budget Resolution request pending Board approval on October 3, 2023. DHS will request funding in future fiscal years, as needed. There is no impact to net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Agreement, as amended by the recommended Amendment No. 12, includes all Board-required provisions. The Agreement may be terminated for convenience by the County upon a 30-day prior written notice.

County Counsel has approved Exhibit I as to form. In compliance with Board Policy 6.020 "Chief Information Office Board Letter Approval", the Office of the Chief Information Officer (OCIO) reviewed the information technology (IT) components of this request and recommends approval. The OCIO concurs with the Department's recommendation and that office's analysis is attached (Attachment A).

The Department has determined that the TEMIS services provided by ESO are highly specialized and cannot be provided by County staff, and therefore, not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

The EMS Agency will use Measure B funds to cover the annual cost of the Agreement for the maintenance and support of the legacy TEMIS data repositories during the upgrade of TEMIS to a SaaS application software. Both the EMS Agency and system users, including public and private acute care hospitals with an emergency department and EMS providers, access records in TEMIS to generate reports necessary for daily

operations such as contract monitoring, system audits, and performance improvement activities.

Measure B is a ballot initiative that was passed by the voters of Los Angeles County on November 6, 2002, and provides funding for trauma and emergency services as well as bioterrorism preparedness. Also, Measure B allows for the expenditure of funds to maintain and expand the trauma network Countywide, while ensuring more timely and effective responses to critical and urgent medical emergencies, and biological and chemical terrorism threats.

CONTRACTING PROCESS

The Amendment is being recommended to extend the contractual relationship with ESO on a sole source basis.

On January 24, 2022, DHS notified the Board of its intent to enter into sole source negotiations for the extension of Agreement No. H-212780 with ESO in accordance with Board Policy No. 5.100 (Attachment B). The sole source checklist (Attachment C) is attached in compliance with this policy.

State regulations require local EMS agencies to submit EMS records to the State and federal EMS data registries that are compliant with NEMSIS standards. The upgrade of the EMS Repository is necessary for the EMS Agency to comply with State regulations on data collection and reporting requirements.

Also, it is in the best economic interest of the County (and the trauma centers, base hospitals and EMS provider agencies) to extend the Agreement term given the significant costs to replace the existing system and infrastructure, as well as the administrative burden that the entire trauma system would experience via an excessive learning curve to implement a replacement system.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval to execute Amendment No. 12 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. Also, 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 EMS continues to provide uninterrupted critical patient care needs while a portion of TEMIS is upgraded to a SaaS platform for the timely data capture, analysis and sharing of health intelligence data and to comply with County, State and Federal reporting requirements.

Respectfully submitted,

Reviewed by:

The Honorable Board of Supervisors
September 12, 2023
Page 6

Christina R. Ghaly, M.D.
Director

Peter Loo
Acting Chief Information Officer

CRG:az

Enclosures

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



Peter Loo
ACTING CHIEF INFORMATION OFFICER

CIO ANALYSIS

BOARD AGENDA DATE:

9/12/2023

SUBJECT:

APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE AGREEMENT NO. H-212780 WITH ESO SOLUTIONS, INC. FOR AN UPGRADED TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEM

CONTRACT TYPE:

☐ New Contract ☐ Sole Source ☒ Amendment to Contract #: H-212780

SUMMARY:

Description:

The Department of Health Services (DHS) is requesting approval of Amendment No. 12 to the existing Agreement with ESO Solutions, Inc. to upgrade one of the four data registries of the Trauma and Emergency Medicine Information System (TEMIS) to a Software-as-a-Service (SaaS) platform, extend the term for use of TEMIS for three years (from Oct. 1, 2023 through Sept. 30, 2026) and increase the Contract Sum by \$6,037,507, including \$787,501 in Pool Dollars for additional, as needed, work. This Amendment will increase the maximum Contract sum from \$18,766,888 to \$24,804,395.

DHS is also requesting approval of the annual budget allocation of Measure B Special Tax Fund to cover the cost of this Amendment.

Additionally, DHS is requesting delegated authority to the Director, or designee, to execute future amendments to the Agreement to use Pool Dollars to fund additional work, incorporate administrative changes to the Agreement and approve necessary changes and modifications to the Statement of Work, with all actions subject to review and approval by County Counsel.

Under this proposed Amendment, ESO Solutions will extend the Agreement by three years, and provide the County with a Software-as-a-Service fully hosted system for the legacy LA Fire-Rescue data registry, which is one of four data registries supported by TEMIS, and used to collect patient level information and patient care provided by EMS provider agencies (fire departments and ambulance operators).

Contract Amount: \$6,037,507 for this Amendment

**APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE AGREEMENT NO. H-212780
WITH ESO SOLUTIONS, INC. FOR AN UPGRADED TRAUMA AND EMERGENCY
MEDICINE INFORMATION SYSTEM**

FINANCIAL ANALYSIS:

Contract costs:

Three-year costs

Regisgtry Replatforming and SaaS fees.....	\$	5,250,006
Contract Pool Dollars	\$	787,501

Total costs: \$ 6,037,507

Notes:

This Amendment will be fully funded through Measure B Special Tax Fund (County's Trauma, emergency and Bioterrorism Response Tax). Measure B is a ballot initiative that was passed by the voters of Los Angeles County on November 6, 2002, and provides funding for trauma and emergency services as well as bioterrorism preparedness. Also, Measure B allows for the expenditure of funds to maintain and expand the trauma network Countywide, while ensuring more timely and effective responses to critical and urgent medical emergencies, and biological and chemical terrorism threats.

Funding request of \$1,945,054 for Fiscal Year (FY) 2023-24 has been included in DHS FY 2023-24 Supplemental Budget request. DHS will request funding in future fiscal years, as needed.

This Amendment will increase the Maximum Contract Sum from \$18,766,888 to \$24,804,395.

**APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE AGREEMENT NO. H-212780
WITH ESO SOLUTIONS, INC. FOR AN UPGRADED TRAUMA AND EMERGENCY
MEDICINE INFORMATION SYSTEM**

RISKS:

- 1. Quality of Services:** The Amendment includes a Service Level Agreement of 99.5% uptime. If the the 99.5% uptime metric is not met for any calendar month, the County shall receive a credit equal to 10% of the annual fee. Other key components included in the Amendment include: Functional, Technical and Hosting requirements, Data Conversion, Business Continuity and Disaster Recovery, Support and Maintenance Services and Implementation Plan. The Statement of Work is well-structured and includes the Major Tasks, each with a defined set of Deliverables. The seven Major Tasks include:
 - Project Administration
 - Build and Implement the EMS Repository on SaaS
 - Conduct Acceptance Teste for the EMS Repository
 - Maintain legacy data from LA Fire-Rescue data registry
 - Training
 - Deployment to production
 - Post Go-live support
- 2. Project Management and Governance:** To ensure project success, the Office of the Chief Information Officer (OCIO) recommends strong project governance and a dedicated project manager to adhere to schedule, budget and scope, and to manage vendor performance. Because this project only includes the replatforming of one of the four system registries, DHS will not use a Project Steering Committee. However, the project has an Executive Sponsor and a Dedicated Project Manager.
- 3. Information Security:** The County's Office of the Chief Information Security Officer (OCISO) reviewed the Amendment with the DHS Department Information Security Officer (DISO) and assessed the project as low risk. Being a SaaS solution, the SOC II report (independent third-party assessment on security controls) was reviewed, including the vendor-completed County SaaS Security Questionnaire with no concerns or issues. The system and data are logically segregated to address confidentiality. The contract also includes Cyber Liability Insurance with limits of \$8,000,000 per occurrence and in the aggregate.
- 4. Contract Risks:** No contract risks have been identified. County Counsel participated in the negotiation and approved the Amendment as to form. The contract includes:
 - Limitation of Liability of \$9 Million.
 - County's standard requirements for Commercial General Liability Insurance.

**APPROVAL OF AMENDMENT NO. 12 TO SOLE SOURCE AGREEMENT NO. H-212780
WITH ESO SOLUTIONS, INC. FOR AN UPGRADED TRAUMA AND EMERGENCY
MEDICINE INFORMATION SYSTEM**

PREPARED BY:

Henry Belta

(NAME) DEPUTY CHIEF INFORMATION OFFICER

7/27/2023

DATE

APPROVED:

Peter Loo

PETER LOO, ACTING CHIEF INFORMATION OFFICER

8/2/2023

DATE



Health Services
LOS ANGELES COUNTY

Attachment B

January 24, 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

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. *Chaly*
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO EXTEND
SOLE SOURCE AGREEMENT NO. H-212780 WITH
ESO SOLUTIONS, INC.**

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

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This is to advise the Board of Supervisors (Board) that the Department of Health Services (DHS or Department) intends to request approval of an extension to the existing sole source agreement with ESO Solutions, Inc. (ESO) for the Trauma and Emergency Medicine Information System (TEMIS) Application Software and Support Services, Agreement No. H-212780 (Agreement), used by the DHS Emergency Medical Services (EMS) Agency, 15 trauma centers, 21 base hospitals and 39 EMS provider agencies (collectively the Los Angeles County (LA County) EMS System). DHS has determined that continuity of this Agreement is essential to LA County's compliance with State and federal data collection requirements, and in the best economic interest of LA County to extend the Agreement term.

Board Policy No. 5.100 requires written notice of a department's intent to enter into sole source negotiations for an extension of a Board-approved agreement at least six months prior to the agreement's expiration date. DHS will exhaust its delegation of authority to extend the Agreement on June 30, 2022.

Background

The EMS Agency serves as the lead agency for the emergency medical services system in LA County and is responsible for coordinating all system participants within its jurisdiction, encompassing both public and private sectors. LA County's EMS Agency has one of the largest EMS systems in the nation and, as one of the first to be developed, is known nationally and worldwide as a leader in the field of pre-hospital care. The system utilizes over 18,000

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patients and our communities by
providing extraordinary
care"*



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certified EMS personnel employed by fire departments, law enforcement, ambulance companies, hospitals and private organizations to provide lifesaving care to those in need 24 hours a day, seven days a week.

LA County and Lancet Technology, Inc. (Lancet) entered into the Agreement for TEMIS Application Software and Support Services on June 19, 2001. This Agreement was subsequently assigned and delegated to ESO Trauma Holdings, LLC (a wholly-owned subsidiary of ESO).

TEMIS is an integrated, Countywide trauma and emergency clinical data management system developed by Lancet and used by the entities that make up the LA County EMS System, all of whom rely on TEMIS for access to data and to generate reports necessary for timely data capture, analysis, and health intelligence data sharing. TEMIS provides a single patient record information system throughout the entire continuum of emergency care. Every 9-1-1 call is collected and tracked in TEMIS starting with the EMS provider (jurisdictional fire district and 9-1-1 responding ambulance company), continuing through the receiving base hospital or trauma center until patient discharge, and patient records from TEMIS are matched based on unique identifiers using an automated nightly process. TEMIS is used to meet Federal National Trauma Data Bank and State of California EMS Information System data collection requirements. Also, TEMIS is funded and fully offset by Measure B (Special Tax Revenue Fund) and base hospital fees.

The Agreement has been amended several times to upgrade the TEMIS application software, increase the Contract Sum to \$17,373,542 and extend the Agreement term to June 30, 2022. The most recent amendment was executed due to ESO receiving a significant strategic investment from Vista Equity Partners (Vista) making Vista the majority controlling shareholder of ESO. However, ESO's corporate existence, management and employees remained the same, and ESO remains the active operating company for this Agreement.

Justification

TEMIS is a proprietary product developed and customized for LA County and owned by ESO. TEMIS has evolved from its original form into a more complex and customized system that allows for enhanced bio-surveillance and expedited decision making for casualty management activities. ESO has a comprehensive understanding of LA County's EMS system and has established an excellent working relationship with the existing TEMIS participants. Also, ESO has established a positive track-record of responding consistently and quickly to all of the demands of the system's participants.

As mentioned above, TEMIS is necessary to meet Federal National Trauma Data Bank and State of California EMS Information System data collection requirements. Through the Agreement with ESO, LA County (via TEMIS) has amassed approximately 20 years' worth of patient record information that would have to be migrated into a new system. It

is also in the best economic interest of LA County (and the trauma centers, base hospitals and EMS provider agencies) to extend the Agreement term given the significant costs to replace the existing system and infrastructure, as well as the administrative burden to the entire trauma system would experience via an excessive learning curve to implement a replacement system.

DHS intends to negotiate an extension to continue the services while evaluating the best course of action to ensure that the future needs of LA County EMS System are met.

If this Agreement is not extended, DHS will lose access to all existing customized EMS content and data developed by one of the largest EMS organizations in the nation. TEMIS has been designed and customized for all the agencies in the LA County EMS System to continually access TEMIS records in order to generate reports necessary for timely data capture, analysis and sharing of health intelligence data. Also, TEMIS contains more than 12 million records, with more than 850,000 new records added annually.

Conclusion

DHS has determined that ESO is uniquely positioned to continue providing the trauma and emergency clinical data management system and services that will permit DHS facilities to continue meeting their EMS needs without interruption. DHS will commence negotiations for the Agreement's extension no earlier than four weeks from the date of this notification unless otherwise instructed by the Board.

If you have any questions, you may contact me or your staff may contact Richard Tadeo, Emergency Medical Services Assistant Director at (562) 378-1610 or by email at rtadeo@dhs.lacounty.gov.

CRG:as

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 (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS 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.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ 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 to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.



Chief Executive Office

Date

**AMENDMENT NUMBER TWELVE TO
COUNTY AGREEMENT NUMBER H-212780**

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

ESO SOLUTIONS, INC.

FOR

**TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEM
(TEMIS)**

APPLICATION SOFTWARE AND SUPPORT SERVICES

September 2023

AMENDMENT NUMBER TWELVE
TO
AGREEMENT BY AND BETWEEN
THE COUNTY OF LOS ANGELES AND ESO SOLUTIONS, INC.
FOR
TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEM (TEMIS)
APPLICATION SOFTWARE AND SUPPORT SERVICES

This AMENDMENT is made and entered into this _____ day of September 2023 (hereinafter "Amendment No. 12 Date"),

By and between

COUNTY OF LOS ANGELES
(hereinafter "County")

And

ESO SOLUTIONS, INC.
Business Address:
11500 Alterra Parkway, Suite 100
Austin, TX 78758
(hereinafter "Contractor")

WHEREAS, reference is made to that certain Agreement No. H-212780 for Trauma and Emergency Medicine Information System (TEMIS) Application Software and Support Services, dated June 19, 2001, including any amendments and other modifications thereto (hereinafter cumulatively "Agreement"); and

WHEREAS, the parties have executed Amendment Nos. One through Ten throughout the term of the Agreement; and

WHEREAS, on September __, 2023, the Board of Supervisors (Board) delegated authority to the Director of Health Services, or authorized designee, to, among other delegations, (i) extend the term of the Agreement, (ii) increase the Contract Sum, (iii) incorporate administrative changes to the Agreement, including but not limited to, addition, modification, or removal of any relevant terms and conditions and to comply with changes in applicable law, (iv) approve necessary changes to the Statement of Work (SOW), and (v) execute future Amendments and/or Change Notices using Pool Dollars to acquire Additional Work described in the Agreement as needed, subject to the review and approval by County Counsel, and, if applicable, the Office of the Chief Information Office; and

WHEREAS, the Agreement is slated to expire on September 30, 2023; and

WHEREAS, it is the intent of the parties hereto to continue to allow the County to use the TEMIS and to upgrade one of the four data repositories, the EMS Repository, to a software platform hosted by the Contractor in the cloud and accessible over the Internet via a website (commonly referred to as software-as-a-service (SaaS)) to gather real-time EMS incident and patient level data, and as such, this Amendment No. Twelve will: (i) amend the Agreement to extend its term from

October 1, 2023 through September 30, 2026, to continue to provide County with the TEMIS technology required to ensure timely data capture, analysis and sharing of health intelligence data, enhanced bio-surveillance and expedited decision-making for casualty management activities, (ii) provide for the upgrade of the EMS Repository to a SaaS; (ii) increase the total not-to-exceed Contract Sum under the Agreement by \$6,037,507 to \$24,804,395, which includes \$787,501 in Pool Dollars for Additional Work, and (iii) provide for other changes set forth herein; and

WHEREAS, Paragraph 6 (Change Notices and Amendments) of the Agreement 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 be effective upon execution by all parties.
2. Subparagraph 1.3 (Definitions) of the body of the Agreement is modified to add 1.3.64 amended to read as follows:

“1.3.64 Additional Work:

As used herein, the term “Additional Work” shall mean any and all work required by the County and approved pursuant to an Amendment, which includes upgrading the EMS Repository to a SaaS and which shall be provided by Contractor in accordance with Exhibit A.2 (SOW).”

3. Subparagraph 1.3 (Definitions) of the body of the Agreement is modified to add 1.3.65 amended to read as follows:

“1.3.65 Pool Dollars:

As used herein, the term “Pool Dollars” shall mean the maximum amount allocated under this Agreement for acquiring Additional Work provided by the Contractor, and approved by the County in accordance with the terms of this Agreement and as set forth in Exhibit B (Schedule of Payments).”

4. Subparagraph 3.5 (Contractor’s Staff Identification) of the body of the Agreement is deleted in its entirety and replaced with revised Subparagraph 3.5 (Contractor’s Staff Identification) amended to read as follows:

“3.5 CONTRACTOR’S STAFF IDENTIFICATION:

- 3.5.1 All Contractor staff performing work primarily for the County under this Agreement shall undergo and pass, to the satisfaction of the County, a background investigation as a condition of beginning and continuing to work under this Agreement. The County shall use its discretion in determining the method of background clearance to be used, which may include but is not limited to fingerprinting. The County shall perform the background check.
- 3.5.2 The County may request that the Contractor’s staff members be immediately removed from working on the County Agreement at any time during the term of this Agreement, if such staff member does not pass a background investigation to the satisfaction of the County whose background or conduct is incompatible with the County’s facility access. The County will not provide to the Contractor nor to the Contractor’s staff any information obtained through the County conducted background clearance unless required by applicable law.
- 3.5.3 The County may also immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor’s staff that do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.
- 3.5.4 Disqualification, if any, of the Contractor’s staff, pursuant to this Subparagraph 3.5, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement.”

- 5. Paragraph 5 (Term) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 5 (Term) amended to read as follows:

“5. TERM:

- 5.1 The term of this Agreement shall commence on the Effective Date and shall continue in full force until and through September 30, 2026, unless sooner terminated, in whole or in part, as provided in the Agreement (hereinafter “Initial Term”).
- 5.2 As used throughout this Agreement, the word “term” when referring to the term of the Agreement shall include the Initial Term and Optional Term, to the extent County exercises its term extension options pursuant to this Paragraph 5.
- 5.3 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 County will exercise a term extension option.
- 5.4 Contractor shall notify County when this 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 County at the address herein

provided in Paragraph 69 (Notices). Notwithstanding the foregoing, Contractor's failure to provide such notification shall not constitute a material breach of this Agreement.”

6. Subparagraph 7.1 (General) of the body of the Agreement is deleted in its entirety and replaced with revised Subparagraph 7.1 (General) amended to read as follows:

“7.1 GENERAL:

The Contract Sum under this Agreement shall be the total monetary amount payable by County to Contractor for supplying all the tasks, deliverables, goods, services, and other work requested and specified under this Agreement. All work completed by Contractor must be approved in writing by County. If County does not approve work in writing, no payment shall be due to Contractor for that work. The Contract Sum, including all applicable taxes, authorized by County hereunder for the maximum term of the Agreement shall not exceed Twenty-Four Million, Eight Hundred Four Thousand, Three Hundred Ninety-Five Dollars (\$24,804,395). Notwithstanding any provision of this Subparagraph 7.1, Contractor shall fully perform and complete all work required of Contractor by this Agreement in exchange for the amounts to be paid to Contractor as set forth in this Agreement.

The Contract Sum shall not be adjusted for any costs or expenses whatsoever of Contractor.”

7. Paragraph 13 (Independent Contractor Status) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 13 (Independent Contractor Status) amended to read as follows:

“13. INDEPENDENT CONTRACTOR STATUS:

13.1 This 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.

13.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this 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. Consistent with the foregoing, the County shall have no liability, and the Contractor shall be solely and fully liable and responsible, to any of the Contractor's employees, subcontractors or other persons providing work under the Agreement on behalf

of the Contractor, if any such person is unable to work or is required to stop working (permanently or temporarily) as a result of the person's exposure to an infectious disease or other hazard while performing work pursuant to the Agreement, even if such person complied with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, including those relating to the work site. Nothing in this Subparagraph is intended in any way to alter or release Contractor from obligation to obtain and maintain the requisite workers' compensation coverage pursuant to Subparagraph 14.3, C. Workers' Compensation and Employers' Liability.

13.3 The Contractor understands and agrees that all persons performing work pursuant to this 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 Agreement.

13.4 The Contractor shall adhere to the provisions stated in Paragraph 41. Confidentiality."

8. Subparagraph 14.3 (Insurance Coverage Requirements) of the body of the Agreement is modified by adding Section G to read as follows:

"G. Cyber Liability Insurance:

The Contractor shall secure and maintain cyber liability insurance coverage with limits of \$8,000,000 per occurrence and in the aggregate during the term of the 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 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 so long as such provisions are commercially available on the market."

9. Paragraph 21 (Compliance with Applicable Laws) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 21 (Compliance with Applicable Laws) amended to read as follows:

“21. COMPLIANCE WITH APPLICABLE LAWS:

- 21.1 In the performance of this Agreement, the Contractor and the County shall each comply with all current and applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, including, but not limited to standards of The Joint Commission, its National Patient Safety Goals, California Code of Regulations, Title 22, Division 5 regulations and all other applicable industry best practices standards. All provisions required thereby to be included in this Agreement are incorporated herein by reference.
- 21.2 The Contractor shall indemnify, defend, and hold harmless the County, its officers, employees, agents and volunteers from and against any and all claims, demands, damages, liabilities, losses, administrative penalties and fines assessed, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by the Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures. Any legal defense pursuant to the Contractor’s indemnification obligations under this Paragraph 21 shall be conducted by the Contractor and performed by counsel selected by the Contractor and approved by the County. Notwithstanding the preceding sentence, the County shall have the right to participate in any such defense at its sole cost and expense, except that in the event the Contractor fails to provide the County with a full and adequate defense, the County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from the Contractor for all such costs and expenses incurred by the County in doing so. The 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 the County without the County’s prior written approval.”
10. Paragraph 23 (Nondiscrimination, Affirmative Action, and Assurance of Compliance with Civil Rights Laws) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 23 (Nondiscrimination, Affirmative Action, and Assurance of Compliance with Civil Rights Laws) amended to read as follows:

“23. NONDISCRIMINATION, AFFIRMATIVE ACTION AND ASSURANCE OF COMPLIANCE WITH CIVIL RIGHTS LAWS:

- 23.1 The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17); the Fair Employment & Housing Act, Government Code Section 12920-12922; and Affirmative Action in County Agreements, Chapter 4.32 of the Los Angeles County Code to the end that no person shall, on the grounds of race, color, religious creed,

ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

- 23.2 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, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 23.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, 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.
- 23.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation.
- 23.5 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, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.
- 23.6 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 23 when so requested by the County.
- 23.7 If the County finds that any provisions of this Paragraph 23 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.

- 23.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this 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 Agreement.
- 23.9 The Contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's EEO Certification)."
11. Paragraph 24 (Employment Eligibility Verification) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 24 (Employment Eligibility Verification) amended to read as follows:
- "24 EMPLOYMENT ELIGIBILITY VERIFICATION:
- 24.1 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 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.
- 24.2 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 Agreement."
12. Paragraph 29 (Termination for Insolvency) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 29 (Termination for Insolvency) amended to read as follows:
- "29. TERMINATION FOR INSOLVENCY:
- 29.1 The County may terminate this 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.

29.2 The rights and remedies of the County provided in this Paragraph 29 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.”

13. Paragraph 33 (Prohibition Against Subcontracting) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 33 (Subcontracting) amended to read as follows:

“33. SUBCONTRACTING:

33.1 The requirements of this Agreement may not be subcontracted by the Contractor **without the advance written 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 Agreement.

33.2 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.

33.3 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 the Contractor employees.

33.4 The Contractor shall remain fully responsible for all performances required of it under this Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County’s approval of the Contractor’s proposed subcontract.

33.5 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 Agreement. The Contractor is responsible to notify its subcontractors of this County right.

33.6 The Director or designee 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, the Contractor shall forward a fully executed subcontract to the County for its files.

- 33.7 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.
- 33.8 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 to the Certificate Holder, at:

cgcontractorinsurance@dhs.lacounty.gov

before any subcontractor employee may perform any work hereunder.”

14. Paragraph 35 (Notice of Delays) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 35 (Notice of Delays) amended to read as follows:

“35. NOTICE OF DELAYS:

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

15. Paragraph 39 (Unlawful Solicitation) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 39 (Unlawful Solicitation) amended to read as follows:

“39. UNLAWFUL SOLICITATION:

The Contractor shall inform all of its officers and employees performing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with section 6150) of Business and Professions Code of the State of California (i.e. State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers and employees. The Contractor agrees that if a patient requests assistance in obtaining the services of any attorney, it will refer the patient to the attorney referral service of all those bar associations within Los Angeles County that have such a service.”

16. Subparagraph 41.1 (Confidentiality) of the body of the Agreement is deleted in its entirety and replaced with revised Subparagraph 41.1 amended to read as follows:

“41.1 Confidentiality:

- 41.1.1 The Contractor shall maintain the confidentiality of all records, data, and information, including, but not limited to, billings, the County records, TEMIS Data, and patient records (“County Confidential Information”), in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, the County policies concerning information technology security and the protection of confidential records and information.
- 41.1.2 Furthermore, the Contractor shall: (i) not use any such records or information for any purpose whatsoever other than carrying out the express terms of this Agreement; (ii) promptly transmit to the County all requests for disclosure of any such records or information; (iii) not disclose, except as otherwise specifically permitted by this Agreement, any such records or information to any person or organization other than the County without the County’s prior written authorization that the information is releasable; and (iv) at the expiration or termination of this Agreement, return all such records and information to the County or maintain such records and information in accordance with the written procedures that may be provided or made available to the Contractor by the County for this purpose.
- 41.1.3 All County Confidential Information is deemed property of the County, and the County shall retain exclusive rights and ownership thereto. County Confidential Information shall not be used by the Contractor for any purpose other than as required under this Agreement, nor shall such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by the Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. The Contractor may assert no lien on or right to withhold from the County, any County Confidential Information it receives from, receives addressed to, or stores on behalf of, the County.
- 41.1.4 The Contractor acknowledges and agrees that due to the unique nature of County Confidential Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Subparagraph 41.1 (Confidentiality) shall constitute a material breach of this Agreement and be grounds for immediate termination of this Agreement in the exclusive discretion of the County.
- 41.1.5 The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses,

administrative penalties and fines assessed including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by the Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 41. Any legal defense pursuant to the Contractor's indemnification obligations under this Paragraph 41 shall be conducted by the Contractor and performed by counsel selected by the Contractor and approved by the County. Notwithstanding the preceding sentence, the County shall have the right to participate in any such defense at its sole cost and expense, except that in the event the Contractor fails to provide the County with a full and adequate defense, the County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from the Contractor for all such costs and expenses incurred by the County in doing so. The Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of the County without the County's prior written approval.

- 41.1.4 The Contractor shall inform all of its officers, employees, agents and subcontractors whose roles are primarily dedicated to providing the County services hereunder of the confidentiality and indemnification provisions of this Agreement.
 - 41.1.5 The Contractor shall cause each employee whose role is primarily dedicated to performing services covered by this Agreement to the County to sign and adhere to the provisions of the Exhibit C - Contractor Employee Acknowledgment, and Confidentiality Agreement.
 - 41.1.6 The Contractor shall cause each non-employee whose role is primarily dedicated to performing services covered by this Agreement to the County to sign and adhere to the provisions of the Exhibit C.1 - Contractor Non-Employee Acknowledgment, and Confidentiality Agreement."
17. Paragraph 52 (Contractor Performance During Civil Unrest and Disaster) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 52 (Contractor Performance During Civil Unrest and Disaster) amended to read as follows:

"52. CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER:

The Contractor recognizes that health care Facilities maintained by the County provide care essential to the residents of the communities they serve, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster, or similar event. Notwithstanding any other provision of this Agreement, full performance by the Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible. Failure to comply with this requirement shall be considered a material breach by the Contractor for which the County may immediately terminate this Agreement."

18. Paragraph 53 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 53 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) amended to read as follows:

“53. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

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

53.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this 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 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).”

19. Paragraph 54 (Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 54 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) amended to read as follows:

“54. 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 53 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Agreement. Without limiting the rights and remedies available to the County under any other provision of this Agreement, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Agreement pursuant to Paragraph 30 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.”

20. Paragraph 61 (Licenses, Permits, Registrations, Accreditations and Certificates) of the body of the Agreement is deleted in its entirety and replaced with revised Paragraph 61 (Licenses, Permits, Registrations, Accreditations and Certificates) amended to read as follows:

“61. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS AND CERTIFICATES:

The Contractor shall obtain and maintain in effect during the term of this Agreement, all valid licenses, permits, registrations, accreditations, and certificates required by law which are applicable to its performance of this Agreement, and shall ensure that all of its officers, employees, and agents who perform services hereunder obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by law which are applicable to their performance of services hereunder. All such licenses, permits, registrations, accreditations, and certifications relating to services hereunder shall be made available to the County upon request.”

21. Paragraph 91 (Complaints) is added to the body of the Agreement to read as follows:

“91. COMPLAINTS:

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

- 91.1 Within (twenty) (20) business days after Agreement effective date, the Contractor shall provide the County with the Contractor’s policy for receiving, investigating and responding to user complaints.
- 91.2 The County will review the Contractor’s policy and provide the Contractor with approval of said plan or with requested changes.
- 91.3 If the County requests changes in the Contractor’s policy, the Contractor shall make such changes and resubmit the plan within (five) (5) business days for the County approval.
- 91.4 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.
- 91.5 The Contractor shall preliminarily investigate all complaints and notify the Facility’s Project Manager of the status of the investigation within (ten) (10) business days of receiving the complaint.
- 91.6 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.

91.7 Copies of all written responses shall be sent to the Facility's Project Manager within (ten) (10) business days of mailing to the complainant."

22. Paragraph 92 (Consideration of Hiring County Employees Targeted for Layoff or are on a County Re-Employment List) is added to the body of the Agreement to read as follows:

"92. 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 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 Agreement."

23. Paragraph 93 (Health Insurance Portability and Accountability Act of 1996 (HIPAA)) is added to the body of the Agreement to read as follows:

"93. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA):

The County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules"). Under this Agreement, the Contractor provides services to the County and the Contractor creates, has access to, receives, maintains, or transmits Protected Health Information as defined in Exhibit L in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit L - Business Associate Under Health Insurance Portability and Accountability Act of 1996 (HIPAA)."

24. Paragraph 94 (Non Exclusivity) is added to the body of the Agreement to read as follows:

"94. NON EXCLUSIVITY:

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

25. Paragraph 95 (Notice of Disputes) is added to the body of the Agreement to read as follows:

“95. NOTICE OF DISPUTES:

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

26. Paragraph 96 (Prohibition Against Inducement or Persuasion) is added to the body of the Agreement to read as follows:

“96. PROHIBITION AGAINST INDUCEMENT OR PERSUASION:

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

27. Paragraph 97 (Public Records Act) is added to the body of the Agreement to read as follows:

“97. PUBLIC RECORDS ACT:

97.1 Any documents submitted by the Contractor; all information obtained in connection with the County’s right to audit and inspect the Contractor’s documents, books, and accounting records pursuant to Paragraph 99 - Record Retention and Inspection/Audit Settlement of this Agreement; as well as any documents that may have been submitted in response to a solicitation process for this 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.

97.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in an action or liability arising under the Public Records Act.”

28. Paragraph 98 (Publicity) is added to the body of the Agreement to read as follows:

“98. PUBLICITY:

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

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this 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 Director or designee. The County shall not unreasonably withhold written consent.

98.2 The Contractor may, without the prior written consent of the County, indicate in its proposals and sales materials that it has been awarded this Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 98 shall apply.”

29. Paragraph 99 (Record Retention and Inspection/Audit Settlement) is added to the body of the Agreement to read as follows:

“99. RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT:

99.1 The Contractor shall maintain, and provide upon request by the County, accurate and complete financial records of its activities and operations relating to this 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 Agreement.

99.2 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 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 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.

99.3 In the event that an audit of the Contractor is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant

employed by the Contractor or otherwise, including audits conducted by the Medicare and Medi-Cal programs, or both, then the Contractor shall file a copy of each such audit report, including Service Organization Controls (SOC1) Reports, 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 Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

99.4 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 99 shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement.

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

30. Paragraph 100 (Recycled Bond Paper) is added to the body of the Agreement to read as follows:

"100. 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 Agreement."

31. Paragraph 101 (Termination for Non-Appropriation of Funds) is added to the body of the Agreement to read as follows:

"101. TERMINATION FOR NON-APPROPRIATION OF FUNDS:

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

32. Paragraph 102 (SaaS Limitation of Liability) is added to the body of the Agreement to read as follows:

“102. SAAS LIMITATIONS OF LIABILITY:

Notwithstanding any other provision of this Agreement, with respect to the services delivered pursuant to Exhibit A.2 (Statement of Work – EMS Repository):

102.1 NEITHER CONTRACTOR NOR COUNTY SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES, INCLUDING CLAIMS FOR DAMAGES FOR LOST PROFITS, GOODWILL, USE OF MONEY, INTERRUPTED OR IMPAIRED USE OF THE SOFTWARE, AVAILABILITY OF DATA, STOPPAGE OF WORK OR IMPAIRMENT OF OTHER ASSETS RELATING TO THIS AGREEMENT.

102.2 EXCEPT TO THE EXTENT ARISING FROM CONTRACTOR OR COUNTY'S WILLFUL MISCONDUCT OR CRIMINAL CONDUCT, EACH OF CONTRACTOR'S AND COUNTY'S MAXIMUM AGGREGATE LIABILITY FOR ALL CLAIMS OF LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED \$9,000,000.”

33. Exhibit A.2 (Statement of Work – EMS Repository) is added to the Agreement, which is attached hereto as Attachment 1 and incorporated herein by reference. References to Exhibit A in the Agreement shall include Exhibit A.2 (Statement of Work – EMS Repository) and references to attachments, tasks, and deliverables, and paragraphs of Exhibit A (Statement of Work) in the Agreement shall mean, where applicable, references to the equivalent item in Exhibit A.2 (Statement of Work – EMS Repository). The pages of Exhibit A.2 (Statement of Work – EMS Repository) are each designated at the bottom as “Added Under Amendment Number Twelve.”
34. Exhibit B (Schedule of Payments) is deleted in its entirety and replaced with revised Exhibit B (Schedule of Payments), which is attached hereto as Attachment 2 and incorporated herein by reference. The pages of revised Exhibit B (Schedule of Payments) are each designated at the bottom as “Revised Under Amendment Number Twelve.”
35. Exhibit C (Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement) is deleted in its entirety and replaced with revised Exhibit C (Contractor Employee Acknowledgment and Confidentiality Agreement), Exhibit C.1 (Contractor Non-Employee Acknowledgment and Confidentiality Agreement), which are attached hereto as Attachment 3 and incorporated herein by reference. The pages of revised Exhibit C (Contractor Employee Acknowledgment and Confidentiality Agreement), Exhibit C.1 (Contractor Non-Employee Acknowledgment and

Confidentiality Agreement) are each designated at the bottom as “Revised Under Amendment Number Twelve.”

36. Exhibit L (Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)), is deleted in its entirety and replaced with revised Exhibit L (Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)), which is attached hereto as Attachment 4 and incorporated herein by reference. The pages of revised Exhibit L (Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)) are each designated at the bottom as “Revised Under Amendment Number Twelve.”
37. Exhibit M (Information Security Requirements) is added to the Agreement, which is attached hereto as Attachment 5 and incorporated herein by reference.
38. 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 first above written.

COUNTY OF LOS ANGELES

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

CONTRACTOR

ESO SOLUTIONS, INC.

By: _____
Signature

Printed Name

Title

APPROVED AS TO FORM:
DAWYN HARRISON
County Counsel

By: _____
Truc Moore
Principal Deputy County Counsel

ATTACHMENT 1

TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEMS AGREEMENT

EXHIBIT A.2

**STATEMENT OF WORK
EMS REPOSITORY**

(ADDED UNDER AMENDMENT TWELVE)

SEPTEMBER 2023

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1. GENERAL

1.1 INTRODUCTION

CONTRACTOR is currently providing the COUNTY with an integrated Trauma and Emergency Medicine Information System (TEMIS). The TEMIS consists of four data registries, the EMS Repository, LA Fire Rescue, LA Base, and LA Trauma.

This Statement of Work only covers the upgrade of the EMS Repository to a software platform hosted by the CONTRACTOR in the cloud and accessible over the Internet via a website (commonly referred to as software-as-a-service (SaaS)) to gather real-time EMS incident and patient level data. CONTRACTOR will provide the COUNTY with a cloud-based and fully hosted system for the EMS Repository, to be referred to as “EMS Repository NEMSIS Standard” (“EMS Repository” or “SaaS Platform”). This will upgrade the client-based legacy LA Fire-Rescue data registry. LA Fire-Rescue is one of four data registries of the COUNTY’s TEMIS that is utilized to collect patient level information and patient care provided by EMS provider agencies (fire departments and ambulance operators) to patients in the pre-hospital setting.

TEMIS’ other three data registries are utilized to collect hospital related data of patients transported via the 9-1-1 system to analyze health information necessary for EMS system management and to meet COUNTY, State and Federal reporting requirements. TEMIS information is also utilized to share significant information between EMS provider agencies, 9-1-1 receiving facilities, and the COUNTY. CONTRACTOR will continue to provide and support the other three data registries (LA Fire Rescue, LA Base, and LA Trauma) as required by the Agreement until full transition to SaaS, with future statements of work covering such upgrade to SaaS to be negotiated by CONTRACTOR and COUNTY. References to EMS Repository herein will be to the SaaS Platform, and the currently existing EMS Repository that is being upgraded to the SaaS Platform by CONTRACTOR will be referred to as “Legacy System.” EMS Repository will be compliant and certified with the most current National Emergency Medical Services Information System (NEMSIS) standards and specifications.

1.2 OVERVIEW

This Statement of Work (SOW) consists of instructions, tasks, subtasks, deliverables, goods, services and other work.

CONTRACTOR shall perform all Tasks and Subtasks associated with the services set forth in this SOW and shall provide all associated Deliverables within the timeframes specified in the Project Work Plan and the applicable Implementation Timeline.

The services set forth in this SOW will be successfully completed upon delivery of a sufficiently user tested, fully functional System that meets the requirements and legal mandates of the COUNTY as detailed in the Agreement, while addressing all

functions and requirements described or referenced within this SOW and all applicable Attachments to this SOW.

CONTRACTOR shall perform, complete and deliver all tasks, subtasks, deliverables, goods, services and other work, however denoted, as set forth in this SOW. Also, defined herein are those Tasks and Subtasks that involve participation of both CONTRACTOR and the COUNTY. Unless otherwise specified as an obligation of the COUNTY, CONTRACTOR shall perform all Tasks and Subtasks and provide all Deliverables as defined herein.

1.3 **DEFINITIONS**

The terms defined below may be used throughout this SOW and the applicable Attachment to this SOW and shall take precedence in interpretation over the terms defined elsewhere in the Agreement.

- 1.3.1** Acceptance Test shall mean the COUNTY's written approval of any tasks, subtasks, deliverable, goods, services, or other work provided by CONTRACTOR to COUNTY pursuant to this SOW.
- 1.3.2** Conference(s) shall have the meaning specified in Subtask 1.2 – Prepare Status Reports and Conduct Conferences.
- 1.3.3** Final Acceptance Test shall have the meaning specified in Task 5 – Conduct Acceptance Test.
- 1.3.4** Functional Test shall mean the Acceptance Test to verify the System's compliance with the functional requirements, including the applicable Specifications.
- 1.3.5** Go-Live shall mean receiving and processing data through the EMS Repository and utilization of CONTRACTOR's reporting platform by authorized COUNTY users for live operation of COUNTY authorized users following the CONTRACTOR's completion and COUNTY's approval of implementation services with regards to the EMS Repository and CONTRACTOR's reporting platform.
- 1.3.6** Implementation Timeline shall mean the timeline for the implementation of the EMS Repository, as provided in Attachment G.2 (EMS Repository Implementation Timeline).
- 1.3.7** Integrated System Test shall mean the Acceptance Test to verify that the EMS Repository, including all of its software modules and interfaces, operates in an integrated manner and meets the system requirements of the EMS Repository.
- 1.3.8** NEMSIS Compliance shall mean TEMIS is certified to the current data standards and specifications established by the National Emergency Medical Services Information System to receive, store and transmit EMS data.

1.3.9 Project shall have the same meaning as implementation of EMS Repository.

1.3.10 Project Work Plan shall have the meaning specified in Subtask 1.1 – Develop Project Work Plan.

1.3.11 Schematron shall mean the rule-based validation language used to validate an Extensible Markup Language (XML) document.

1.3.12 Standard Test Plan shall have the meaning specified in Task 3 – Conduct Acceptance Test for EMS Repository.

1.3.13 Status Report(s) shall have the meaning specified in Subtask 1.2 – Prepare Status Reports and Conduct Conferences.

1.3.14 System Performance Test shall mean the Acceptance Test to verify the EMS Repository's compliance with the system performance requirements of the EMS Repository, including the applicable Specifications.

Capitalized terms used in this SOW without definitions shall have the meanings given to such terms in the body of the Agreement or any of the applicable Attachments to this SOW.

2 SCOPE OF WORK

The sequence in which tasks, subtasks and deliverables appear in this Section 2 of the SOW does not dictate the order in which such tasks, subtasks and deliverables may actually be performed. Unless specified otherwise by the COUNTY, while performing all Tasks and Deliverables listed below in this Section 2 of this SOW, CONTRACTOR shall provide documentation and knowledge transfer relating to such Tasks and Deliverables based on the COUNTY's specifications.

TASK 1 – PROJECT ADMINISTRATION

CONTRACTOR shall provide management and administration for the Project.

SUBTASK 1.1 – DEVELOP PROJECT WORK PLAN

CONTRACTOR shall review the Project requirements for the implementation of the EMS Repository, including the functional specifications and system performance requirements, with the COUNTY's Project Director and the COUNTY's Project Manager. Based upon that review, CONTRACTOR shall prepare a work plan for the Project (hereinafter "Project Work Plan") and submit it for written approval to the COUNTY's Project Director. CONTRACTOR shall update the Project Work Plan to include a detailed work plan for the implementation and testing of the EMS Repository, including, without limitation:

1. A list of milestones, major tasks, associated detailed tasks and associated deliverables.

2. Identification of milestones, tasks and associated deliverables requiring Acceptance by the COUNTY's Project Director upon achievement.
3. Identification of any resources to be provided by the COUNTY.

DELIVERABLE 1.1 – PROJECT WORK PLAN

CONTRACTOR shall deliver to the COUNTY a Project Work Plan prepared in accordance with Subtask 1.1 – Develop Project Work Plan. The Project Work Plan shall provide the basis for the EMS Repository services provided by CONTRACTOR under this Agreement, implementation, configuration and testing of SaaS Platform, including data conversion and migration, and any necessary training. Subsequent to the COUNTY's Project Director's approval, the Project Work Plan may be modified only if such modification has been approved in advance in writing by the COUNTY's Project Director or the COUNTY's Project Manager, as applicable.

CONTRACTOR shall, in accordance with the COUNTY's requirements, address the following major Tasks in the Project Work Plan:

Task 1 - Project Administration

Task 2 - Build and Implement the EMS Repository

Task 3 - Conduct Acceptance Tests for EMS Repository

Task 4 - Archive data in legacy data registry LA Fire Rescue

SUBTASK 1.2 – PREPARE STATUS REPORTS AND CONDUCT CONFERENCES

CONTRACTOR's Project Manager shall provide full project management and control of all Project activities during performance of all tasks set forth in this SOW. This task shall include, but not be limited to:

1. Planning and direction;
2. CONTRACTOR's staffing and personnel matters, including management of CONTRACTOR's technical staff;
3. Evaluation of results and status reporting;
4. Incorporation of the COUNTY's business and technical requirements;
5. Incorporation of required software modifications;
6. Management and tracking of all issues related to the Project.

CONTRACTOR's Project Manager and the COUNTY's Project Manager shall provide reports of Project status (hereinafter "Status Report(s)") on a regular basis and shall participate in regular status meetings and/or teleconferences (hereinafter

“Conference(s)”). The Project and reporting procedures shall include, but not be limited to, the following components:

1. Updated Project Work Plan;
2. Status Reports and Conferences.

The Status Reports prepared by CONTRACTOR’s Project Manager pursuant to this Subtask 1.2 – Prepare Status Reports and Conduct Conferences shall be used as the mechanism for CONTRACTOR to report any Project risks or problems identified as part of the implementation process.

DELIVERABLE 1.2 – STATUS REPORTS AND CONFERENCES

CONTRACTOR’s Project Manager shall prepare and present to the COUNTY’s Project Manager mutually acceptable written Status Reports documenting Project progress, plans, conferences and outstanding issues in accordance with Subtask 1.2 – Prepare Status Reports and Conduct Conferences. CONTRACTOR’s Project Manager shall meet with or conduct a status update phone/conference call with the COUNTY’s Project Manager at least monthly to review these Project Status Reports and any related matters. All variances shall be presented for approval at the status meeting. The first report shall be presented to the COUNTY’s Project Manager one (1) calendar month following the full execution of this Amendment, in a format approved by the COUNTY.

TASK 2 – BUILD AND IMPLEMENT THE EMS REPOSITORY (SAAS PLATFORM)

SUBTASK 2.1 – PROVIDE HARDWARE SPECIFICATIONS FOR ACCESSING EMS REPOSITORY

CONTRACTOR shall provide hardware specifications to access EMS Repository.

DELIVERABLE 2.1 – HARDWARE SPECIFICATIONS

CONTRACTOR shall provide in writing the hardware specifications to access EMS Repository in Subtask 2.1 and certify in writing that the COUNTY provided hardware comply with such specifications.

SUBTASK 2.2 – DEVELOP A SCHEMATRON FOR THE EMS REPOSITORY

CONTRACTOR shall develop a Schematron for the EMS Repository. CONTRACTOR shall assist COUNTY in developing a specific data dictionary defining each specific data variables and calculated fields contained in the EMS Repository.

DELIVERABLE 2.2 – SCHEMATRON FOR THE EMS REPOSITORY

CONTRACTOR shall submit in writing a listing of all data variables in the EMS Repository to the COUNTY and certify in writing that the EMS Repository Schematron is built and ready for publication.

SUBTASK 2.3 – PROVIDE SCHEMATRON FOR PUBLICATION

CONTRACTOR shall provide the COUNTY the Schematron for the EMS Repository in order for COUNTY to publish the Schematron to Los Angeles County EMS provider agencies.

DELIVERABLE 2.3 – SCHEMATRON FOR PUBLICATION

CONTRACTOR shall provide COUNTY with the Schematron for the EMS Repository for publication.

SUBTASK 2.4 – DEVELOP EMS REPOSITORY COMPLIANT WITH NEMSIS STANDARDS

CONTRACTOR shall develop an EMS Repository that is compliant with the latest NEMSIS Standards that is capable of successfully receiving data from EMS provider agencies and exporting NEMSIS compliant data to the California Emergency Medical Services Information System (CEMSIS) in the version requested by CEMSIS.

DELIVERABLE 2.4 – EMS REPOSITORY COMPLIANT WITH NEMSIS STANDARDS

CONTRACTOR shall provide COUNTY written documentation verifying that the EMS Repository is certified to Receive and Process at the latest NEMSIS Standards.

SUBTASK 2.5 – RECEIVE AND PROCESS NEMSIS-COMPLIANT DATA FROM EMS PROVIDER AGENCIES

The EMS Repository shall receive and import NEMSIS-compliant data from EMS provider agencies.

DELIVERABLE 2.5 – NEMSIS COMPLIANT DATA FROM EMS PROVIDER AGENCIES

COUNTY shall be able to validate the NEMSIS compliant data from EMS provider agencies are successfully imported into the EMS Repository through the NEMSIS website.

SUBTASK 2.6 – DEVELOP NEMSIS EXPORT

The EMS Repository shall allow County to create file exports from the EMS Repository that are compliant with latest NEMSIS Standards.

DELIVERABLE 2.6 – NEMSIS EXPORT

COUNTY shall be able to validate that NEMSIS compliant data from the EMS Repository was successfully submitted to CEMSIS.

SUBTASK 2.7 – IMPLEMENTATION OF ESO’S INSIGHT REPORTING PLATFORM

CONTRACTOR shall deliver and provide the COUNTY access to ESO’s Insight Reporting Platform for report generation of data residing in the EMS Repository.

DELIVERABLE 2.7 – ACCESS TO ESO’S INSIGHT REPORTING PLATFORM

CONTRACTOR shall provide the COUNTY written certification verifying access to ESO’s Insight Reporting Platform and COUNTY is able to generate reports from the EMS Repository.

TASK 3 – CONDUCT ACCEPTANCE TEST FOR EMS REPOSITORY

The Build and Implementation of the EMS Repository shall not achieve Acceptance by the COUNTY unless and until all of the following have occurred:

- 3.1 CONTRACTOR has successfully completed Task 2 – Build and Implement the EMS Repository as set forth in this Statement of Work and each and every Deliverable thereunder has been delivered to the COUNTY and has been approved in writing by COUNTY’s Project Manager.
- 3.2 EMS Repository meets all technical requirements and specifications in accordance with Attachment A.2 – EMS Repository Technical Requirements and Specifications, and all functional requirements in accordance with Attachment K – EMS Repository Functional Requirements.
- 3.3 CONTRACTOR has successfully completed all the Acceptance Tests set forth in Attachment C.2 – Acceptance Test for the EMS Repository.

DELIVERABLE 3 – ACCEPTANCE TEST FOR EMS REPOSITORY

CONTRACTOR shall conduct all the Acceptance Tests set forth in Attachment C.2 – Acceptance Test for the EMS Repository and Attachment K – EMS Repository Functional Requirements, and accepted by COUNTY’s Project Manager to have successfully met the Acceptance Test Criteria.

TASK 4 – MAINTAIN LEGACY DATA FROM FIRE RESCUE

CONTRACTOR shall archive data residing in the legacy Fire Rescue One data registry, at minimum, ten (10) years of legacy data; and provide a mechanism for COUNTY to abstract and report on these legacy data. Such data shall not be commingled with NEMSIS data.

DELIVERABLE 4 – DATA RESIDING IN FIRE RESCUE

CONTRACTOR shall certify in writing that the legacy data residing in Fire Rescue One are archived to a platform that would allow reporting of these legacy data and provide COUNTY secure access and a process to abstract and report all archived data.

TASK 5 - TRAINING

CONTRACTOR shall provide the following training, in each case provided by suitably qualified and experienced trainers:

- 5.1. When not specified herein, CONTRACTOR's Project Manager and COUNTY's Project Manager shall jointly determine maximum class size appropriate for each training session level and the number of training sessions offered.
- 5.2. Orientation Training – up to 4 hours – Provide training to equip COUNTY team with understanding on context of the decisions required in configuration – building block and how they affect decisions made.
- 5.3. System Administration Training – up to 8 hours for up to 10 COUNTY users – Training will include training in the administration of the software, user security roles and system access.
- 5.4. Pre-User Acceptance Test (UAT) Training – up to 8 hours – Training sessions led by CONTRACTOR to help COUNTY UAT staff understand navigation and terminology to conceptualize the system/processes prior to Train-the-Trainer. This training may be combined with other training events, and delivered on-line/remotely.
- 5.5. Train-the-Trainer Training – up to 16 hours – CONTRACTOR shall provide Super User training for COUNTY staff prior to Go-Live as part of one combined training class. This training, prior to Go-Live, will be instructor led. The objective is to include training of all Super Users on all EMS Repository modules and support maintenance functions. Training plan will require approval of COUNTY's Project Manager. A training session will be led by one CONTRACTOR Trainer on-site for up to ten (10) COUNTY participants and on-line (remote) for up to twenty (20) COUNTY participants.
- 5.6. Post Go-Live Training – up to 20 hours

CONTRACTOR shall provide post-implementation training – 20 hours of on-line training (training type of either System Administrator, Technician or IT support to be determined by COUNTY's Project Manager). This will be to provide refresher trainings on all EMS Repository aspects and functionalities, as needed by COUNTY. This training will be delivered during a period between 6 weeks and 6 months following Go-Live.

DELIVERABLE 5 – TRAINING

CONTRACTOR shall provide COUNTY training and training materials as required under Task 5.

TASK 6 – DEPLOY TO PRODUCTION: GO-LIVE

- 6.1 Upon completion of User Acceptance Testing by COUNTY, CONTRACTOR shall copy the configuration into the Production Environment. CONTRACTOR

shall analyze the configured EMS Repository to ensure that it meets COUNTY's specifications. CONTRACTOR's activities under this Task shall include, at a minimum:

1. Resolving issues identified during UAT testing cycles.
 2. Training COUNTY System Administrators in the administration of the SaaS platform.
 3. Generating Production Checklist outlining all cutover activities with completion dates, times and owner for each task.
 4. Performing required Go-Live and post Go-Live configuration activities that are assigned to Contractor, including technical and business support.
 5. Designating an Implementation Consultant who shall provide remote Go-Live support as agreed to by the parties.
- 6.2 The SaaS platform shall be deemed fully functional and ready for live and operational use ("Go-Live") upon successful completion of the UAT and when all discovered during the UAT (i) material deficiencies and (ii) any other issues which COUNTY considers critical or which are not scheduled to be resolved in an upcoming software release have been resolved, unless COUNTY agrees in writing for any such non-material issues to be resolved following Go-Live.

DELIVERABLE 6 – CUTOVER TO PRODUCTION: GO-LIVE

- 6.1 CONTRACTOR shall develop a Cutover Plan which shall all track activities during the cutover from the current Legacy System to the new SaaS Platform.
- 6.2 CONTRACTOR shall develop a Production Checklist of all COUNTY activities required for successful Go-Live of the EMS Repository in the Production Environment.

TASK 7 – PROVIDE POST GO-LIVE SUPPORT

CONTRACTOR shall provide post Go-Live Support. CONTRACTOR's activities under this Task shall, at a minimum, include:

Providing Post Go-Live Support to assistance rollout, including post Go-Live remote support, refresher training and/or general questions. In the event critical or material EMS Repository issues are discovered during the Post Go-Live Support Period (e.g., with Critical Business Impact, Service Down or Significant Business Impact), CONTRACTOR's staff shall provide support until the resolution of all such issues is mapped out and agreed to by COUNTY's Project Manager, at no additional cost to COUNTY.

DELIVERABLE 7 – POST GO-LIVE SUPPORT

CONTRACTOR shall assemble and provide to COUNTY appropriate deliverable documentation for the Software.

3 ATTACHMENT A.2 – EMS REPOSITORY TECHNICAL REQUIREMENTS AND SPECIFICATIONS

3.1. GENERAL TECHNICAL REQUIREMENTS

3.1.A. EMS REPOSITORY ADMINISTRATION

1. The EMS Repository shall allow authorized site-specific users to manage site-specific user groups and user accounts, up to and including their level of authority.
2. The EMS Repository shall allow all users to reset their own passwords.
3. The EMS Repository shall allow administrators to delegate authority, by user group to restore EMS Repository access of locked out user.
4. The EMS Repository shall provide the ability to restrict access based on user's account privileges.
5. The EMS Repository shall provide the ability to specify roles and privileges based on IP locations.
6. The EMS Repository shall allow the restriction of rights, privileges or access by user or security role.
7. The EMS Repository shall allow restricting the rights, privileges, or access of processes to the minimum required for authorized tasks.
8. The EMS Repository shall have the ability to display the last date and time the user logged onto the EMS Repository at the time of login.
9. The EMS Repository allows revocation of the access privileges of a user without requiring deletion of the user.
10. They EMS Repository shall allow assigning multiple roles to one user.

3.1.B. ADMINISTRATIVE REPORTING

1. The EMS Repository shall implement event, audit and access logging that complies with current HIPAA Security Rule.
2. The EMS Repository shall provide summarized and detailed reports on COUNTY user access, and other standard back-end administrative reporting.
3. The EMS Repository shall provide online reporting capability to authorized County System managers for necessary review and accountability.
4. The EMS Repository shall allow Contractor to respond to periodic requests for:
 - Configuration, user accounts, roles and privileges reports.

- Listing of privileged account holders within the EMS Repository environment.

3.1.C. CONFIGURATION MANAGEMENT

1. The EMS Repository shall provide the ability to maintain multiple operating environments for development, test, training, and production.
2. The EMS Repository shall ensure administration interfaces require strong authentication and authorization.
3. The EMS Repository shall provide administrator privileges that are separated based on roles (e.g., site content developer, System administrator).
4. The EMS Repository shall provide secured remote administration channels (e.g., SSL, VPN).
5. The EMS Repository shall provide configuration stores that are secured from unauthorized access and tampering.
6. The EMS Repository shall provide configuration credentials and authentication tokens held in plain text in configuration files (e.g., client configuration file with remote ID login and password).
7. The EMS Repository shall provide user accounts and service accounts used for configuration management that provide only the minimum privileges required for the task.

3.2. EMS REPOSITORY SECURITY REQUIREMENTS**3.2.A. USER PROFILES/ROLES**

1. The EMS Repository shall provide the ability for users to define and store user profile information, including but not limited to, the user's name, user ID, employee ID, professional designation, etc.
2. The EMS Repository shall have the ability to link the user logon ID to his/her employee number, as well as to the location or group of locations to which the user is assigned.
3. The EMS Repository shall provide the ability to define user roles and user groups and associate these with user accounts.
4. The EMS Repository shall allow the creation and assignment of user roles that limit a user's privileges to their scope of practice.
5. The EMS Repository shall have role-based security and shall enable access of reports and dashboards to be restricted to specific roles based on security levels.
6. The EMS Repository shall allow the creation and assignment of user roles that define their required and allowed actions in workflows.

7. The EMS Repository shall allow the assignment of multiple roles to be selected from the user at login.
8. The EMS Repository shall allow users to customize their interfaces with favorited or regularly used reports.

3.2.B. EMS REPOSITORY ACCESS

1. The EMS Repository shall provide ability to use a single user sign-in for all modules with security configured for each module.
2. The EMS Repository shall have the ability for secure module to be maintained by an in-house System Administrator as to COUNTY employees.
3. The EMS Repository shall allow an unlimited number of users to access and use the EMS Repository at the same time.
4. The EMS Repository shall automatically notify users and force them to change passwords on a pre-defined frequency.
5. The EMS Repository shall provide an efficient, flexible way to control and administer multiple levels of user access.
6. The EMS Repository shall have the ability to support web-based client access or other internet-based client access technologies, with appropriate security access controls.
7. The EMS Repository shall provide password complexity EMS Repository standards.
8. The EMS Repository shall provide the password change rules for user accounts.
9. The EMS Repository shall provide lock-out capability after a pre-defined number of unsuccessful user sign-on attempts.
10. The EMS Repository shall not display passwords as clear text (Password Masking).
11. The EMS Repository shall provide integrated security managed in a central accounts database.
12. The EMS Repository shall encrypt passwords before being stored or transmitted.
13. The EMS Repository shall allow users to re-authenticate and remotely log out of an active user session before logging in at another location.
14. The EMS Repository shall encrypt sensitive data transmitted between clients and servers using Secure Socket Layer (SSL) Certificates, Transport Layer Security (TLS), or by other means.

15. The EMS Repository shall restrict users, based on their security role from directly accessing the database.
16. The EMS Repository shall allow secure password resets in case passwords are forgotten.
17. The EMS Repository shall have the ability to assign application access rights across entire suite of applications at a single point of entry.
18. The EMS Repository shall support a pre-defined time for passwords to be changed and suspended per user's role, access level and defined inactivity period. The COUNTY standard for users is 90 days.

3.2.C. AUTHENTICATION

1. The EMS Repository shall ensure all EMS Repository and user accounts are identified.
2. The EMS Repository shall ensure Multi-Factor authentication for public facing access to the application.
3. The EMS Repository shall ensure web sites are partitioned into un-restricted and restricted areas using separate folders.
4. The EMS Repository shall provide authentication that users least-privileged accounts.
5. The EMS Repository shall ensure that minimum information is returned in the event of authentication failure.
6. The EMS Repository shall ensure credentials are secured/encrypted in storage, and over the wire via Secure Socket Layer (SSL/TLS 1.2 or higher) or IP Security (IPSec), if Structured Query Language (SQL) authentication is used (e.g., communication between the application server and the database server).

3.2.D. AUTHORIZATION

1. The EMS Repository shall ensure measures are in place to prevent, detect and log unauthorized attempts to access the EMS Repository.
2. The EMS Repository shall ensure rights and privileges are assigned based on authorization roles.
3. The EMS Repository shall ensure database restricts access to stored procedures to authorized accounts only.
4. The EMS Repository shall ensure all account IDs that are used by the EMS Repository are identified and the resources accessed by each account is known.
5. The EMS Repository shall ensure roles are mapped to user and data interfaces. Role rights and privileges are identified and maintained in an access control list.

6. The EMS Repository shall ensure resources are mapped to EMS Repository roles and allowed operations for each role.

3.2.E. INTEGRITY CONTROLS

1. The EMS Repository shall ensure measures are in place to detect unauthorized changes to information.
2. The EMS Repository shall ensure measures are in place to protect information from being accidentally overwritten.
3. The EMS Repository shall support integrity mechanisms for transmission of both incoming and outgoing files, such as parity checks and cyclic redundancy checks. (CRCs).
4. The EMS Repository shall ensure measures are in place to prevent the upload of unauthorized files (e.g., executable files).

3.2.F. SENSITIVE DATA (E.G., EPHI, PERSONALLY IDENTIFIABLE INFORMATION)

1. The EMS Repository shall ensure sensitive data and secrets are not incorporated in code.
2. The EMS Repository shall ensure secrets are stored securely using a one-way hash. Database keys, connections, passwords, or other secrets are not stored in plain text.
3. The EMS Repository shall ensure sensitive data is not logged in clear text by the EMS Repository.
4. The EMS Repository shall ensure sensitive data is not transmitted using insecure protocols, such as FTP, telnet, sftp, etc., unless through an authenticated encrypted connection (e.g., VPN).
5. The EMS Repository shall ensure sensitive data is not stored in persistent cookies.
6. The EMS Repository shall ensure measures are in place to prevent, detect and log unauthorized attempts to access sensitive or confidential data.
7. The EMS Repository shall restrict transactions involving financial or sensitive data to authorized user sessions originating on the County Intranet WAN only. Access to such transactions from the Internet is blocked.
8. The EMS Repository shall restrict access to financial transactions and other sensitive data by authorized users outside the County Intranet to Read Only mode.
9. The EMS Repository shall ensure all user sessions involving financial transaction or sensitive data are encrypted using SSL/TLS 1.2 or higher/HTTPS.

10. The EMS Repository shall provide administrative ability to block user's access to individual patient records for privacy reasons.

3.2.G. ENCRYPTION

1. The EMS Repository shall have the ability to encrypt electronic PHI at rest or in motion, and support all required encryption process, to conform with the current HIPAA Security Rule.

3.2.H. INPUT VALIDATION

1. The EMS Repository shall ensure that input validation is applied whenever input is received through user or external data interfaces. The validation approach is to constrain, reject, and then sanitize input.
2. The EMS Repository shall be designed with EMS Repository validation that assumes that user input is malicious.
3. The EMS Repository shall validate data from type, length, format, and range. Data validation is consistent across the EMS Repository.
4. The EMS Repository shall be designed to avoid un-trusted input of file name and file paths. (i.e., does not accept file names or file paths from calling functions. Decisions are not made based on user-supplied file names or paths.)
5. The EMS Repository shall be designed so that the EMS Repository does not use parent paths when data within the EMS Repository is being accessed. Attempts to access resources using parent paths are blocked.
6. The EMS Repository shall ensure web server always asserts a character set: a locale and county code.

3.2.I. TIMEOUTS

1. The EMS Repository shall provide an automatic timeout if the session is idle for a prespecified and configurable duration.
2. The EMS Repository shall warn the user before the timeout and prompts the user to re-enter their password.

3.2.J. PARAMETER MANIPULATION

1. The EMS Repository shall ensure all input parameters are validated (including form fields, query strings, cookies, and HTTP headers).
2. The EMS Repository shall support cookies with sensitive data (e.g., authentication cookies) are encrypted,
3. The EMS Repository shall ensure sensitive data is not passed in query strings of form fields.

4. The EMS Repository shall support security decisions on information other than HTTP header information.

3.3. SYSTEM USE AND INTEROPERABILITY

3.3.A. SCALABILITY

1. The EMS Repository shall be scalable and adaptable to meet any reasonable future growth and expansion needs.
2. The EMS Repository shall contain a single database for all solutions and modules.

3.3.B. INTERFACES

1. The EMS Repository shall support standard Application Programming Interface (API).
2. The EMS Repository shall support standard Simple Object Access Protocol.
3. The EMS Repository shall provide the ability to validate incoming messages.
4. The EMS Repository shall provide the ability to perform data transformations.
5. The EMS Repository shall provide the ability to load information from NEMSIS-standard XML.
6. The EMS Repository shall be scriptable/programmable using an industry standard language.
7. The EMS Repository shall support standard logging levels (WARN, INFO, DEBUG, TRACE) at the interface layer.
8. The EMS Repository shall have the ability to evaluate interface messages for accuracy, completeness, and reject messages that are not constructed properly as well as the capability to generate reports of failed messages.
9. The EMS Repository shall have the capability to analyze, correct and resend messages that have been rejected.

- 3.3.C.** The EMS Repository shall provide the ability to automatically transfer data to external agencies on a real-time (or near real-time) basis.

3.3.D. DATA CONVERSION

1. The CONTRACTOR shall provide all services needed to transform, standardize, migrate, and load external legacy electronic data in order to establish an initial database suitable for life organization operations.

3.3.E. FLEXIBILITY

1. The EMS Repository shall ensure functionality and associated business rules shall be configurable without requiring “code” modifications.
The EMS Repository shall provide screens that reflect the data fields/elements that are selected by County.
2. The EMS Repository shall provide the ability to create and/or modify the business rules which determine the acceptance/correctness of data.
3. The EMS Repository shall provide the ability for on-line access by any site connected to the organization WAN.
4. The EMS Repository shall provide the ability for secure remote access by authorized individuals (e.g., web-based VPN access).

3.3.F. END-USER INTERFACE

1. The EMS Repository shall use the standard out-of-the-box GUI tools to create solution user interfaces.
2. The EMS Repository shall ensure that all components are substantially compliant with the American Disabilities Act (ADA) and Section 508.
3. The EMS Repository shall provide dynamic content and views based on user role.
4. The EMS Repository shall have a customizable online documentation and training materials such as context-specific help, search capability, organization-specific business process documentation and process maps.
5. The EMS Repository shall provide the ability for a single user to open multiple sessions concurrently.

3.3.G. REPORTING

1. The EMS Repository shall present data in graphical (e.g., charts, graphs) and numeric displays based on data with the EMS Repository.
2. The EMS Repository shall have the ability to export reports directly to Excel, HTML, or PDF formats.
3. The EMS Repository shall provide ad hoc and standard query capabilities (with and without input parameters).
4. The EMS Repository ad hoc reporting tool shall be able to access any delivered or added filed in the database.
5. The EMS Repository shall provide ability to create and maintain a report distribution mechanism with predefined reports (e.g., monthly reports that are specific by role, organization, and location via portal or Web).

6. The EMS Repository shall provide security to protect reports created by one user from being viewed, modified, and /or executed by another user.
7. The EMS Repository shall provide the ability to view the fields selected for previously generated reports by any user, provided that the data in such fields for the report are not stored when generated.
8. The EMS Repository shall provide capability to schedule reports and dashboards to run automatically according to County specified intervals.
9. The EMS Repository shall allow for reporting by exception.
10. The EMS Repository shall allow print preview of all reports before printing and have print screen and selective page(s) print functionality.
11. The EMS Repository shall allow for user-friendly end-use report creation without requiring technical staff or expertise to create and publish reports within the modules.

3.3.H. CONTENT AND DOCUMENT MANAGEMENT

1. The EMS Repository shall have the ability to scan, attach and store imaged (scanned) documents and electronic files.
2. The EMS Repository shall enable indexing and searching of documents by a variety of user-define metadata attributes.
3. The EMS Repository shall support for full text search.
4. The EMS Repository shall enable attachment of documents to e-mails and e-mail distribution lists.

3.4. HOSTING REQUIREMENTS

3.4.A. HOSTING SERVICE OVERVIEW

1. The CONTRACTOR's hosting services is permitted to be provided by Microsoft's Azure (commercial) services, and subject to its features and availability. CONTRACTOR shall be responsible for using Azure as its hosting provider.
2. The CONTRACTOR's hosting services shall provide adequate firewall protection in order to secure Personal Data and other Confidential Information users of the EMS Repository from unauthorized access by third parties.

3.4.B. CLOUD HOSTING

1. The EMS Repository shall be hosted on an industry standard cloud hosting platform.
2. The CONTRACTOR's hosting services cloud solution must allow for hosting in the cloud without excessive effort and/or re-configuration.

3.4.C. HOSTING SERVICE OPERATIONS

1. The CONTRACTOR shall have a process in place for transitioning from development to production operations.
2. The CONTRACTOR shall have well established maintenance and management procedures.
3. The CONTRACTOR shall have a documented process for capacity planning and management.
4. The CONTRACTOR shall have a documented methodology for monitoring, measuring, and reporting the performance metrics and EMS Repository accounting information.
5. The CONTRACTOR shall have a documented procedure for management of staff and operations 24 hours per day, 7 days per week, and 365 days per year.
6. The CONTRACTOR shall monitor computing systems and communications circuits 24 hours per day, 7 days per week, 365 days per year.
7. The CONTRACTOR shall have a documented procedure for incident response and escalation.
8. The contractor shall maintain an industry standard, ITIL-based Change Management process and system.
9. The CONTRACTOR shall have a documented procedure for managing, monitoring, and maintaining interfaces.
10. The CONTRACTOR shall manage and clearly communicate roles and responsibilities for its staff and COUNTY staff.
11. The CONTRACTOR shall provide continuous monitoring and management of the Hosting Environment to optimize support, performance, and EMS Repository availability.
12. The CONTRACTOR shall provide a means for the COUNTY to monitor EMS Repository uptime and response time of the Hosted Services.
13. The CONTRACTOR shall provide and maintain a method for escalation of issues, and log all incidents, problems and error corrections.

3.4.D. HOSTING SERVICE DISASTER PREPAREDNESS & RECOVERY

1. The CONTRACTOR shall have a documented procedure for responding to unscheduled downtime.
2. The EMS Repository shall meet a Recovery Time Objective (RTO) of 24 hours and Recovery Point Objective (RPO) of 24 hours.

3. The CONTRACTOR shall have documented strategy, architecture and procedures for Business Continuity that meet industry standards for RTO of 24 hours and RPO of 24 hours.
4. The CONTRACTOR shall have a documented strategy, architecture and procedures for Disaster Recovery that meet industry standards for RTO of 24 hours and RPO of 24 hours.
5. The CONTRACTOR shall have a documented strategy, architecture, and procedures for Backup/Restore that meet industry standards for RTO of 24 hours and RPO of 24 hours.
6. The CONTRACTOR shall have a documented procedure for prompt client communication in the event of an unscheduled downtime.
7. The EMS Repository shall have the ability to seamlessly failover to a secondary site in a different geographic location and/or disaster zone.
8. The EMS Repository shall have the ability to report on uptime/downtime history.

3.4.E. HOSTING SERVICE SECURITY

1. The CONTRACTOR shall be responsible for physical and logical security for all service components (hardware and software) and data.
2. The CONTRACTOR shall complete DHS SaaS questionnaire and provide their SOC2 Type II report with a corrective action plan for any identified weaknesses.
3. The CONTRACTOR shall use industry standard encryption for all data at rest or in motion.
4. The CONTRACTOR shall provide intrusion detection and prevention, including network intrusion and virus detection systems throughout Hosted Services network and computing infrastructure.
5. The CONTRACTOR shall meet the requirements of the current federal HHS HIPAA Security Rule.

3.4.F. HOSTING SERVICE LEVELS

1. The CONTRACTOR shall provide an approach for defining and calculating System availability.
2. The EMS Repository shall maintain 99.5% availability for the SaaS Platform for webservice submissions from agencies and for COUNTY application access, excluding planned maintenance.
3. The CONTRACTOR shall respond to reasonable inquiries regarding Service Level performance and monitoring activities.

4 ATTACHMENT B.2 – SUPPORT SERVICES, MAINTENANCE SERVICES, AND SERVICE LEVELS FOR EMS REPOSITORY (SAAS PLATFORM)

4.1 SUPPORT SERVICES

Support services shall include all goods and services necessary to manage, operate and support the SaaS Platform to comply with the requirements and specifications. Support services, include, but are not limited to, help-desk support during support hours and off-hours, , regular updates and/or patches required to fix defects or issues, and access to knowledgeable CONTRACTOR personnel who can answer questions on the use of the SaaS Platform or provide analysis on SaaS Platforms to operational problems.

The support services shall be in accordance with Contractor's standard SaaS support terms attached hereto as Attachment L, and include:

- A. Software updates to the SaaS Platform to keep current with industry standards, enhancements, updates, patches, bug fixes, etc., the specifications, the requirements and as provided to CONTRACTOR general customer base, in coordination with COUNTY Project Manager. Software updates shall include, but not be limited to, enhancements, version releases and other improvements and modifications to the SaaS Platform. Without limiting any other provisions of the Agreement, including, without limitation, the statement of work, software updates to the SaaS Platform shall be provided to COUNTY at least every year, unless otherwise agreed to by COUNTY and CONTRACTOR.
 - 1. CONTRACTOR shall notify COUNTY of all software updates to the SaaS Platform prior to the anticipated installation date thereof. CONTRACTOR provision and installation of such software updates to the SaaS Platform shall be at no additional cost to COUNTY beyond any applicable support fees. Any software updates necessary to remedy security problems in the SaaS Platform (e.g., closing "back doors" or other intrusion-related problems) shall be provided promptly following CONTRACTOR knowledge of such problems. COUNTY shall also be notified in writing within five (5) calendar days of CONTRACTOR knowledge of the existence of any intrusions or other security problems or breaches that materially affect the integrity of the SaaS Platform.
 - 2. CONTRACTOR shall correct any failure of the SaaS Platform and deliverables to perform in accordance with the requirements, including without limitation, defect repair, programming corrections, and remedial programming, and provide such services and repairs required to maintain the SaaS Platform and deliverables so that they operate properly and in accordance with the requirements.
- B. Maintenance of the SaaS Platform's compatibility with TEMIS Facilities (Attachment C) Environment by providing, among others, software updates to the SaaS Platform and hardware upgrades to the SaaS Platform hardware.

- C. Help desk support including access to knowledgeable CONTRACTOR personnel who can answer questions on the use of the SaaS Platform or provide analysis on SaaS Platforms to operational problems, which TEMIS Facilities may encounter during support hours. The CONTRACTOR help desk support shall be made available to the COUNTY from 6 A.M. Pacific Standard Time to 6 P.M. Pacific Standard Time. Including unlimited telephone access to help desk support. The CONTRACTOR shall answer calls received by the answering service based on the criticality of the request as described below.
- D. Online access technical support bulletins and other user and self-help support information and forums.
- E. Support Requests

CONTRACTOR shall respond to COUNTY support service requests as part of support services. CONTRACTOR shall:

1. Set up a service request tracking SaaS Platform as required below.
2. Participate in weekly meetings with COUNTY to discuss status of, and improvement of response time to, service requests.
3. Provide recommendations to COUNTY for issue identification and resolution procedures, including steps to diagnose whether issues originate in COUNTY-owned or TEMIS Facility-owned or CONTRACTOR-controlled settings.
4. Notify COUNTY of any issues CONTRACTOR discovers that materially and adversely impact the SaaS Platform.
5. Provide, manage, and maintain a method for proper notification and escalation of issues.
6. Log all incidents and problems.
7. Provide incident and management reports and statistics to COUNTY as requested by COUNTY.
8. Conduct calls as requested by COUNTY to discuss service requests and related issues.
9. Report monthly on service requests, including the tracking and reporting of any issues.

CONTRACTOR shall not withhold support services due to any dispute arising under the Agreement, another Agreement between the parties, or any other related or unrelated dispute between the parties. CONTRACTOR shall not remove from COUNTY facilities or retain a copy of any COUNTY data obtained from, or as a result of access to, COUNTY systems unless

that removal or retention is reasonably necessary to perform the support services or is otherwise approved in writing by COUNTY.

F. CONTRACTOR's customer support shall also include:

1. COUNTY and TEMIS Facilities designated technical support staff that provide first level support shall have access to CONTRACTOR's customer support through the methods outlined in this Attachment.
2. CONTRACTOR shall provide a telephone number for COUNTY and TEMIS Facilities staff to call during normal business hours. This telephone number shall be managed by an automated system to quickly connect COUNTY and TEMIS Facilities staff with the appropriate customer support personnel.
3. CONTRACTOR's automated system shall include the functionality of leaving detailed voice mails describing the issues. The voice mails and live support must be responded to based on the criticality of the request (see Section 4.4.A Support Request Service Levels).
4. CONTRACTOR's customer support shall made be available to COUNTY during the hours of 6 A.M. Pacific Standard Time to 6 P.M. Pacific Standard Time.

G. Service Request Tracking System

1. For use in responding to COUNTY's maintenance and support requests, CONTRACTOR shall maintain an automated Support Request Tracking System ("SRTS") with a description of each support request, response, and status. CONTRACTOR shall review and update all open support requests and follow up on unresolved support requests on a weekly basis. CONTRACTOR will provide COUNTY "read only" access to the SRTS for COUNTY's separate review of all open and closed COUNTY support requests. Each support request shall be detailed in an internet accessible support request report, in an exportable format agreed upon by COUNTY, and shall include the following information.
 - a. Identification Number. An automatically assigned unique identification number, which shall be used to track, document and respond to inquiries relating to a specific support request.
 - b. Date and Time. The date and time the support request was initiated, which shall be used to document and/or monitor overall response and resolution time.
 - c. Support Contact: The name, title, and telephone number of the person initiating the support request, who shall be the primary point(s) of contact used for inquiries regarding the request, unless otherwise assigned by COUNTY's Project Manager.

-
- d. Call Taker. The name of CONTRACTOR personnel taking the call or first receiving an electronically submitted support request.
 - e. CONTRACTOR employee currently assigned. The name and title of the CONTRACTOR's employee currently managing the resolution.
 - f. Error Correction. Means (i) with respect to the SaaS Platform, either a modification to the SaaS Platform that corrects an error in all material respects, or a procedure or routine that, when implemented in the regular operation of that SaaS Platform, eliminates the adverse effect of the error in all material respects, and (ii) with respect to services or deliverables, modification, workaround, or performance that corrects an error in all material respects or eliminates the adverse effects of the error in all material respects.
 - g. Location. Facility and/or physical location where the problem occurred.
 - h. Error Priority Level. The error priority level as indicated in Attachment L.
 - i. Reference Number. The COUNTY-assigned reference number, if applicable.
 - j. Service Request Description. A detailed description of the problem or error encountered or support requested.
 - k. Attached Documentation. The identification or description of, and, if available, copies of, documentation submitted by COUNTY with the support request to clarify the request, including screen prints, logs, report samples, etc.
 - l. Service Request Type. The support request type (e.g., software change, error, report request, etc.), as assigned by COUNTY which categorizes and specifies the type of request.
 - m. Service Request Subtype. The support request subtype (e.g., specific function to be changed, specific function that is deficient, type of report change requested, etc.), as assigned by COUNTY, as a subcategory of the service request type defined in Section 4.4.A. (Support Request Service Levels) of this Attachment.
 - n. Resolution Description. The CONTRACTOR's analysis of the problem, and the proposed resolution (e.g., revision).
 - o. Resolution Platform Activity. The CONTRACTOR's resolution activities and activity dates to monitor resolution time (e.g., description of calls to and from CONTRACTOR and

COUNTY, referrals to CONTRACTOR's staff for correction or investigation, referrals to third party product vendor, coordination of revision releases, validation of correction prior to release to COUNTY, etc.).

- p. Estimated Fix Date. The estimated date for CONTRACTOR to complete the support request.
 - q. Correction Applied Date. The date CONTRACTOR applied the correction.
 - r. Resolution Status. The current status of the support request (e.g., open or closed).
2. CONTRACTOR shall maintain a historical knowledge base of support service-related problems to identify patterns and facilitate timely resolution.

4.2 MAINTENANCE SERVICES

Maintenance Services shall include all goods and services necessary to provide and maintain the back-end of the SaaS Platform in order to comply with the requirements and specifications. The Maintenance Services shall be considered part of the provision of the SaaS Platform and shall be provided to at no additional cost to COUNTY beyond the applicable fees for the SaaS Platform.

As part of Maintenance Services, CONTRACTOR shall provide maintenance of the server software that is part of the server environment ("Server Environment") for the SaaS Platform, including but not limited to operating software, database software and other software installed in the Server Environment that is not licensed software ("Server Software"). CONTRACTOR shall update, upgrade or replace these server software components during the Term of the Agreement to comply with the specifications, the requirements and the warranties specified in the Agreement and to support and be compatible with the licensed software including any revisions provided by CONTRACTOR under the Agreement.

Maintenance Services shall include:

A. SaaS Platform Hosting

Provide the SaaS Platform to COUNTY and TEMIS Facilities on a 24 hours per day, 7 days per week, 365 days per year basis in accordance with the Agreement and Attachment J (Hosting Services Terms and Conditions) of the Agreement.

B. SaaS Platform Monitoring

CONTRACTOR will perform continuous monitoring and management of the SaaS Platform to optimize availability of the SaaS Platform. Included within the scope of this sub-paragraph is the proactive monitoring of the server and all service components of CONTRACTOR's hosting environment and

firewall for trouble on a 7 day by 24 hour basis. CONTRACTOR shall maintain redundancy in all key components such that outages are less likely to occur due to individual component failures. CONTRACTOR will monitor “heartbeat” signals of all servers, routers, and leased lines, and http availability of the SaaS Platform, by proactive probing at 30-second intervals 24 hours a day using an automated tool. If a facility does not respond to a ping-like stimulus, it shall be immediately checked again. When CONTRACTOR receives a “down” signal, or otherwise has knowledge of an outage or error (including, without limitation, any failure in the server or application software and/or hardware used to provide the SaaS Platform), CONTRACTOR personnel will:

1. Confirm (or disconfirm) the Outage by a direct check of the facility.
2. If confirmed, take such action as may restore the service, or, if determined to be an internet service provider or telecom carrier problem, open a trouble ticket with the relevant companies.
3. Notify COUNTY by telephone according to mutually agreed upon procedures if an outage is expected to last more than two hours.
4. Work each error until resolution, escalating to management or to engineering as required.

4.3 BACKUPS

CONTRACTOR shall provide for both the regular back-up of standard file systems relating to the SaaS Platform and COUNTY data, and the timely restoration of such data on request by COUNTY due to a SaaS Platform failure. All COUNTY systems that need to be taken offline need either a request for change or a standard operating procedure in place before they are taken offline. in particular, CONTRACTOR shall:

- A. Perform weekly full back-ups.
- B. Perform daily incremental back-ups.
- C. Retain one back-up of the SaaS Platform’s transactional database per month for 35 days.
- D. Fulfill restoration requests as directed by COUNTY due to site failures. Restoration will be performed in accordance with Azure service levels.
- E. Periodically review and validate CONTRACTOR’s backup procedures, and periodically validate the accuracy and integrity of the backup data. CONTRACTOR shall provide a written report of any inaccuracies and inconsistencies in a format approved by COUNTY.

4.4 SERVICE LEVELS

- A. Support Request Service Levels

CONTRACTOR shall respond to and Resolve Support Requests as set forth in this Attachment B.2.

1. Escalation. With respect to any Critical Support Request, until Resolved, CONTRACTOR shall escalate that Support Request within sixty (60) minutes or as quickly as reasonably practicable of Receipt to the appropriate CONTRACTOR support personnel (as designated by CONTRACTOR), including, as applicable, CONTRACTOR's Supervisor of Client Operations.

B. Availability Service Level

The SaaS Platform shall be available for the percentage of the time each month of the term of the Agreement as set forth below:

In each calendar month of the term of the Agreement, the SaaS Platform shall maintain 99.5% availability for webservice submissions from agencies and for COUNTY application access, in each case excluding planned maintenance.

"Availability" means the actual uptime expressed as a percentage of the scheduled uptime for the SaaS Platform (i.e., $\text{availability \%} = ((\text{scheduled uptime} - \text{downtime}) / (\text{scheduled uptime})) \times 100\%$).

"Scheduled Uptime" means twenty-four (24) hours each day, seven (7) days per week, excluding regular maintenance windows following notification to the COUNTY. Notwithstanding anything herein, CONTRACTOR shall ensure that the SaaS Platform remain available for use during the foregoing maintenance windows to the extent reasonably practicable and that maintenance shall not occur during a high-need period.

"Downtime" means the aggregate duration of outages for the SaaS Platform during the applicable scheduled uptime during a calendar month.

"Outage" means any time during which the SaaS Platform (or any portion thereof) is not available for use during a calendar month, measured from the earliest point in time that such outage is or reasonably should be detected by CONTRACTOR, but in any event no later than the time the outage actually occurred. An outage is an Error.

"Unplanned Downtime" shall mean an outage that is not the result of a regularly scheduled or other scheduled maintenance window.

"Available For Use" shall mean the ability of the SaaS Platform to be utilized or accessed by COUNTY and TEMIS Facilities as contemplated under the Agreement(s), including conformance to the requirements and specifications, and without material degradation of performance.

C. Service Level Credits

In the event 99.5% availability for the SaaS Platform for webservice submissions from agencies and for COUNTY application access is not achieved for any calendar month, then COUNTY shall receive a credit on its next annual fee invoice of 10% for each month that this level was not achieved.

D. Meetings

CONTRACTOR and COUNTY shall meet at least once every two weeks, and as mutually agreed based on caseload to review the status of open Support Requests, and discuss trends and issues relating to Support Requests and approaches to reducing the number of Support Requests as well as improving both COUNTY and CONTRACTOR responses to such Support Requests.

4.5 SERVICE LEVEL FAILURES AND SERVICE LEVEL CREDITS

A. Termination for Chronic Service Level Failures

In addition to its termination rights under the Agreement, COUNTY may, in its sole discretion, terminate the Agreement without further obligation to CONTRACTOR in the event CONTRACTOR fails to achieve the required Service Level two (2) times in any two (2) consecutive month period, or three (3) times in any five (5) month period.

4.6 CORRECTIVE ACTION PLAN

In the event two (2) or more Critical Support Requests (i.e. Severity 1 Error or Severity 2 Error) occur in any thirty (30) calendar day period during the Term of the Agreement, CONTRACTOR shall promptly investigate the root causes of such support issues and shall provide to COUNTY within five (5) business days of the occurrence of the second Critical Support Request an analysis of such root causes and a proposed corrective action plan for COUNTY's review, comment, and approval (the "Corrective Action Plan"). The Corrective Action Plan shall include, at a minimum: (a) a commitment by CONTRACTOR to devote the appropriate time, skilled CONTRACTOR personnel, systems support and equipment, and/or resources to remedy, and prevent any further occurrences of critical support request issues; and (b) time frames for implementation of the Corrective Action Plan. there shall be no additional charge (other than those fees set forth in this Agreement(s)) for CONTRACTOR's implementation of such Corrective Action Plan in the time frames and manner set forth in the Corrective Action Plan.

4.7 SERVICE OUTAGES

A. Scheduled Outages

CONTRACTOR shall notify COUNTY of Scheduled Outages at least twenty-four (24) hours in advance, and such Outages shall be scheduled between the hours of 1:00 A.M. and 5:00 A.M. Central Time on Sundays.

Scheduled Outages shall occur no more frequently than twice per calendar month. For avoidance of doubt, Scheduled Outages that fall within the above maintenance window timeframes are excluded from the availability calculation.

CONTRACTOR may request extensions of Scheduled Outages beyond the aforementioned hours and with written approval by COUNTY, which may not be unreasonably withheld, conditioned or delayed. Unscheduled Outages (as described below) and extensions of Scheduled Outages as described above are not excluded from the Availability Service Level set forth above (i.e., an outage, regardless of its cause, except due to the actions of COUNTY and its agents, shall not relieve CONTRACTOR of its obligation to achieve the Service Levels set forth herein).

B. Unscheduled Outages

Unscheduled Outages are caused by loss of connectivity to the internet, or by failure of a CONTRACTOR service. In cases where a destination is not available, or unacceptable service is reported, CONTRACTOR will attempt to determine the source of the Error and report its findings to COUNTY.

C. Corrective Action

Promptly upon notice of an outage, CONTRACTOR personnel shall:

1. Confirm (or disconfirm) the outage.
2. If confirmed, take such action as may restore the service, or, if determined to be a telecommunications company problem, open a trouble ticket with the telecommunications company carrier.
3. Notify the person designated by COUNTY by telephone or voicemail according to predefined procedures that an outage has occurred, providing such details as may be available, including the trouble ticket number if appropriate and time of outage.
4. Work the Error until Resolution, escalating to management or to engineering as required.
5. Promptly notify COUNTY of final Resolution, along with any pertinent findings or action taken.

4.8 WITHHOLDING OF SERVICES

CONTRACTOR warrants that during the Term of the Agreement it will not withhold the SaaS Platform and the support services provided hereunder, for any reason, including but not limited to a dispute between the parties arising under the Agreement, except as may be specifically authorized herein.

4.9 OEM SPECIFICATIONS

All furnished parts and work performed under the Agreement shall meet or exceed Original Equipment Manufacturer (OEM) specifications and shall meet all local, state, and federal laws, regulations and statutes governing such work.

5 ATTACHMENT C.2 – ACCEPTANCE TEST FOR THE EMS REPOSITORY**5.1. COMPLIANCE WITH TECHNICAL REQUIREMENTS**

CONTRACTOR shall certify in writing that the SaaS Platform meets all the technical requirements as specified in Attachment B.2.

5.2. COUNTY ACCESS TO THE EMS REPOSITORY

This test is intended to verify successful access by COUNTY of the EMS Repository. This test will be conducted by COUNTY at the TEMIS Central Site and consists of the following steps:

1. COUNTY will attempt to access the EMS Repository via the internet. This test is successful if all COUNTY staff authorized to access the EMS Repository successfully access the EMS Repository.
2. Upon successful access by COUNTY of EMS Repository, COUNTY staff shall have access to all modules and screens based on the level authorized access.

This test will be considered successful when all authorized COUNTY staff are able to access the EMS Repository

5.3. DATA VALIDATION

This test is intended to verify successful import of NEMSIS compliant data from EMS provider agencies into the EMS Repository. This test will be conducted by COUNTY at the TEMIS Central Site and consists of the following steps:

1. COUNTY will download 10 hard copy records from the EMS Repository.
2. COUNTY will verify each data element in the EMS Repository matches the documented values in the hard copy records.

This test will be considered successful if all data elements in the EMS Repository matches the data elements in the 10 hard copy records.

5.4. REPORT GENERATION

This test is intended to verify successful report generation of standardized reports and custom reports. This test will be conducted by COUNTY at the TEMIS Central Site and consists of the following steps:

1. COUNTY will access all standardized reports. This test is successful if all standardized reports are successfully accessed by COUNTY in a preview format.
2. COUNTY will export all standardized reports directly to Excel, HTML, PDF, and XML formats. This test is successful if all standardized reports are successfully exported to Excel, HTML, PDF, and XML formats.

3. COUNTY will create 10 custom reports. This test is successful if all 10 custom reports are successfully created by County.
4. COUNTY will export all 10 custom reports directly to Excel, HTML, PDF, and XML formats. This test is successful if all 10 custom reports are successfully exported to Excel, HTML, PDF, and XML formats.

5.5. FUNCTIONAL REQUIREMENTS

This test is to verify that the SaaS platform meets all the Functional Requirements as listed in Attachment K – EMS Repository Functional Requirements. COUNTY will conduct tests to verify whether the SaaS platform meets all Functional Requirements.

This test will be considered successful if all Functional Requirements are met as listed in Attachment K – EMS Repository Functional Requirements.

6 ATTACHMENT E – LISTING OF EMS REPOSITORY PARTICIPANTS**6.1 TEMIS CENTRAL SITE**

EMS Agency	10100 Pioneer Blvd, Suite 220 Santa Fe Springs, CA 90670
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6.2 EMS PROVIDER AGENCIES

Name of the EMS Provider Agency

Address

Alhambra Fire Department

301 North First Street
Alhambra, CA 91801

Arcadia Fire Department

710 South Santa Anita Avenue
Arcadia, CA 91006

Beverly Hills Fire Department

445 North Rexford Drive
Beverly Hills, CA 90210

Burbank Fire Department

311 East Orange Grove Avenue
Burbank, CA 91502

Compton Fire Department

201 South Arcadia Avenue
Compton, CA 90220

Culver City Fire Department

9770 Culver Boulevard
Culver City, CA 90232

Downey Fire Department

11111 Brookshire Avenue
Downey, CA 90241

El Segundo Fire Department

314 Main Street
El Segundo, CA 90245

Glendale Fire Department

421 Oak Street
Glendale, CA 91204

La Habra Heights Fire Department

1245 North Hacienda Boulevard
La Habra Heights, CA 90631

La Verne Fire Department

2061 Third Street
La Verne, CA 91750

Long Beach Fire Department

3205 Lakewood Boulevard
Long Beach, CA 90808

Los Angeles Fire Department

200 North Main Street
Los Angeles, CA 90012

Los Angeles COUNTY Fire Department	5801 South Eastern Avenue Los Angeles, CA 90040
Los Angeles COUNTY Sherriff's Department	1060 North Eastern Avenue Los Angeles, CA 90063
Manhattan Beach Fire Department	500 15th Street Manhattan Beach, CA 90266
Monrovia Fire Department	415 South Ivy Avenue Monrovia, CA 91016
Montebello Fire Department	600 North Montebello Boulevard Montebello, CA 90640
Monterey Park Fire Department	320 West Newmark Avenue Monterey Park, CA 91754
Pasadena Fire Department	215 N. Marengo Ave., Ste. 195 Pasadena, CA 91101
Redondo Beach Fire Department	401 South Broadway Street Redondo Beach, CA 90277
San Gabriel Fire Department	1303 South Del Mar Avenue San Gabriel, CA 91776
San Marino Fire Department	2200 Huntington Drive San Marino, CA 91108
Santa Fe Springs Fire Rescue	11300 Greenstone Avenue Santa Fe Springs, CA 90670
Santa Monica Fire Department	333 Olympic Drive Santa Monica, CA 90401
Sierra Madre Fire Department	232 West Sierra Madre Blvd. Sierra Madre, CA 91024
South Pasadena Fire Department	817 Mound Avenue South Pasadena, CA 91030
Torrance Fire Department	1701 Crenshaw Boulevard Torrance, CA 90501
West Covina Fire Department	1444 West Garvey Avenue West Covina, CA 91790

Name of Provider (Ambulance)	Address
American Medical Response, Los Angeles COUNTY Operations	12638 Saticoy Street South North Hollywood, CA 91605
Falck Mobile Health Corporations Db a Care Ambulance	1517 W. Braden Court Orange, CA 92868
Westmed Ambulance, Inc. Db a McCormick Ambulance Service	2020 South Central Avenue Compton, CA 90220

7 ATTACHMENT G.2 – EMS REPOSITORY IMPLEMENTATION TIMELINE**7.1 PROJECT ADMINISTRATION**

CONTRACTOR shall provide project management Deliverables as specified in this Section 1 below.

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	START DATE	END DATE
1.1	Project Work Plan	1 month upon execution of this Amendment 12	2 months upon execution of Amendment 12
1.2	Status Reports and Conferences	1 month upon execution of this Amendment 12	2 months upon execution of Amendment 12

7.2 BUILD AND IMPLEMENT EMS REPOSITORY (SAAS PLATFORM)

As part of Project Implementation, CONTRACTOR shall provide the Deliverables relating to building and implementing the EMS Repository as specified in this Section 2 below, subject in each case to the timely response and adequate resourcing of COUNTY and the applicable EMS agencies.

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	START DATE	END DATE
2.1	Provide Hardware Specifications	1 month after execution of this Amendment 12	Within 2 months after execution of Amendment 12
2.2	Develop Schematron for EMS Repository	1 month after execution of this Amendment 12	Within 2 months after execution of Amendment 12
2.3	Provide Schematron for Publication	1 month after execution of this Amendment 12	Within 2 months after execution of Amendment 12
2.4	Develop EMS Repository that is compliant with NEMSIS 3.5 Standards	1 month after execution of this Amendment 12	Within 3 months after execution of Amendment 12
2.5	Develop NEMSIS compliant export for data submission to CEMSIS	1 month after execution of this Amendment 12	Within 3 months after execution of Amendment 12

EXHIBIT A.2 – STATEMENT OF WORK

2.6	Access to Insight Reporting Platform, Including a Test Environment	1 month after execution of this Amendment 12	Within 2 months after execution of Amendment 12
2.7	Receive and process NEMSIS compliant data from EMS provider agencies	1 month after execution of this Amendment 12	Within 3 months after execution of Amendment 12

7.3 RESERVED.**7.4 MAINTAIN LEGACY DATA FROM FIRE-RESCUE**

CONTRACTOR shall provide and maintain the Deliverables relating to the Upgrade TEMIS Databases as specified in this Section IV below.

DELIVERABLE NUMBER	DELIVERABLE DESCRIPTION	START DATE	END DATE
4.1	Maintain Legacy Data from Fire-Rescue	1 month after execution of this Amendment 12	3 months after completion of activities in 7.2

8 ATTACHMENT I – BUSINESS CONTINUITY AND DISASTER RECOVERY REQUIREMENTS

This Attachment I (Business Continuity and Disaster Recovery Requirements (“BC/DR” Requirements)) is an attachment and addition to the Agreement, and is incorporated into the Agreement by reference hereof. Unless specifically defined in this Attachment, capitalized terms shall have the meanings set forth in the Agreement.

8.1 BUSINESS CONTINUITY AND DISASTER RECOVERY PLAN

CONTRACTOR shall establish, implement, and maintain business continuity, recovery, and disruption avoidance procedures for all services, including the hosting services, including hosting services provided using Subprocessors, and for the personnel and facilities providing the services, that conform with the business continuity requirements set forth throughout this Attachment I (BC/DR Requirements). CONTRACTOR shall maintain disaster avoidance procedures designed to safeguard COUNTY Confidential Information and the data processing capability, and availability of the services, throughout the Agreement Term.

In the event of an unplanned interruption of the Services, CONTRACTOR shall implement the BC/DR Plan. In an unplanned interruption of the Hosting Services, CONTRACTOR will use reasonable efforts to recover COUNTY systems and Hosting Services as quickly as possible. If CONTRACTOR fails to reinstate the Services within the periods of time set forth in the BC/DR Plan, COUNTY may in addition to any other remedies available hereunder, in its sole discretion, immediately terminate this Agreement as a non-curable default under Paragraph 30 (Termination for Default) of the Agreement.

CONTRACTOR shall promptly notify COUNTY of any disaster or other event in which the BC/DR Plan is activated with respect to COUNTY. Without limiting CONTRACTOR’s obligations under this Agreement, whenever a disaster causes CONTRACTOR to allocate limited resources between or among CONTRACTOR’s customers, COUNTY shall receive treatment appropriate to the nature and scope of the event with respect to such limited resources.

8.2 PLAN AUDIT

Beginning in 2024, CONTRACTOR shall have an appropriate annual audit of its BC/DR Plan, and shall provide COUNTY, upon request, with a summary of any material findings or remediation needs.

8.3 PLAN TESTING

On at least an annual basis beginning in 2024, CONTRACTOR shall actively test, review, and update the BC/DR Plan using industry standard practices as guidance, including updates to account for (i) circumstances in which interruptions to services that CONTRACTOR provides utilizing a Subprocessor prevents CONTRACTOR from delivering the services to COUNTY, and (ii) how CONTRACTOR will mitigate and restore services after such interruptions. Upon request, CONTRACTOR shall provide COUNTY with a summary of the test results and actions taken in response

to the test of the BC/DR Plan. CONTRACTOR shall provide reasonable evidence that any identified deficiencies discovered through either testing or an audit have been corrected and verified through additional testing.

8.4 REVIEW OF CONTRACTOR FACILITIES

- A. Onsite Review of CONTRACTOR Facilities [omitted]
- B. Review of Subprocessor Facility Compliance

As to Hosting Services provided using Subprocessors, upon request, CONTRACTOR will provide information related to the facilities used for the hosting services, including a copy of the Subprocessor's SOC report.

8.5 RECOVERY TIME REQUIREMENT

CONTRACTOR shall provide business continuity for both production use and business continuity environments according to the BC/DR Plan. In an unplanned interruption of the Hosting Services, CONTRACTOR will recover the Hosting Services as quickly as possible, and CONTRACTOR will escalate the issue to the CONTRACTOR Project Director. Working with the joint COUNTY/CONTRACTOR situation management teams, CONTRACTOR will establish an estimated time for recovery of the Hosting Services and coordinate with COUNTY to implement the most appropriate ongoing communication plan until the Hosting Services have been recovered. The CONTRACTOR Secondary Data Center or alternate Subprocessing Availability Zone, as applicable, shall be available for production use in 24 hours or less from any event in which the SaaS Platform or Hosting Services becomes unavailable, is malfunctioning, or otherwise fails to meet specifications ("Recovery Time Objective.") In addition, the CONTRACTOR Secondary Data Center or alternate Subprocessing Availability Zone, as applicable, will become available for production use with loss of data submitted by users limited to twenty-four (24) hours or less, for transactions that have not been committed to the database at the time of any failure in the SaaS Platform, licensed software or hosting services ("Recovery Point Objective").

8.6 ALTERNATE HOSTING ENVIRONMENT

- A. CONTRACTOR Secondary Data Center

As to hosting services not provided using Subprocessors, CONTRACTOR will configure the hosting services to be provided from the CONTRACTOR secondary data center as described in this sub-paragraph 8.6.A (CONTRACTOR Secondary Data Center).

As of the effective date, CONTRACTOR shall have a Secondary Data Center in an alternate location deemed to be geographically dispersed. The CONTRACTOR Secondary Data Center shall not be located on the same electrical power grid or same telecommunications lines or the same: (i) floodplain, (ii) line of prevailing weather patterns, (iii) earthquake fault zone, or (iv) tsunami susceptible coastal region as the CONTRACTOR primary

data center. CONTRACTOR shall ensure the recovery site will be properly equipped with sufficient backup generators dedicated for CONTRACTOR's use to support all services, with the amount of fuel on-site that will enable the site to operate for seventy-two (72) hours or whatever the local maximum fuel storage regulations will allow. CONTRACTOR shall provide a written confirmation that it has in place written Agreements with primary and backup local fuel service providers to ensure uninterrupted replenishment of CONTRACTOR's supplies. CONTRACTOR shall provide written confirmation that its local fuel suppliers are not dependent on public commercial power in order to fulfill this requirement. CONTRACTOR is committed to continuous operation of the hosting environment including fuel for its redundant generators, however, the specific generator load capacity in the event of an outage is dependent on the conditions and cannot be specifically identified. CONTRACTOR shall ensure that the BC/DR Plan and recovery processes and procedures support relocation of hosting services performed to the recovery site to meet the requirements of this Agreement and all applicable service levels.

B. Alternate Subprocessing Availability Zone

As to Hosting Services provided using Subprocessors, CONTRACTOR will configure the Hosting Services to be provided using an alternate Subprocessing Availability Zone as described in this Sub-paragraph 8.6.B (Alternate Subprocessing Availability Zone).

As of the effective date, CONTRACTOR shall configure the Hosting Services to enable the licensed software to operate from an alternate Subprocessing Availability Zone. Subprocessing Availability Zones consist of one or more discrete data centers, each with redundant power, networking, and connectivity, housed in facilities that are separate from the facilities used for other Subprocessing Availability Zones. The facilities used for each Subprocessing Availability Zone have a meaningful distance of separation from each other and do not share the same power infrastructure. Data center locations are managed by the Subprocessor to mitigate environmental risks, such as flooding, extreme weather, and seismic activity. CONTRACTOR shall ensure that the BC/DR Plan and recovery processes and procedures support relocation of the Hosting Services performed to the recovery environment to meet the requirements of this Agreement and all applicable service levels.

8.7 [Omitted]

8.8 BACKUP COPIES

CONTRACTOR shall create daily backup copies of all COUNTY Confidential Information and other work related to the services and shall transmit (either electronically or via physical backup media) such copies to a backup facility each day such that the maximum data loss from the complete loss of the primary facility is no more than twenty-four (24) hours. The backup facility must be in a secured and accessible location that is geographically dispersed from the primary facility.

8.9 **ALTERNATE SITES OR STORAGE FACILITIES**

CONTRACTOR shall ensure that the provisions for information security, physical security, and information privacy specified in this Agreement are implemented at any alternate or backup site or storage facility and for any information transmitted between the primary site and alternate sites or storage facilities. Transport to other sites must be by secure transport carriers and any equipment for backup and/or storage must be encrypted prior to transport.

8.10 **RIGHT TO TERMINATE**

In the event CONTRACTOR fails to develop the foregoing recovery site and continuity practices described within this Attachment I (BC/DR Requirements) within the prescribed time, COUNTY may, in its sole discretion, terminate this Agreement without further obligation, including payment of any stranded costs.

9 ATTACHMENT J – HOSTING SERVICES TERMS AND CONDITIONS

This Attachment J (Hosting Services Terms and Conditions) is an attachment and addition to the Agreement, and is incorporated into the Agreement by reference hereof. Unless specifically defined in this Attachment, capitalized terms shall have the meanings set forth in the Agreement.

9.1 SERVICES

A. In General

CONTRACTOR shall provide and maintain all services necessary to host the SaaS Platform and the licensed software from the Hosting Environment such that the EMS Repository shall perform as defined herein, and in accordance with the specifications, and otherwise in accordance with the Agreement (“Hosting Services”).

During the Agreement term, CONTRACTOR shall provide COUNTY with the hosting services set forth in the Agreement, this Attachment J (Hosting Services Terms and Conditions), and Exhibit A (Statement of Work). In providing the hosting services, CONTRACTOR shall achieve the service levels and performance standards set forth in Attachment B.2 (Support Services, Maintenance Services, and Service Levels), the Statements of Work, and the Agreement. The COUNTY consents to the CONTRACTOR’s use of Microsoft Azure as a Subprocessor.

CONTRACTOR shall host the SaaS Platform from (i) the CONTRACTOR Primary Data Center and CONTRACTOR Secondary Data Center (as to Hosting Services not provided using a Subprocessor); (ii) all Subprocessing Availability Zones and storage, networking, and computing processing resources configured in such Subprocessing availability zones (as to Hosting Services provided using Subprocessors); and (iii) all facilities, personnel, Hosting Hardware and Hosting Software and all requirements specified in Paragraph 9.3 (Hosting Environment) (“Hosting Environment”). CONTRACTOR shall maintain a Hosting Environment to support the SaaS Platform as to the version(s) being utilized by COUNTY in accordance with Paragraph 9.3 (Hosting Environments) of this attachment.

“CONTRACTOR Primary Data Center” shall mean, as to Hosting Services not provided using a Subprocessor, the principal data center facility in which the Hosting Environment shall operate throughout the Agreement Term.

“CONTRACTOR Secondary Data Center” shall mean, as to Hosting Services not provided using a Subprocessor, a fail-over recovery data center facility, in which the Hosting Environment shall operate and provide business continuity Services throughout the Agreement Term, in the event of CONTRACTOR’s inability to provide the Hosting Services from CONTRACTOR Primary Data Center.

“Subprocessing Availability Zone” shall mean a data center facility or group of data center facilities from which a Subprocessor provides storage, networking, and computing processing capability to CONTRACTOR in connection with COUNTY Confidential Information, where each Subprocessing Availability Zone is physically separated from all other Subprocessing Availability Zones, such that the services provided by the Subprocessor can be failed over from one Subprocessing Availability Zone to another Subprocessing Availability Zone in the event of a failure or issue at the first Subprocessing Availability Zone.

B. Use of Cookies on the Service

CONTRACTOR shall not use “cookies” or any other online tracking technology for purposes of discovering the identity of any users (unless CONTRACTOR is specifically authorized hereunder to obtain such information) or tracking the activities of a user after they leave the hosting services. Information collected from cookies shall constitute COUNTY Confidential Information and shall be subject to the protections provided in the Agreement. In no event shall such information be sold or otherwise made available to any third-party. CONTRACTOR shall use cookies in connection with the services provided hereunder solely for purposes of fulfilling its obligations hereunder. CONTRACTOR shall not use cookies from any third-party in delivering the services provided hereunder. A user’s refusal to accept a cookie shall not preclude that user from fully utilizing the functionality of the hosting services. For purposes of the Agreement, a “cookie” shall mean any data that a server on the world wide web stores on a client system. When a user returns to the same web site, the browser sends a copy of the cookie back to the server for administrative purposes. For the avoidance of doubt, this provision shall not be applicable to CONTRACTOR’s marketing-oriented commercial websites (such as www.eso.com).

9.2 OPERATIONS AND HOSTING SERVICES

A. Hosting Hardware Maintenance

CONTRACTOR shall schedule and perform maintenance (as to Hosting Services not provided using Subprocessors) and shall ensure that appropriate maintenance is performed (as to Hosting Services provided using Subprocessors), including preventive maintenance of hardware and equipment of any nature (e.g., servers, networking equipment, switches, routers, power infrastructure), utilized in the Hosting Environment to provide the Hosting Services (“Hosting Hardware”), including, but not be limited to, the repair or replacement of all (i) non-functioning or under-performing Hosting Hardware or (ii) Hosting Hardware no longer supported by its manufacturer and used by CONTRACTOR for hosting the SaaS Platform, in order to maintain the Service Levels and compatibility with the SaaS Platform, and any revisions to the SaaS Platform, and/or Interfaces.

Based on Hosting Hardware platforms (as to Hosting Services not provided using Subprocessors) and logical environment configurations (as to Hosting Services provided using Subprocessors) recommended by CONTRACTOR, CONTRACTOR shall maintain compatibility of the Hosting Services and SaaS Platform with new Hosting Hardware, all software of any nature (e.g. operating systems, presentation layer software, database software, applications, utilities, tools, firmware and security) utilized in the Hosting Environment to provide the Hosting Services (“Hosting Software”), third party products, and configurations.

B. Preventative Maintenance

CONTRACTOR shall create a schedule of required preventative maintenance tasks for the Hosting Environment (as to Hosting Services not provided using Subprocessors), and shall otherwise be responsible for the performance of preventative maintenance tasks for the Hosting Environment, to ensure that the Hosting Environment and all components thereof are functioning in accordance with the Agreement. Such preventative maintenance tasks include, but are not limited to, the following:

1. Revisions for Licensed Software, Interfaces, and Hosting Revisions for Hosting Software; and
2. Review of Error and other logs to ensure any maintenance required to correct any Errors and restore the Hosting Environment to normal operations is detected and performed in a timely manner and that such information is used to anticipate Errors and make proactive Hosting Error Corrections.

9.3 HOSTING ENVIRONMENT

A. COUNTY acknowledges that Hosting Services shall include the provision of a Hosting Environment to perform in accordance with the standard terms and service levels for Azure.

1. Hosting Environment for Hosting Services provided using Subprocessors

As to Hosting Services provided using Subprocessors, CONTRACTOR will provide the Hosting Services from Subprocessing Availability Zones as described in this Sub-paragraph 9.3.B.3 (Hosting Environment for Hosting Services provided using Subprocessors).

The Hosting Services are provided using Azure Commercial to support physical redundancy of infrastructure. The Hosting Environment:

B. Physical Security Environment

As to Hosting Services not provided using Subprocessors, CONTRACTOR shall implement the following security controls for the CONTRACTOR Primary Data Center and CONTRACTOR Secondary Data Center:

1. CONTRACTOR shall maintain COUNTY's Hosting Environment in Statement on Standards for Attestation Engagements ("SSAE") 18 certified facilities, or facilities of successor certification, with, as to each Data Center:
 - a. Access controlled through documented procedures;
 - b. 24x7x365 security and technical engineering staff;
 - c. Physical access which requires government-issued picture identifications for access validation and multi-factor authentication for floor access;
 - d. Video surveillance monitoring on a 24x7x365 basis; and
 - e. Access monitored through internal management and logging systems.
2. CONTRACTOR's physical environments shall be governed by strict selective restriction of access to a place or other resource ("Access Control") for physical access to the environments. All data and storage cabinets will be contained within CONTRACTOR data centers with access only granted to those with a related job responsibility. Both CONTRACTOR data centers and the facilities in which they are housed are secured with locks that require proximity cards for physical access.
3. CONTRACTOR shall maintain comprehensive security policies, procedures, and controls to govern, support, and secure the Hosting Environment. Security policies and procedures shall be reviewed and updated on a regular basis. CONTRACTOR's security management controls shall be reviewed by an independent third-party firm, on an annual basis, following SSAE 18 or successor certification, guidelines, and format.

C. Hosting Environment Security and WAN Connectivity

CONTRACTOR shall use appropriate technology to protect COUNTY Confidential Information, COUNTY Data and Personal Data and the users of the Hosting Services in its storage and transmission between the user and the Hosting Environment, which shall include the following:

1. WAN Connectivity including (i) as to Hosting Services not provided using Subprocessors, primary and secondary communications

circuits between the CONTRACTOR Primary Data Center and CONTRACTOR Secondary Data Center and dual points of demarcation at COUNTY; and (ii) as to Hosting Services provided using Subprocessors, the Hosting Services environment will reside in Azure. CONTRACTOR will access the environment utilizing a secure VPN with a minimum of AES 128 bit encryption.

2. A network structure protected by redundant clustered firewalls and monitored with intrusion prevention systems. The firewall logs shall be reviewed weekly by enterprise security management systems to identify security threats. The Hosting Environment shall be safeguarded using Network Address Translation (“NAT”), Internet Protocol (IP) masquerading, port redirection, non-routable IP addressing and Access Control lists, multi-factor authentication, and management network segregation.
3. Background investigations will be performed in accordance with CONTRACTOR’s policies and procedures for all CONTRACTOR personnel performing work at CONTRACTOR’s sites under the Agreement. All CONTRACTOR’s hosting and support staff shall go through CONTRACTOR’s security and privacy training prior to being provided (i) physical access to the CONTRACTOR Primary Data Center or CONTRACTOR Secondary Data Center (as to Hosting Services not provided using Subprocessors), or (ii) administrator access to cloud infrastructure resources (as to Hosting Services provided using Subprocessors).
4. Multi-factor authentication to access managerial functionality within the environment for administrative access. All user access shall be monitored and managed by the CONTRACTOR’s security/compliance department. All (i) servers and Hosting Hardware devices (as to Hosting Services not provided using Subprocessors); (ii) logical cloud resources (as to Hosting Services provided using Subprocessors); and (iii) software applications, user accounts, security devices, and technical services shall be fully audited and managed by enterprise management and notification systems. Any account, physical, environmental, or security change shall be identified and trigger a notification to all CONTRACTOR hosting and security staff.
5. The maintenance of security by restricting access points to all production environments. Strong password rules shall be enforced, and the Hosting Environment shall be programmatically updated to the vendor-recommended patch levels for security. The Hosting Environment shall be hardened by disabling any non-critical ports, users, protocols, and processes, following industry standards for security.
6. Operations to identify and manage risks and vulnerabilities that could affect the CONTRACTOR’s ability to provide reliable Hosting

Services to COUNTY. These processes shall require CONTRACTOR management to assign a risk profile to all assets within the Hosting Environment, including Hosting Hardware, software, services, staff, and client data. Each asset and its applicable risk and vulnerabilities shall be tracked, monitored, and reviewed on a regular basis. Any new assets shall be evaluated based upon a risk rating formula. Appropriate members of CONTRACTOR's staff shall meet periodically to discuss the risks CONTRACTOR is facing. These shall include various aspects of financial and technological risks, including risks introduced by changes in the nature of services provided and processing when applicable.

7. Extensive change management policies, procedures, and controls. All non-routine environment changes shall require approvals, appropriate testing, backout plans, and sufficient documentation prior to being implemented within the hosting environment.
8. Extensive incident management and monitoring procedures for the hosting environment. CONTRACTOR shall notify COUNTY of any material attacks or service interruption impacting the servers (as to Hosting Services not provided using Subprocessors), logical cloud resources (as to Hosting Services provided using Subprocessors), or other elements of the Hosting Services in accordance with the requirements of the Agreement, including Attachment B.2 (Support Services, Maintenance Services, and Service Levels), Exhibit M of the Agreement (Information Security Requirements), Attachment I (BC/DR Requirements), and Exhibit L of the Agreement (Business Associate Agreement under the Health Insurance Portability and Accountability act of 1996).

D. Hosting Revisions

1. Other than the SaaS Platform fees, there shall be no other change or cost to COUNTY associated with hosting revisions.
2. Any hosting revisions are expected to comply with federal and state laws and regulations at no additional cost over the monthly SaaS Platform fees under the Agreement.
3. CONTRACTOR shall provide COUNTY with hosting revisions, revised related Documentation, and, if necessary, modified procedures, to correct any failure of the Hosting Environment to operate in accordance with the Specifications.

10 ATTACHMENT K - EMS REPOSITORY FUNCTIONAL REQUIREMENTS

10.1. ACCESS

- a. The system shall be accessed via the internet through a web browser.

- b. Users shall be able to view data on a read-only screen.
- c. The system will allow the user to search patient records without closing the current record. The open records must be available in multiple screens.
- d. The system will have the capability to search and browse existing patient records using user defined criteria.
- e. The system must have the capability to allow users to search contents of patient records.

10.2. DATA IMPORT – THE EMS REPOSITORY SHALL HAVE THE CAPABILITY TO:

- a. Import all data element/variables listed in the LA EMS Data Dictionary.
- b. Import at least 800,000 records annually.
- c. Provide an import log that shows how many accounts were successfully imported each time an import is conducted.
- d. Provide an import log that shows how many accounts were rejected or failed.
- e. Provide an import log that shows how many accounts received “warning” alert.

10.3 DATA EXPORT

- a. The system must be able to submit data to the CEMSIS in the latest NEMSIS Standard.
- b. The system must be able to provide an export log that shows how many records were exported.

10.4 REPORTING

- a. Reports must be viewable on screen, printed and saved as files in several different formats (including Microsoft Excel).
- b. The EMS Repository and Insights Reporting Platform shall have the capability to:
 - 1. Generate reports on the total patient population and on all data variables/elements captured for each patient.
 - 2. Query within a specified date range.
 - 3. Query subsets of patient records from the system using filters that are attached to the report.
 - 4. Provide online reporting capability to authorized County system managers for necessary review and accountability.
 - 5. Provide data submission error and exception reports.
 - 6. Provide ad hoc and standard query capabilities.
 - 7. Provide the ability to view previously generated reports by all users or by specific users.
 - 8. Provide capability to schedule reports to run automatically.
 - 9. Generate schematron failure exception reports that identify records meeting user defined exception rules.
 - 10. Allow print preview of all reports before printing and have print screen and selective page(s) print functionally.

11. Have a printer setting dialogue box that provides the user control over several aspects of the report's appearance.
12. Allow for user-friendly end-use report creation without requiring technical staff or expertise to create and publish reports within the modules.
13. Break down a large report into a series of related sub-reports to allow the user to run separate reports for a changing variable, such as hospital or EMS Provider. For example, the EMS Agency is running a final hospital destination by patient type (Advanced Life Support vs Basic Life Support), this typically will generate a single report of the entire database. By creating an EMS Provider sub-report, the EMS Agency can easily generate separate individual reports by EMS Provider. On Excel export, this can be displayed as different worksheet tabs in an Excel file.
14. Yield summary reports, which are statistical summaries of the database.
15. Yield listing reports, which produce a list of raw data for the patient, a group of patients or the entire database.
16. Display reports as a table (cross tabulation), chart or graph.
17. Display raw numbers and percentages on a cross tabulation table. It must be able to display a cell's percentage of patients from its row, percentage of patient from its column, or percentage of the entire report's grand total. It must also display a row and column's percentage of the report's grand total.
18. List patients and variables that fail to meet data collection requirements (i.e., blanks, not documented).
19. Customize user reports and users control the position of the report's variable on a printed page.
20. Save reports that are created and opened at any time for viewing, running and modification.
21. Generate predefined reports.
22. Provide search function to locate previously saved and stored created reports as well as the report output (tables, charts and graphs).
23. Group reports by report type.
24. Calculate differences between like variables (e.g., calculate time duration between different time fields).
25. Exclude and include variable with Blank, Not Documented and Not Applicable entries.
26. Display abbreviated and full text names of each variable that exist in the database.
27. Report on numeric variables. The user must be able to group numeric variables into ranges (i.e., a report utilizing age would typically provide a report listing all individual ages (0 years through 120 years), the system must have the capability to group ages such that the report can be customized to report on age 0-10 years, 11-20 years, etc.).
28. Sort variables in ascending or descending order.

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29. Generate reports containing two variables in a cross-tabulation format such that both raw numbers and percentages are displayed. The system must be able to display a cell's percentage of patients from its row, percentage of patient from its column, or percentage of the entire report's grand total. It can also display a row or a column's percentage of the report's grand total.
 30. Generate reports containing multiple variables and the capability to sort by variable.
 31. Link variables associated with other variables. For example, to run a report on response time, a user might create a report table on the variable dispatch time and arrival time. Due to the variability in the number of response vehicle per incident, the user must link each arrival and dispatched time to a specific EMS response unit.
 32. Subdivide reports with multiple variables using a single variable's responses and made to show counts (the number of patients that match a given response) and totals (the sum of numeric variables in records matching a given response) for each individual response. For example, if a user creates a report that show the Insurance Company and the Total Charges for each patient, the system must be able to show the number of patients having each type of insurance as well as the total amount owed to the provider by each insurer.
 33. Collect, query and report on user specified patient care issues and quality improvement filters.
 34. Have a printer setting dialogue box that provides the user control over several aspects of a report's appearance, such as whether or not a cover page is included, and what information is printed on the pages of the report itself.

11 ATTACHMENT L – SUPPORT SERVICES**11.1. DEFINITIONS**

Capitalized terms not defined below shall have the same meaning as in the General Terms & Conditions.

- 11.1.1 “Enhancement” means a modification, addition or new release of the Software that when added to the Software, materially changes its utility, efficiency, functional capability or application.
- 11.1.2 “E-mail Support” means ability to make requests for technical support assistance by e-mail at any time concerning the use of the then-current release of Software.
- 11.1.3 “Error” means an error in the Software, which significantly degrades performance of such Software as compared to CONTRACTOR’s then-published Documentation.
- 11.1.4 “Error Correction” means the use of reasonable commercial efforts to correct Errors.
- 11.1.5 “Fix” means the repair or replacement of object code for the Software or Documentation to remedy an Error.
- 11.1.6 “Initial Response” means the first contact by a Support Representative after the incident has been logged and a ticket generated. This may include an automated email response depending on when the incident is first communicated.
- 11.1.7 “Management Escalation” means, if the initial Workaround or Fix does not resolve the Error, notification of management that such Error(s) have been reported and of steps being taken to correct such Error(s).
- 11.1.8 “Severity 1 Error” means an Error which renders the Software completely inoperative (e.g., a User cannot access the Software due to unscheduled downtime or an Outage).
- 11.1.9 “Severity 2 Error” means an Error in which Software is still operable; however, one or more significant features or functionality are unavailable (e.g., a User cannot access a core component of the Software).
- 11.1.10 “Severity 3 Error” means any other error that does not prevent a User from accessing a significant feature of the Software (e.g., User is experiencing latency in reports).
- 11.1.11 “Severity 4 Error” means any error related to Documentation or a COUNTY Enhancement request.

- 11.1.12 “Status Update” means if the initial Workaround or Fix cannot resolve the Error, notification of the COUNTY regarding the progress of the Workaround or Fix.
- 11.1.13 “Online Support” means information available through CONTRACTOR’s website (www.eso.com), including frequently asked questions and bug reporting via Live Chat.
- 11.1.14 “Support Representative” shall be CONTRACTOR employee(s) or agent(s) designated to receive Error notifications from COUNTY, which COUNTY’s Administrator has been unable to resolve.
- 11.1.15 “Update” means an update or revision to Software, typically for Error Correction.
- 11.1.16 “Upgrade” means a new version or release of Software or a particular component of Software, which improves the functionality or which adds functional capabilities to the Software and is not included in an Update. Upgrades may include Enhancements.
- 11.1.17 “Workaround” means a change in the procedures followed or data supplied by COUNTY to avoid an Error without substantially impairing COUNTY’s use of the Software.

11.2. SUPPORT SERVICES

- 11.2.1 COUNTY will provide at least one administrative employee (the “Administrator” or “Administrators”) who will handle all requests for first-level support from COUNTY’s employees with respect to the Software. Such support is intended to be the “front line” for support and information about the Software to COUNTY’s Users. CONTRACTOR will provide training, documentation, and materials to the Administrator to enable the Administrator to provide technical support to COUNTY’s Users. The Administrator will notify a Support Representative of any Errors that the Administrator cannot resolve and assist CONTRACTOR in information gathering.
- 11.2.2 CONTRACTOR will provide Support Services consisting of (a) Error Correction(s); Enhancements, Updates and Upgrades that CONTRACTOR, in its discretion, makes generally available to its customers without additional charge; and (c) E-mail Support, telephone support, and Online Support. CONTRACTOR may use multiple forms of communication for purposes of submitting periodic status reports to COUNTY, including but not limited to, messages in the Software, messages appearing upon login to the Software or other means of broadcasting Status Update(s) to multiple customers affected by the same Error, such as a customer portal.
- 11.2.3 CONTRACTOR’s support desk will be staffed with competent technical consultants who are trained in and thoroughly familiar with the Software and with COUNTY’s applicable configuration. Telephone support and all communications will be delivered in intelligible English.

11.2.4 Normal business hours for CONTRACTOR's support desk are Monday through Friday 6:00 am to 6:00 pm Pacific Time. COUNTY will receive a call back from a Support Representative after-hours for a Severity 1 Error.

11.3. ERROR PRIORITY LEVELS. COUNTY will report all Errors to CONTRACTOR via e-mail (support@eso.com) or by telephone (866-766-9471, option #3). CONTRACTOR shall exercise commercially reasonable efforts to correct any Error reported by COUNTY in accordance with the priority level reasonably assigned to such Error by CONTRACTOR. Should CONTRACTOR discover the Error, it will notify COUNTY through its regular processes. If COUNTY determines, in its reasonable assessment of the Error, that the Severity Level needs to be escalated to a higher level, COUNTY will meet with CONTRACTOR to discuss the escalation need, and CONTRACTOR shall be required to reasonably escalate.

11.3.1 Severity 1 Error. CONTRACTOR shall (i) commence Error Correction promptly; (ii) provide an Initial Response within four hours; (iii) initiate Management Escalation promptly; and (iv) provide COUNTY with a Status Update within four hours if CONTRACTOR cannot resolve the Error within four hours.

11.3.2 Severity 2 Error. CONTRACTOR shall (i) commence Error Correction promptly; (ii) provide an Initial Response within eight hours; (iii) initiate Management Escalation within 48 hours if unresolved; and (iv) provide COUNTY with a Status Update within forty-eight hours if CONTRACTOR cannot resolve the Error within forty-eight hours.

11.3.3 Severity 3 Error. CONTRACTOR shall (i) commence Error Correction promptly; (ii) provide an Initial Response within three business days; and (iii) provide COUNTY with a Status Update within seven calendar days if CONTRACTOR cannot resolve the Error within seven calendar days.

11.3.4 Severity 4 Error. CONTRACTOR shall (i) provide an Initial Response within seven calendar days.

11.4. EXCLUSIONS

11.4.1 CONTRACTOR shall have no obligation to perform Error Corrections or otherwise provide support for: (i) COUNTY's repairs, maintenance or modifications to the Software (if permitted); (ii) COUNTY's misapplication or unauthorized use of the Software; (iii) altered or damaged Software not caused by CONTRACTOR; (iv) any third-party software; (v) hardware issues; (vi) COUNTY's breach of the Agreement; and (vii) any other causes beyond the CONTRACTOR's reasonable control.

11.4.2 CONTRACTOR shall have no liability for any changes in COUNTY's hardware or software systems that may be necessary to use the Software due to a Workaround or Fix.

11.4.3 CONTRACTOR is not required to perform any Error Correction unless CONTRACTOR can replicate such Error on its own software and hardware or through remote access to COUNTY's software and hardware.

11.4.4 COUNTY is solely responsible for its selection of hardware, and CONTRACTOR shall not be responsible for the performance of such hardware even if CONTRACTOR makes recommendations regarding the same. However, CONTRACTOR can only make recommendations that are compatible for use with the System.

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TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEMS AGREEMENT

EXHIBIT B

**SCHEDULE OF PAYMENTS
(ADDED UNDER AMENDMENT NUMBER TWELVE)**

SEPTEMBER 2023

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

I. CONTRACT YEAR ONE (2001 – 2002):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$257,500.00
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$28,176.67	\$338,120.04
SUBTOTAL		\$595,620.04

II. CONTRACT YEAR TWO (2002 – 2003):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$265,225.00
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$29,021.97	\$348,263.64
SUBTOTAL		\$613,488.64

III. CONTRACT YEAR THREE (2003 – 2004):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$273,181.75
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$29,892.63	\$358,711.56
SUBTOTAL		\$631,893.31

IV. CONTRACT YEAR FOUR (2004 – 2005):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$281,377.20
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$30,789.40	\$369,472.80
SUBTOTAL		\$650,850.00

V. CONTRACT YEAR FIVE (2005 – 2006):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$289,818.52
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$31,713.09	\$380,557.08
SUBTOTAL		\$670,375.60

VI. CONTRACT YEAR SIX (2006 – 2007):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$298,513.07
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$32,664.48	\$391,973.76
SUBTOTAL		\$690,486.83

VII. CONTRACT YEAR SEVEN (2007 – 2008):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$307,468.47

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$33,644.41	\$403,732.92
SUBTOTAL		\$711,201.39

VIII. CONTRACT YEAR EIGHT (2008 – 2009):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$316,692.52
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$34,653.75	\$415,845.00
SUBTOTAL		\$732,537.52

IX. CONTRACT YEAR NINE (2009 – 2010):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$326,193.30
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$35,693.36	\$428,320.32
SUBTOTAL		\$754,513.62

X. CONTRACT YEAR TEN (2010 – 2011):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$335,979.09
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$36,764.16	\$441,169.92
C. Upgraded TEMIS Application Software		Up to \$293,250.00
1. TEMIS Database Consolidation ⁽¹⁾		One Time Fee up to \$120,000.00
2. TEMIS FTP Solution ⁽²⁾		One Time Fee up to \$50,000.00
a. FTP Set-up at Central Site to Receive Data		\$4,000.00
b. FTP Set-up at Field Sites (46 sites at \$1,000.00 each)		\$46,000.00
3. TEMIS ePCR Pilot ⁽³⁾		One Time Fee (Optional) up to \$28,000.00
a. Per installation to a maximum of 5 stations (one installation)		\$25,000.00
b. Each additional station (2 stations at \$1,500.00 each)		\$3,000.00
4. TEMIS Scanning Solution ⁽⁴⁾		One Time Fee (Optional) up to \$95,250.00
a. Per installation to a maximum of 5 stations (two installations)		\$50,000.00
b. Each additional station (24 stations at \$1,500.00 each)		\$36,500.00
c. Scanning Engine		\$4,500.00
d. Scannable Form Development		\$4,250.00
SUBTOTAL (up to)		\$1,070,399.01

GRAND TOTAL FOR TEN YEARS:

A. TEMIS Application Software License Fee	\$2,951,948.92
B. TEMIS Application Software Support Services Fee	\$3,876,167.04
C. Upgraded TEMIS Application Software	Up to \$293,250.00

GRAND TOTAL FOR YEARS ONE THROUGH TEN (Contract Sum up to) \$7,121,365.96

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

XI. CONTRACT YEAR ELEVEN (2011 – 2012):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$346,058.46
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$37,867.08	\$454,404.96
SUBTOTAL FOR YEAR ELEVEN		\$800,463.42
GRAND TOTAL FOR YEARS ONE THROUGH ELEVEN (Contract Sum up to)		\$7,921,829.38

XII. CONTRACT YEAR TWELVE (2012 – 2013):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$356,440.21
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$39,003.09	\$468,037.08
SUBTOTAL FOR YEAR TWELVE (up to)		\$824,477.29
GRAND TOTAL FOR YEARS ONE THROUGH TWELVE (Contract Sum up to)		\$8,746,306.67

XIII. CONTRACT YEAR THIRTEEN (2013 – 2014):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$367,133.41
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$40,173.18	\$482,078.16
SUBTOTAL FOR YEAR THIRTEEN (up to)		\$849,211.57
GRAND TOTAL FOR YEARS ONE THROUGH THIRTEEN (Contract Sum up to)		\$9,595,518.24

XIV. CONTRACT YEAR FOURTEEN (2014 – 2015):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$378,148.02
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$41,378.37	\$496,540.44
SUBTOTAL FOR YEAR FOURTEEN (up to)		\$874,688.46
GRAND TOTAL FOR YEARS ONE THROUGH FOURTEEN (Contract Sum up to)		\$10,470,206.70

XV. CONTRACT YEAR FIFTEEN (2015 – 2016):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$389,492.46
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$42,619.72	\$511,436.65
SUBTOTAL FOR YEAR FIFTEEN (up to)		\$900,929.11
GRAND TOTAL FOR YEARS ONE THROUGH FIFTEEN (Contract Sum up to)		\$11,371,135.81

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

XVI. CONTRACT YEAR SIXTEEN (2016 – 2017):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$401,177.23
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$43,898.31	\$526,779.72
SUBTOTAL FOR YEAR SIXTEEN (up to)		\$927,956.95
GRAND TOTAL FOR YEARS ONE THROUGH SIXTEEN (Contract Sum up to)		\$12,299,092.76

XVII. CONTRACT YEAR SEVENTEEN (2017 – 2018):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$413,212.55
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$45,215.26	\$542,583.12
SUBTOTAL FOR YEAR SEVENTEEN (up to)		\$955,795.67
GRAND TOTAL FOR YEARS ONE THROUGH SEVENTEEN (Contract Sum up to)		\$13,254,888.43

XVIII. CONTRACT YEAR EIGHTEEN (2018 – 2019):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$425,608.93
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$46,571.72	\$588,860.64
SUBTOTAL FOR YEAR EIGHTEEN (up to)		\$984,469.57
GRAND TOTAL FOR YEARS ONE THROUGH EIGHTEEN (Contract Sum up to)		\$14,239,358

XIX. CONTRACT YEAR NINETEEN (2019 – 2020):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$438,377.19
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$47,968.87	\$575,626.44
SUBTOTAL FOR YEAR NINETEEN (up to)		\$1,014,003.63
GRAND TOTAL FOR YEARS ONE THROUGH NINETEEN (Contract Sum up to)		\$15,253,361

XX. CONTRACT YEAR TWENTY (2020 – 2021):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$451,528.50
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$49,407.93	\$592,895.16
SUBTOTAL FOR YEAR TWENTY (up to)		\$1,044,423.66
GRAND TOTAL FOR YEARS ONE THROUGH TWENTY (Contract Sum up to)		\$16,297,785

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

XXI. CONTRACT YEAR TWENTY-ONE (2021 – 2022):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee	NA	\$465,074.35
B. TEMIS Application Software Support Services: Fixed Monthly Fee	\$50,890.16	\$610,682.92
SUBTOTAL FOR YEAR TWENTY-ONE (up to)		\$1,075,756.20

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-ONE (Contract Sum up to) \$17,373,542

XXII. CONTRACT YEAR TWENTY-TWO (A) (6-Month Period of 7/1/2022 through 12/31/2022):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee ⁽⁵⁾	NA	\$239,513.29
B. TEMIS Application Software Support Services: Fixed Monthly Fee ⁽⁶⁾	\$52,416.86	\$314,501.16
SUBTOTAL FOR YEAR TWENTY-TWO (A) (up to)		\$554,014.45

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-TWO (A) (Contract Sum up to) \$17,927,556.45

XXIII. CONTRACT YEAR TWENTY-TWO (B) (6-Month Period of 1/1/2023 through 6/30/2023)

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee ⁽⁷⁾	NA	\$239,513.29
B. TEMIS Application Software Support Services: Fixed Monthly Fee ⁽⁸⁾	\$52,416.86	\$314,501.16
SUBTOTAL FOR YEAR TWENTY-TWO (B) (up to)		\$554,014.45

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-TWO (Contract Sum up to) \$18,481,570.90

XXIV. CONTRACT YEAR TWENTY-THREE (3-Month Period of 7/1/2023 through 9/30/2023):

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee ⁽⁹⁾	NA	\$123,349.35
B. TEMIS Application Software Support Services: Fixed Monthly Fee ⁽¹⁰⁾	\$53,989.39	\$161,968.17
SUBTOTAL FOR YEAR TWENTY-THREE (Contract Sum up to)		\$285,317.52

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-THREE (Contract Sum up to) \$18,766,888.42

ATTACHMENT 2
EXHIBIT B – SCHEDULE OF PAYMENTS

THREE-YEAR EXTENSION

XXIV. CONTRACT YEAR TWENTY-THREE/TWENTY-FOUR (10/1/2023 through 9/30/2024)

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee Legacy Product (Fire Rescue, LA Base, LA Trauma)		\$558,088.00
B. TEMIS Application Software Support Services: Monthly Fee Legacy Product (Fire Rescue, LA Base, LA Trauma)	\$61,068.00	\$732,816.00
C. EMS Repository NEMSIS Standard: One-Time Fee ¹¹		\$140,000.00
D. EMS Repository NEMSIS Standard: Recurring Fee ¹¹		\$300,000.00
E. Insights Reporting Platform ¹¹		\$75,000.00
F. Pool Dollars for Additional Work ¹²		\$787,501.00
SUBTOTAL FOR YEAR TWENTY-THREE/TWENTY-FOUR (up to)		\$2,593,404.90

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-THREE/TWENTY-FOUR (Contract Sum up to)
\$21,360,293.32

XXV. CONTRACT YEAR TWENTY-FOUR/TWENTY-FIVE (10/1/2024 through 9/30/2025)

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee Legacy Product (LA Base, LA Trauma)		\$561,576.00
B. TEMIS Application Software Support Services: Monthly Fee Legacy Product (LA Base, LA Trauma)	\$61,450.00	\$737,400.00
C. EMS Repository NEMSIS 3.5 Standard: Recurring Fee ¹¹		\$315,000.00
E. Insights Reporting Platform ¹¹		\$78,750.00
F. Pool Dollars for Additional Work ¹²		(see Footnote 12)
SUBTOTAL FOR YEAR TWENTY-FOUR/TWENTY-FIVE (up to)		\$1,692,726.00

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-FOUR/TWENTY-FIVE (Contract Sum up to)
\$23,053,019.32

XXVI. CONTRACT YEAR TWENTY-FIVE/TWENTY-SIX (10/1/2025 through 9/30/2026)

	<u>MONTHLY FEE</u>	<u>TOTAL ANNUAL FEE</u>
A. TEMIS Application Software: Fixed Annual License Fee Legacy Product (LA Base, LA Trauma)		\$578,423.00
B. TEMIS Application Software Support Services: Monthly Fee Legacy Product (LA Base, LA Trauma)	\$63,293.00	\$759,516.00
C. EMS Repository NEMSIS 3.5 Standard: Recurring Fee ¹¹		\$330,750.00
E. Insights Reporting Platform ¹¹		\$82,687.00
F. Pool Dollars for Additional Work ¹²		(see Footnote 12)
SUBTOTAL FOR YEAR TWENTY-FIVE/TWENTY-SIX (up to)		\$1,751,376.00

GRAND TOTAL FOR YEARS ONE THROUGH TWENTY-FIVE/TWENTY-SIX (Contract Sum up to)
\$24,804,395.00

- (1) Consist of software development to combine the current three TEMIS databases (LA Fire-Rescue, LA Base and LA Trauma) into one central database.
- (2) Develop and install a File Transfer Protocol (FTP) site for transfer of confidential patient care records which consist of two phases; installation and set-up at the TEMIS Central Site and 46 TEMIS Field Sites.
- (3) Optional Project: Develop and implement a pilot project with one EMS Provider Agency consisting of electronic data capture utilizing an electronic patient care record (ePCR).

EXHIBIT B – SCHEDULE OF PAYMENTS

- (4) Optional Project: Develop and implement a pilot project with one EMS Provider Agency and the TEMIS Central Site consisting of electronic data capture utilizing a scanning solution to convert the paper patient care record into electronic data.
- (5) The “Total Annual Fee” for Contract Year Twenty-Two (A) that is reflected in “TEMIS Application Software: Fixed Annual License Fee” is based on the 6-month period of 7/1/2022 through 12/31/2022.
- (6) The “Monthly Fee” and “Total Annual Fee” for Contract Year Twenty-Two (A) that are reflected in “TEMIS Application Software Support Services: Fixed Monthly Fee” are based on the 6-month period of 7/1/2022 through 12/31/2022.
- (7) The “Total Annual Fee” for Contract Year Twenty-Two (B) that is reflected in “TEMIS Application Software: Fixed Annual License Fee” is based on the 6-month period of 1/1/23 through 6/30/23.
- (8) The “Monthly Fee” and “Total Annual Fee” for Contract Year Twenty-Two (B) that are reflected in “TEMIS Application Software Support Services: Fixed Monthly Fee” are based on the 6-month period of 1/1/23 through 6/30/23.
- (9) The “Total Annual Fee” for Contract Year Twenty-Three that is reflected in “TEMIS Application Software: Fixed Annual License Fee” are based on the 3-month period of 7/1/23 through 09/30/23.
- (10) The “Monthly Fee” and “Total Annual Fee” for Contract Year Twenty-Three that are reflected in “TEMIS Application Software Support Services: Fixed Monthly Fee” are based on the 3-month period of 7/1/23 through 9/30/23.
- (11) Fees for these items to be paid annually in advance, with the invoice due October 15 of the applicable Contract Year.
- (12) Pool Dollars in the amount of \$787,501 for Additional Work shall be available for use during Contract Year Twenty-Three/Twenty-Four through Contract Year Twenty-Five/Twenty-Six (10/1/2023 – 9/30/2026).

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Page 1 of 2

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

Contractor Name _____ Agreement No. _____
Employee Name _____

GENERAL INFORMATION:

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Page 2 of 2

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

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

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

SIGNATURE: _____

DATE: ____ / ____ / ____

PRINTED NAME: _____

POSITION: _____

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND
CONFIDENTIALITY AGREEMENT**

Page 1 of 2

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

Contractor Name _____ Agreement No. _____

Non-Employee Name _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND
CONFIDENTIALITY AGREEMENT**

Page 2 of 2

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

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

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

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

SIGNATURE: _____ DATE: ____ / ____ / ____

PRINTED NAME: _____

POSITION: _____

BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (“HIPAA”)

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the “HIPAA Rules”).

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement (“Business Associate Agreement”) between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

- 1.1 “Breach” has the same meaning as the term “breach” at 45 C.F.R. § 164.402.
- 1.2 “Business Associate” has the same meaning as the term “business associate” at 45 C.F.R. § 160.103. For the convenience of the parties, a “business associate” is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A “business associate” also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement “Business Associate” shall mean Contractor.

- 1.3 “Covered Entity” has the same meaning as the term “covered entity” at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, “Covered Entity” shall mean County.
- 1.4 “Data Aggregation” has the same meaning as the term “data aggregation” at 45 C.F.R. § 164.501.
- 1.5 “De-identification” refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 “Designated Record Set” has the same meaning as the term “designated record set” at 45 C.F.R. § 164.501.
- 1.7 “Disclose” and “Disclosure” mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate’s internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 “Electronic Health Record” means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 “Electronic Media” has the same meaning as the term “electronic media” at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 “Electronic Protected Health Information” has the same meaning as the term “electronic protected health information” at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health

Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.11 “Health Care Operations” has the same meaning as the term “health care operations” at 45 C.F.R. § 164.501.
- 1.12 “Individual” has the same meaning as the term “individual” at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 “Law Enforcement Official” has the same meaning as the term “law enforcement official” at 45 C.F.R. § 164.103.
- 1.14 “Minimum Necessary” refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.15 “Protected Health Information” has the same meaning as the term “protected health information” at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Protected Health Information.
- 1.16 “Required by Law” has the same meaning as the term “required by law” at 45 C.F.R. § 164.103.
- 1.17 “Secretary” has the same meaning as the term “secretary” at 45 C.F.R. § 160.103
- 1.18 “Security Incident” has the same meaning as the term “security incident” at 45 C.F.R. § 164.304.
- 1.19 “Services” means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor’s status as a Business Associate.

- 1.20 “Subcontractor” has the same meaning as the term “subcontractor” at 45 C.F.R. § 160.103.
- 1.21 “Unsecured Protected Health Information” has the same meaning as the term “unsecured protected health information” at 45 C.F.R. § 164.402.
- 1.22 “Use” or “Uses” means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity’s applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
- 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

- 5.1.2 Business Associate shall report to Covered Entity any Security Incident affecting Business Associate's systems used in the delivery of its services to Covered Entity of which Business Associate becomes aware.
- 5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate, and which affects Business Associate's systems used in the delivery of its services to Covered Entity. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
- 5.2.1 Business Associate shall make a prompt telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.
- 5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than five (5) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of

5.2.3 of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief HIPAA Privacy Officer at: Hall of Records, County of Los Angeles, Chief Executive Office, Risk Management Branch-Office of Privacy, 320 W. Temple Street, 7th Floor, Los Angeles, California 90012, PRIVACY@ceo.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.4 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

- 5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.
- 5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.
- 5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

- 6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.
- 6.2 Business Associate shall take commercially reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return

to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.

- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall be referred to Covered Entity in writing within two (2) business days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall assist Covered Entity as reasonably necessary in providing the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity. Covered Entity shall be responsible for responding to the Individual making the amendment request and for making any necessary corrections to that Individual's Protected Health Information.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
 - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
 - (c) A brief description of the Protected Health Information Disclosed;
and
 - (d) A brief statement of the purpose of the Disclosure.
- 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528
- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

In the event of a Breach of Unsecured Protected Health Information caused by Business Associate, its employees, representatives, agents or Subcontractors, Business Associate will provide the following information to Covered Entity:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity will provide any required notification to individuals whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach, and Business Associate will assist as needed, as reasonably required by Covered Entity.

13.3 Business Associate shall reimburse Covered Entity for up to \$9 million in costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information.

14. OBLIGATIONS OF COVERED ENTITY

14.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.

14.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible

under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

15. TERM

- 15.1 Unless sooner terminated as set forth in Section 16, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 15.2 Notwithstanding Section 15.1, Business Associate's obligations under Sections 11 and 17 shall survive the termination or expiration of this Business Associate Agreement.

16. TERMINATION FOR CAUSE

- 16.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.
- 16.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

17. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 17.1 Except as provided in Section 17.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 17.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of

Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.

- 17.2 Destruction for purposes of Section 17.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 17.3 Notwithstanding Section 11.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
 - 17.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
 - 17.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 17.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 17.2.

18. AUDIT, INSPECTION, AND EXAMINATION

- 18.1 Covered Entity reserves the right to conduct a reasonable inspection of the applicable books, records, agreements, and policies and procedures

relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 16.

- 18.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 18.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 18.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 18.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 18.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 18.6 Section 18.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

19. MISCELLANEOUS PROVISIONS

- 19.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 19.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.

- 19.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 19.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 19.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 19.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

BUSINESS ASSOCIATE LISTING

Page 18 of 18

Business Associate Name: _____

Type of Services Provided: _____

Website URL: _____

First Point of Contact:

Title: _____

Name: _____

Address: _____

Phone: _____ **Fax:** _____ **E-mail:** _____

Second Point of Contact:

Title: _____

Name: _____

Address: _____

Phone: _____ **Fax:** _____ **E-mail:** _____

TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEMS AGREEMENT

EXHIBIT M

INFORMATION SECURITY REQUIREMENTS

(ADDED UNDER AMENDMENT NUMBER TWELVE)

SEPTEMBER 2023

TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEMS AGREEMENT

EXHIBIT M – INFORMATION SECURITY REQUIREMENTS

This Exhibit M (Information Security Requirements) is an attachment and addition to the Agreement, and is incorporated into the Agreement by reference hereof. Unless specifically defined in this Exhibit, capitalized terms shall have the meanings set forth in the Agreement.

1.1 INTRODUCTION

This Exhibit M (Information Security Requirements) sets forth the information security procedures and policies to be established by CONTRACTOR before the effective date of the Agreement and maintained throughout the Agreement Term. This Exhibit M (Information Security Requirements) is in addition to the other requirements of the Agreement, including Business Associate under the Health Insurance Portability and Accountability Act of 1996, between the parties, and presents a minimum standard only. It is CONTRACTOR's sole obligation to (i) implement appropriate measures to secure its systems and data against internal and external threats and risks to COUNTY confidential information; and (ii) continuously review and revise those measures to address ongoing threats and risks. Failure to materially comply with the minimum standards set forth in this Exhibit M (Information Security Requirements) will constitute a material breach of the Agreement by CONTRACTOR, entitling COUNTY, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Agreement, to immediately terminate the Agreement.

1.2 INFORMATION MANAGEMENT PROGRAMS

A. Security Program

The CONTRACTOR shall establish and maintain formal, documented, mandated, company-wide security programs, including security policies, standards and procedures (collectively, "Security Program").

"Confidentiality/Integrity/Availability" shall mean data, objects, and resources are protected from unauthorized viewing and other access; data is protected from unauthorized changes to ensure that it is reliable and correct; and authorized users have access to the systems and the resources they need.

TRAUMA AND EMERGENCY MEDICINE INFORMATION SYSTEMS AGREEMENT

The Security Program shall, at a minimum:

1. Protect the Confidentiality/Integrity/Availability of COUNTY Confidential Information accessed by CONTRACTOR or in the CONTRACTOR's possession or control.
2. Protect against any anticipated threats or hazards to the Confidentiality/Integrity/Availability of COUNTY Confidential Information.
3. Protect against unauthorized or unlawful access, use, disclosure, modification, or destruction of COUNTY Confidential Information.
4. Protect against accidental loss or destruction of, or damage to, COUNTY Confidential Information.
5. Safeguard COUNTY Confidential Information in compliance with any applicable laws and regulations which apply to the COUNTY and CONTRACTOR.

B. Privacy Program

The CONTRACTOR shall establish and maintain a company-wide program designed to incorporate policies and practices in its business operations to provide safeguards for sensitive and confidential information encountered in CONTRACTOR's operations, including the COUNTY Confidential Information (collectively, "Privacy Program"). Notwithstanding the foregoing, CONTRACTOR's Privacy Program shall solely relate to its practices, which may include handling of customer information, but shall not bind the COUNTY (including, but not limited to, its users, patients, and constituents) to CONTRACTOR's policies.

The CONTRACTOR's Privacy Program shall include:

1. A framework that identifies and ensures that the CONTRACTOR complies with all applicable laws and regulations.
2. A framework that supports ethical decision-making in product and service design or deployment that optimizes
3. A framework that supports ethical decision-making in product and service design or deployment that optimizes

beneficial uses of data while minimizing adverse consequences for individuals' privacy.

3. External and internal policies, procedures and controls to support the privacy program.
4. A training program that covers the foregoing policies, protocols and awareness.
5. A response plan to address incidents.

B. CONTRACTOR Personnel Training

The CONTRACTOR shall supply CONTRACTOR personnel with appropriate, annual training regarding information security procedures, risks, threats, and the Information Management Programs.

C. Storage and Transmission of COUNTY Confidential Information

All COUNTY Confidential Information shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, the CONTRACTOR will encrypt all workstations, portable devices (e.g., mobile, wearables, tablets,) and removable data storage media (e.g., portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) ("Removable Media") that store COUNTY Confidential Information in accordance with Federal Information Processing Standard (FIPS) 140-2.

The CONTRACTOR will encrypt COUNTY Confidential Information transmitted on networks outside of the CONTRACTOR's control with Transport Layer Security (TLS) 1.2 or higher or Internet Protocol Security (IPSEC), at a minimum Cipher Strength of 128 bit.

All mobile devices storing COUNTY Confidential Information shall be managed by a mobile device management system which allows CONTRACTOR to control, secure, and enforce policies on smartphones, tablets, and other endpoints. 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 current operating system security patches, and the latest virus definitions. Virus scans must be performed at least monthly.

D. Destruction of COUNTY Confidential Information

The CONTRACTOR shall return or destroy COUNTY Confidential Information in accordance with the Agreement. In the case of destruction, the CONTRACTOR shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing COUNTY Confidential Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" or any successor standard such that the COUNTY Confidential Information cannot be retrieved. As to COUNTY Confidential Information in the possession or control of CONTRACTOR, the CONTRACTOR will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the COUNTY Confidential Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to COUNTY within ten (10) days of termination or expiration of the Agreement or at any time upon the COUNTY's request. As to COUNTY Confidential Information that is in the possession or control of an authorized Subprocessor, CONTRACTOR shall request destruction of the COUNTY Confidential Information and Subprocessor shall purge or destroy such COUNTY Confidential Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" or any successor standard such that the COUNTY Confidential Information cannot be retrieved.

E. Physical and Environmental Security

The CONTRACTOR will implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the Confidentiality/Integrity/Availability of COUNTY Confidential Information.

F. Operational Management

The CONTRACTOR shall: (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management, and incident (as defined below) response procedures consistent with Paragraph I (Incidents); and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are

adequately documented and designed to protect information and computer media, and data from theft and unauthorized access.

G. Access Control

Subject to and without limiting the requirements under Paragraph D (Storage and Transmission of COUNTY Confidential Information), COUNTY Confidential Information (i) may only be made available and accessible to those parties explicitly authorized under the Agreement (including CONTRACTOR's employees who have a legitimated need), those who have been granted access by the COUNTY, or otherwise expressly approved by the COUNTY Project Director or Project Manager; (ii) if transferred across the internet, any wireless network (e.g., cellular, 802.11x, or similar technology), or other public or shared networks, must be protected using appropriate encryption technology as designated or approved by COUNTY in writing; and (iii) if transferred using removable media must be sent via a bonded courier and protected using encryption technology designated by the CONTRACTOR and approved by the COUNTY Chief Information Security Officer. The foregoing requirements shall also apply to back-up data stored by the CONTRACTOR at off-site facilities.

The CONTRACTOR shall implement formal procedures to control access to COUNTY systems, services, data, and/or information, including, but not limited to, user account management procedures and the following controls:

3. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of industry standard and properly configured firewalls.
4. Appropriate access controls will be applied to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging.
5. The CONTRACTOR will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to COUNTY Confidential Information is removed in a timely manner.
6. Applications will include access control to limit user access to COUNTY Confidential Information and application system functions.

7. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The CONTRACTOR shall record, review and act upon all events in accordance with incident (as defined below) response policies set forth in Paragraph I (Incidents).
8. In the event any hardware, storage media, or removable media (as described in Paragraph D (Storage and Transmission of COUNTY Confidential Information) must be disposed of or sent off-site for servicing, the CONTRACTOR shall ensure all COUNTY Confidential Information, has been eradicated from such hardware and/or media using the standards in Paragraph E (Destruction of COUNTY Confidential Information).

H. Incidents

In the event of an Incident (as defined below), the CONTRACTOR shall:

3. Promptly notify the COUNTY's Chief Information Security Officer, the Departmental Information Security Officer, and the COUNTY's Chief Privacy Officer of any attempted or successful unauthorized access, use, disclosure, modification, destruction, sharing, application, examination, analysis, release, transfer, or divulging in any other manner (whether oral, electronic, or in writing) of COUNTY Confidential Information ("Incident"), within twenty-four (24) hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone.

COUNTY Chief Information Security Officer and Chief Privacy Officer Email:

Ciso-cpo_notify@laCOUNTY.gov

Chief Information Security Officer:

Jeffrey Aguilar
Chief Information Security Officer
320 W Temple, 7th floor
Los Angeles, CA 90012
(213) 253-5600

Chief Privacy Officer:

Lillian Russell

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

Departmental Information Security Officer Email:

Ehd@dhs.laCOUNTY.gov

and

helpdesksup@dhs.laCOUNTY.gov

Vahe Haratounian

Department of Health Services Information Security Officer

Health Services Administration

313 North Figueroa, Suite 317

Los Angeles, CA 90012

(323) 409-8000

4. Include the following information:
 - a. The date and time of discovery of the incident.
 - b. The approximate date and time of the incident.
 - c. A description of the type of COUNTY confidential information involved in the incident.
 - d. 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.
 - e. The name and contact information for the CONTRACTOR's official representative(s), with relevant business and technical information relating to the incident.
5. Cooperate with the COUNTY to investigate the Incident and seek to identify the specific COUNTY Confidential Information involved in the incident upon the COUNTY's written request, without charge, unless the Incident was caused by the acts or omissions of the COUNTY. As information about the incident is collected or otherwise becomes available to the CONTRACTOR, and unless prohibited by law, the CONTRACTOR shall provide information regarding the nature and consequences of the Incident that are reasonably requested by the COUNTY to allow the COUNTY to notify affected individuals, government agencies, and/or credit bureaus.

6. Promptly initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing a material interference with COUNTY's information technology operations.
7. Assist and cooperate with forensic investigators, the COUNTY, law firms, and and/or law enforcement agencies to help determine the nature, extent, and source of any incident, and reasonably assist and cooperate with the COUNTY on any additional disclosures that the COUNTY is required to make as a result of the Incident.

Subject to the limits of the Limitation of Liability in Paragraph 102 (SaaS Limitation of Liability), the CONTRACTOR shall be (i) liable for all damages and fines, (ii) responsible for all CONTRACTOR corrective action and payment for the reasonable costs of COUNTY's corrective action, and (iii) responsible for, at COUNTY's sole election, all notifications arising from an incident or COUNTY's reasonable costs for such notifications, caused by or arising from the CONTRACTOR's weaknesses, negligence, errors, lack of information security or privacy controls or provisions, or CONTRACTOR's failure to comply with the applicable terms under this Exhibit M (Information Security Requirements) and otherwise under the Agreement.

I. Audit and Inspection

3. Self-Audits

- a. The CONTRACTOR shall periodically conduct audits, assessments, testing of the system of controls, and testing of information security and privacy procedures, including penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at CONTRACTOR's sole cost and expense through either (i) an internal independent audit function, or (ii) a nationally recognized, external, independent auditor.
- b. The CONTRACTOR shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. Failure to correct or obviate control deficiencies within a commercially reasonable period of time shall constitute a material breach of the Agreement. The

CONTRACTOR shall provide a high level summary of the audit results and any corrective action documentation to the COUNTY promptly upon its completion at the COUNTY's request. With respect to any other report, certification, or audit or test results prepared or received by the CONTRACTOR that contains any COUNTY Confidential Information, the CONTRACTOR shall promptly provide the COUNTY with copies of the same upon the COUNTY's reasonable request, including identification of any failure or exception in the CONTRACTOR's information systems, products, and services, and the corresponding steps taken by the CONTRACTOR to mitigate such failure or exception. Any reports and related materials provided to the COUNTY pursuant to this Paragraph J (Audit and Inspection) shall be provided at no additional charge to the COUNTY and treated as confidential information by the COUNTY.

4. COUNTY Audits

- a. At its own expense, the COUNTY, or an independent third-party auditor commissioned by the COUNTY, shall have the right to audit the CONTRACTOR's infrastructure, security and privacy practices, data center, services and/or systems storing or processing COUNTY Confidential Information via an onsite inspection at least once a year or more frequently upon reasonably suspected violation of this Exhibit M (Information Security Requirements), provided COUNTY and CONTRACTOR will agree in advance to the parameters of such audit, and COUNTY and its independent third-party auditor executes appropriate confidentiality agreements with Contractor. Such audit shall be conducted during the CONTRACTOR's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the CONTRACTOR's normal business operations. The 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 is not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal vulnerability scans, penetration test results, evidence of code reviews, and evidence of system

configuration and audit log reviews. It is understood that the results may be filtered to remove the specific information of other CONTRACTOR customers such as IP address, server names, etc. The CONTRACTOR shall cooperate with the COUNTY in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access shall extend to any regulators with oversight of the COUNTY. The CONTRACTOR agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes. Upon the COUNTY's request, the CONTRACTOR shall complete a questionnaire regarding CONTRACTOR's information security practices and/or program. When not prohibited by law, the CONTRACTOR will provide to the COUNTY a summary of: (i) the results of any security audits, security reviews, or other relevant audits, conducted by the CONTRACTOR or a third party related to the systems used to provide services to COUNTY; and (ii) corrective actions or modifications, if any, the CONTRACTOR will implement in response to such audits.

- b. When not prohibited by law, the CONTRACTOR will notify the COUNTY if CONTRACTOR's privacy or security practices related to the systems used to provide services to COUNTY are investigated or audited by any federal or state regulatory body. Such notification shall consist of the details of the audit or investigation, and the CONTRACTOR's corrective actions with respect to any deficiencies that were identified in the audit or investigation.

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	8/16/2023			
BOARD MEETING DATE	9/12/2023			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input checked="" type="checkbox"/> 4 th <input type="checkbox"/> 5 th			
DEPARTMENT(S)	Mental Health			
SUBJECT	Approve proposed 15-year lease for 17,250 square feet of office/clinic and 70 onsite parking spaces at 1294 W 6th Street, San Pedro (Premises) and 2-year Lease for 9,376 square feet and 37 onsite parking spaces at 1360 W 6th Street, San Pedro (Temporary Space)			
PROGRAM	San Pedro Mental Health Center			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A			
DEADLINES/ TIME CONSTRAINTS	The Department of Mental Health is paying for Temporary Premises under a Permit while they await Board approval on the Lease.			
COST & FUNDING	<table border="1"> <tr> <td>Total cost: \$17,937,000</td><td>Funding source: The rental costs will be funded through State and Federal funds that is already included in DMH's budget. DMH will not be requesting additional net County Cost for this action.</td></tr> </table> <p>TERMS (if applicable): The proposed lease for the Premises will have an annual cost of \$1,828,731 for the first year, where the landlord will be responsible for the operating and maintenance costs of the building and the County is responsible for the electric utility, janitorial costs, and security services for the Premises. The proposed lease for the Temporary Space will have an annual cost of \$345,659, where the Landlord is responsible for operating and some maintenance costs including utilities, and the County is responsible for janitorial and security for the Temporary Space.</p> <p>Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2023-24 Rent Expense budget and will be billed back to DMH. DMH has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be requested through the annual budget process for DMH.</p>		Total cost: \$17,937,000	Funding source: The rental costs will be funded through State and Federal funds that is already included in DMH's budget. DMH will not be requesting additional net County Cost for this action.
Total cost: \$17,937,000	Funding source: The rental costs will be funded through State and Federal funds that is already included in DMH's budget. DMH will not be requesting additional net County Cost for this action.			
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide the necessary office/clinic space for DMH.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The proposed 15-year lease for 17,250 square feet of office/clinic and 70 onsite parking spaces at 1294 W 6th Street, San Pedro (Premises) and 2-year Lease for 9,376 square feet and 37 onsite parking spaces at 1360 W 6th Street, San Pedro (Temporary Space). The Premises will enable DMH to use the space as the San Pedro Mental Health Center providing direct services to clients age 18 to older adults. The Temporary Space will address DMH's immediate need for a replacement facility before the Premises will be ready for occupancy. This was approved at the 8/10/2023 REMC meeting.			
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rivera, Lease Section Chief, CEO Real Estate Division 213-974-4189, ARivera@ceo.lacounty.gov			



COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

September 12, 2023

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:

**FIFTEEN-YEAR LEASE USING
COMMERCIAL PAPER NOTES TO FUND TENANT IMPROVEMENTS
1294 WEST 6TH STREET, SAN PEDRO
AND
TWO-YEAR LEASE ADDENDUM
1360 WEST 6TH STREET, SUITE 200, SAN PEDRO
DEPARTMENT OF MENTAL HEALTH
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed new 15-year lease for 17,250 square feet of office space, and 70 on-site parking spaces at 1294 West 6th Street, San Pedro and approval of a proposed two-year lease addendum for 9,376 square feet and 37 on-site parking spaces at 1360 West 6th Street, Suite 200, San Pedro, for the Department of Mental Health's (DMH) San Pedro Mental Health Center (SPMHC) and San Pedro Full-Service Partnership program and the authorization of the issuance of taxable commercial paper notes (Notes) through the Los Angeles County Capital Asset Leasing Corporation Lease Revenue Note Program (Note Program) to provide financing for the tenant improvement (TI) costs.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease and addendum are exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.

2. Find that the issuance of Notes through the Note Program to finance TI costs for the proposed lease is not subject to CEQA because they are activities that are excluded from the definition of a project for the reasons stated in this Board letter and in the record of the project.
3. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with San Pedro Medical Office Properties, a California Limited Partnership (Landlord), for approximately 17,250 square feet of office space and 70 on-site parking spaces located at 1294 West 6th Street, Suite 200, San Pedro (Premises) to be occupied by DMH. This recommendation proposes a lease for a term of more than ten years. The estimated maximum first year base rental cost is \$662,400. The estimated total proposed lease cost is \$17,261,000, including TI, insurance, and low voltage costs for the Premises, over the 15-year term. The rental costs for the Premises will be funded by State and Federal funds that are already included in DMH's budget. DMH will not be requesting additional net County cost (NCC) for this action.
4. Authorize the Chief Executive Officer, or her designee, to execute the proposed two-year addendum with the Landlord for approximately 9,376 square feet for temporary office space and 37 on-site parking spaces located at 1360 West 6th Street, Suite 200, San Pedro (Temporary Premises). The estimated maximum first-year base rental cost is \$320,700 for the Temporary Premises. The estimated total proposed addendum cost is \$676,000, including TI costs, over the two-year term. The rental costs for the Temporary Premises will be funded by State and Federal funds that is already included in DMH's budget. DMH will not be requesting additional NCC for this action.
5. Authorize the Chief Executive Officer, or her designee, to reimburse the Landlord up to \$3,052,500 (\$176.96 per rentable square foot), inclusive of the change order amounts, for the County's TI contribution under the proposed lease, if paid in lump sum or \$3,713,700 if amortized over five years at 8 percent interest per annum.
6. Authorize a County TI contribution of \$25,000 to be paid in a lump sum to the Landlord under the proposed addendum for the Temporary Premises.
7. To finance the County's TI contribution, establish TI Project No. 58826 for the proposed lease at the Premises.
8. Authorize the issuance of Notes through the Note Program in the amount not-to-exceed \$3,053,000 for the TI costs. Also, approve an amount not-to-exceed \$119,000, to be funded by the benefiting department, for interest due to the Landlord until County payment is received.

9. Authorize the Director of DMH to contract with and direct the Internal Services Department, in coordination with the Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low-voltage systems, and vendor installation (Low-Voltage Items) at a total cost not-to-exceed \$970,900 if paid in a lump sum, or \$1,176,500 if amortized over five years at 10 percent interest per annum. The cost for the Low-Voltage Items is in addition to the rental costs and the County's TI contribution payable to the Landlord.
10. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease and addendum, and to take actions necessary and appropriate to implement the terms of the proposed lease and addendum, including, without limitation, exercising any early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Premises will be used as DMH's SPMHC replacement facility following their relocation from their existing leased facility located at 150 West 7th Street, San Pedro. DMH has occupied their existing site since May 1, 2004. In late 2019, the Landlord notified the County of its intent to sell the property to a real estate developer, who plans to re-develop the site into a mixed-use retail and residential project. The County began searching for a replacement property at that time. However, due to a lack of available suitable properties, the County requested an extension from the Landlord. The current lease expired on May 31, 2023, and is in holdover with no additional fees charged by the Landlord.

To address DMH's immediate need for a replacement facility before the Premises will be ready for occupancy, the Landlord agreed to lease the Temporary Premises for the SPMHC program while the TI is completed on the Premises, which will enable DMH to continue limited clinical operations within its service area. The Temporary Premises contains 9,376 square feet of office space and 37 on-site parking spaces. The Temporary Premises is in move-in condition and only requires furniture, telecommunications, and low-voltage work to be provided by the County. In December 2022, the County entered into a separate Right of Entry Agreement that was executed under the Chief Executive Officer's delegated administrative authority, so that the Temporary Premises could be prepared for DMH's occupancy. However, additional minor TI work is needed that can begin once the proposed lease and addendum is signed. Once the TI work is complete and DMH moves into the Premises, the proposed addendum will terminate. Therefore, the proposed addendum term will begin first, and the proposed lease term will begin once the proposed addendum term ends.

SPMHC is a direct service program providing services to adult patients ranging from ages 18 to older adults. The program has expanded their direct services over the past nine years, to address a growing client population that has increased substantially in size over the years. SPMHC has met increasing service demands by offering specialty mental

health services and more extensive case management services that include support services to the community, such as housing assistance. SPMHC provides medication support services, group therapy, peer-run services, community integration, health screenings, and other services. to the client population in Service Planning Area 8, serving San Pedro, the Harbor Gateway area, including Harbor City, Palos Verdes, Rancho Palos Verdes, Lomita, and the Wilmington area.

DMH will have 41 employees or staff members at this facility and have up to four armed guards for the program. The program has 5-6 staff employees out of the 41, that will work in the field 40 to 80 percent of the time, depending on their clients. The staff members use the office as a home base before traveling into the field or will return to the office after their client visits if the visits occur in the morning hours. Over the past six years, SPMHC has been expanding direct services to a growing population, almost doubling the client size. On average, anywhere from 50-80 clients visit the clinic daily for appointments, with a few visitors on a walk-in basis.

DMH has implemented teleworking into their space design, which includes space for hoteling work. The space was designed with 12 added workstations dedicated to hoteling.

The Premises will provide DMH 17,250 square feet of office space and 70 on-site parking spaces included in the rent. DMH found this location suitable because it is within their service area, and it is also near the current location. Moreover, the proposed Premises will have new TIs, with a more efficient space configuration and will allow for increased operational efficiencies and functionality. The proposed Premises is approximately 1.5 miles from the current location and is across the street from a Providence Medical Center. The proposed Premises is also near public transportation routes, with public bus routes on 7th Street, one block north of the proposed Premises.

We have provided for TIs to be funded either by the Landlord or through the Note Program, and we will work with DMH to select the lower cost option at the time TIs must be paid. Based on current rates, the Note program is currently estimated to be similar in borrowing costs, exclusive of insurance costs and interest to the Landlord, if any. However, interest rates for the Note Program may be different at the time TIs are to be repaid.

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 and addendum are consistent with Strategic Asset Management Plan Goal 2 – Strengthen connection between service priorities and asset decisions and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease and addendum support the above goals and objective with a facility that provides proper accommodations for clinic and office space, with adequate space for employees, collaborators, and clients. The proposed lease and addendum will advance the Board's directive to DMH to improve the delivery of services to San Pedro and surrounding communities.

The proposed lease and addendum conform with the Asset Management Principles outlined in Enclosure A.

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost for the proposed lease is \$662,400, which includes parking at no additional cost. The aggregate cost associated with the proposed lease, including tenant improvements, change order allowances, insurance, and low voltage costs, over the entire 15-year term is \$17,261,000 as shown on Enclosure B.

The estimated maximum first year base rental cost for the proposed addendum is \$320,700, which includes parking at no additional cost. The aggregate cost associated with the proposed addendum, including tenant improvements, over the entire two-year term is \$676,000 as shown on Enclosure B.

The aggregate cost associated with the proposed lease and addendum over the entire 17-year term of both agreements is \$17,937,000. The proposed lease and addendum costs will be fully funded by State and Federal funds that is already included in DMH's existing budget. DMH will not be requesting additional NCC for this action.

Traditionally, the County borrows the TI dollars from the Landlord at interest rates in the range of 7 to 8 percent. The Note Program serves as an alternative funding mechanism to finance the TI costs in place of the TI funding provided by the Landlord. For budgetary and planning purposes, the County assumes an interest of 5.85 percent for the Note Program, or 8.05 percent inclusive of administrative fees and insurance costs. However, the interest rate of the Notes will be based on the market conditions at the time of issuance and staff will analyze and select the option with the lower rate.

Should the Note Program be used to pay TIs, the Notes will be issued to fund TI costs after completion of the TI project, tenant department takes occupancy of the leased space, and reconciliation of project expenditures. DMH would be responsible to repay the Note costs, which include principal, interest, administrative fees, and insurance. The Notes will have a final repayment date not to exceed five years from the date of issuance. Annually, the Chief Executive Office (CEO) will coordinate with the tenant department to

determine the amount of available cash to repay all or a portion of the outstanding Notes and incorporate the planned redemptions in the budget no later than May 15th of each year for redemption of the outstanding Notes to be completed by June 30th of each year.

Should the Note Program be used to pay TIs, sufficient funds would be appropriated through the budget process in the TI project number under J50, a special fund that was established to capture the TI expenditures funded by the Notes, to allow for the lump sum payment to the Landlord. Sufficient funds for the proposed lease and County TI reimbursement costs, including repayment amounts for the Note Program or repayment to the Landlord, as applicable, would be appropriated in the Rent Expense Budget and will be billed back to DMH.

Subject to the lease terms, there may be interest due to the Landlord until the County payment is received. Since this interest cost is not eligible to be financed under the Note Program, this interest cost will be paid by the Rent Expense Budget and the costs will be disbursed to DMH.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2023-24 Rent Expense budget and will be billed back to DMH. DMH has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be requested through the annual budget process for DMH.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Base rent for both the Premises and the Temporary Premises is subject to fixed annual increases of 3 percent.
- Total TI costs, including change orders, for site improvements and the Premises are expected to be \$4,173,750 of which the Landlord will provide \$1,121,250 (\$65 per square foot) base for the TI allowance along with \$1,000,000 for site improvements. Total TI costs for the Temporary Premises are expected to be \$25,000, which DMH intends to pay in one lump sum. The County has the option to pay for furniture through the proposed lease TI allowances, or DMH may pay such costs directly.

- For the Premises, the County will reimburse the Landlord up to \$3,052,500, comprised of: (i) \$2,252,500 (\$130.58 per square foot) as the County's TI contribution; (ii) the \$500,000 change order No. 1 allowance (\$28.99 per square foot), and; (iii) the \$300,000 change order No. 2 allowance (\$17.39 per square foot). If the Landlord advances the County's TI contribution, this amount will be amortized over five years with interest at 8 percent for a fully amortized amount not to exceed \$3,714,000.
- For the Premises, the County will pay up to \$970,900 for the lump sum cost of the Low-Voltage Items. If DMH elects to pay in installments, this amount will be amortized over five years with interest at 10 percent for a fully amortized amount not to exceed \$1,177,000.
- For the Premises, the Landlord is responsible for the operating and maintenance costs of the building and the County is responsible for the electricity, janitorial costs, and security services for the Premises. The County is not subject to the building's operating expense increases.
- For the Temporary Premises, the Landlord is responsible for operating and some maintenance costs of the Temporary Premises, including electricity, and the County is responsible for janitorial and security for the Temporary Premises.
- If the Landlord advances the County's TI contribution on the Temporary Premises, the County will reimburse the Landlord up to \$25,000 in a lump sum for the TI work for the installation of panic bar hardware for exit doors to the suite.
- The Landlord shall pay for base building, site, code, and Americans with Disabilities improvements not-to-exceed \$1,000,000. In the event these costs exceed \$1,000,000, the Landlord agreed to provide two tenant change order allowances to the County's reimbursable TI allowance in the amounts of \$500,000 and \$300,000 for a total of \$800,000, intended to capture any cost overages.
- For the Premises and the Temporary Premises, parking is included at no additional charge for the respective lease terms. The Premises include 70 on-site parking spaces, and the Temporary Premises include 37 on-site spaces.
- The County has the right to terminate the proposed lease any time after 144 months, with 180 days' prior written notice subject to payment of a termination fee equal to all unamortized TI allowances and the payment of six month's rent at the then base rent amount.
- Holdover at the proposed lease expiration is permitted on the same terms and conditions except the monthly base rent during the holdover period will increase by 25 percent of the base rent at the time of the proposed lease expiration.

- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease however, the term and rent will commence upon completion of the TIs by the Landlord and acceptance of the Premises by the County.
- The proposed addendum for the Temporary Premises will be effective upon approval by the Board and full execution of the proposed lease and addendum by the parties.

The CEO issued a flyer soliciting proposals for available space from Landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website and Real Estate's County website. None of the responses received were suitable for DMH's needs because the sites were not in the service area.

The CEO conducted a thorough market search of available clinic space for lease within the general area of the current clinic facility but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$24.36 and \$51.60 per square foot, per year. The base annual rental rate of \$38.40 per square foot, per year for the proposed lease and the base annual rental rate of \$34.20 per square foot, per year for the proposed addendum represent rates that are within the middle of the market range for the area. We were unable to identify any sites that could accommodate this requirement more economically. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Co-working office space was not considered as an alternative considering DMH programs and the Mental Health Center use are not compatible with multi-tenant office users. DMH requires secured office areas to comply with the Health Insurance Portability and Accountability Act and require secured rooms for the storage of medication.

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

The Department of Public Works has inspected the facility and found it suitable for County occupancy. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act. The required notification letter to the City of Los Angeles (San Pedro area) has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the enclosed proposed lease and addendum and have approved it as to form. The proposed lease and addendum are 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.

The proposed lease and addendum will provide a suitable office location for DMH's programs, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012, as outlined in Enclosure D.

The Note Program is a short-term financing program utilized by the County to provide the initial funding mechanism for construction and capital improvement projects. The Notes issued through the Note Program are short-term variable rate debt instruments and the interest rate is reflective of the market conditions at the time of issuance. Upon project completion and after occupancy of the leased spaces and reconciliation of project expenditures, Notes will be issued to remit for the TI costs.

The Note Program process involves the County making a lump sum payment to the Landlord upon reconciliation of the final TI costs by use of a special fund, designated as J50. The J50 fund has been established to capture the TI expenditures exclusively related to the TIs funded by the Notes.

ENVIRONMENTAL DOCUMENTATION

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

Using the Note Program to finance the TIs is not subject to CEQA because they are activities that are excluded from the definition of a project by section 21065 of the Public Resources Code and section 15378 of the State CEQA Guidelines. The proposed action to establish TI project numbers and authorize the issuance of short-term Notes is organizational and an administrative activity of government that will not result in indirect or direct physical changes to the environment pursuant to section 15378(b)(5). The projects to which the recommended organizational and/or administrative actions apply have previously been approved by the Board and necessary CEQA findings for each project were made at the time of approval. There are no changes proposed to the projects as a result of the currently recommended actions, which would necessitate further findings under CEQA.

The Honorable Board of Supervisors

September 12, 2023

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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 and addendum will adequately provide the necessary clinic and office space, and parking spaces for this County requirement. DMH concurs with the proposed lease and addendum, and recommendations.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:JTC
JLC:HD:ANR: FC:gb

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Internal Services
Mental Health

**DEPARTMENT OF MENTAL HEALTH
1294 W. 6th STREET, SAN PEDRO**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²		X	
	B	Does lease co-locate with other functions to better serve clients? ² The space approved enough square footage to only house the direct services programs for SPMHC		X	
	C	Does this lease centralize business support functions? ² The program provides direct services, could not accommodate business support functions in the space.		X	
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Approximately 332 sq.ft. per person (based on 52 staff) due to four group rooms, a large reception lobby and multiple interview rooms for clients.		X	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² 70 parking spaces will provide a 4.06/1,000 parking ratio.	X		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long-term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report enclosed as Enclosure C?	X		
	G	Was build-to-suit or capital project considered? ² County is a tenant in a multi-tenanted building		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			X
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease? ² County pays electricity, janitorial, and security		X	
	F	Has growth projection been considered in space request?	X		
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

**DEPARTMENT OF MENTAL HEALTH
1360 W. 6th STREET, SAN PEDRO**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²		X	
	B	Does lease co-locate with other functions to better serve clients? ² The space approved enough square footage to only house the direct services programs for SPMHC		X	
	C	Does this lease centralize business support functions? ² The program provides direct services, could not accommodate business support functions in the space.		X	
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Approximately 180 sq.ft. per person (based on 52 staff); the premises are Temporary until permanent space is ready for occupancy.		X	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² 37 parking spaces will provide a 3.95/1,000 parking ratio.		X	
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long-term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report enclosed as Enclosure C?	X		
	G	Was build-to-suit or capital project considered? ² The premises will serve on a Temporary basis, until the permanent space is ready for occupancy.		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			X
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full-service lease? ² County pays for janitorial, and security services		X	
	F	Has growth projection been considered in space request?	X		
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

ENCLOSURE B

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

1294 W. 6th Street, Suite 200, San Pedro
Department of Mental Health

Leased Area (sq.ft.)	17,290	
Term (months)	180	
Annual Rent Adjustment Cap	3%	
	Cost Per RSF Per Month	Cost Per RSF Per Year
Base Rent	\$3.20	\$38.40
TI Allowance (Reimbursable) (\$130.58 SF)	Lump Sum Cost	Amortized Costs @ 8%, 5 yrs.
	\$2,252,500	\$2,740,335
Change Order Allowance No 1 (Reimbursable) (\$28.99 SF)	Lump Sum Cost	Amortized Costs @ 8%, 5 yrs.
	\$500,000	\$608,298.83
Change Order Allowance No 2 (Reimbursable) (\$17.39 SF)	Lump Sum Cost	Amortized Costs @ 8%, 5 yrs.
	\$300,000	\$364,975.10
Total Reimb TI and Change Orders (\$130.58 + \$28.99 + \$17.39= \$176.96 SF)	Lump Sum Cost	Amortized \$3,713,621.61
	Lump Sum Cost	Amortized Cost @ 10%, 5 Yrs
LV (TESMA Labor & Materials)	\$970,894	\$ 1,776,461

Lease	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year	8 th Year	9 th Year	10 th Year	11th Year	12th Year	13th Year	14th Year	15th Year	Total 15 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	\$662,400	\$682,272	\$702,740	\$723,822	\$745,537	\$767,903	\$790,940	\$814,668	\$838,108	\$864,282	\$890,210	\$916,917	\$944,424	\$972,757	\$1,001,939	\$12,320,000
Tenant Improvement Costs	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$348,071	\$2,741,000
Change Order No. 1 TI Costs	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$121,658	\$609,000
Change Order No. 2 TI Costs	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$72,995	\$365,000
Insurance costs ⁽²⁾	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Total Costs Paid to the Landlord	\$1,413,124	\$1,434,996	\$1,435,464	\$1,476,547	\$1,498,261	\$1,517,903	\$1,539,940	\$1,564,668	\$1,589,109	\$1,614,282	\$1,640,210	\$1,666,917	\$1,694,424	\$1,722,757	\$1,751,939	\$16,084,000
Low Voltage Costs ⁽³⁾	\$43,607	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$190,713	\$1,777,000
Total Annual Lease Costs	\$1,828,731	\$1,625,710	\$1,646,178	\$1,667,260	\$1,688,975	\$1,707,903	\$1,729,940	\$1,754,668	\$1,780,109	\$1,804,282	\$1,830,210	\$1,856,917	\$1,884,424	\$1,912,757	\$1,941,939	\$17,261,000

Footnotes:

⁽¹⁾ The Base Rent is subject to fixed three percent (3%) increases per annum.

⁽²⁾ County to reimburse landlord for insurance costs to insure County's Tenant Improvements.

⁽³⁾ (a) labor cost and tech paid lump sum in year 1.

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

Addendum to Lease (1360 W 6th Street, Suite 200, San Pedro) - Temporary Space

Leased Area (sq.ft.)	9,376		
	\$ RSF/month	\$ RSF/year	Rent per mo.
Base Rent	\$2.85	\$34.20	\$26,721.60
Addendum to the Lease	1 st Year	2 nd Year	Total 2 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	\$120,659	\$120,659	\$241,318
Tenant Improvement Costs	\$25,000		\$25,000
Total Annual Lease Costs	\$145,659	\$120,659	\$266,318

⁽¹⁾ The Base Rent is subject to fixed three percent (3%) increases per annum.

Combined Costs for Permanent Space (1294 W 6th Street) and Temporary Space (1360 W 6th Street):

	Temp Space 2 Year Rental Costs	Lease 15 Year Rental Costs	Total 17 Year Rental Costs
Temp Occupancy Term and Lease Term costs ⁽¹⁾	\$676,000	\$1,261,000	\$1,937,000

⁽¹⁾ The Temporary Term will be effective between 12 to 24 months during the Construction of Permanent Space.

**DEPARTMENT OF MENTAL HEALTH
SPACE SEARCH –10 MILE RADIUS
1294 W. 6th STREET, SAN PEDRO**

Property ID	Name	Address	Ownership Type	Gross SqFt	Net SQFT	Vacant
2054	Harbor - Public Health Programs Building N - 22	1000 W Carson St. Torrance 90502	Owned	2,650	2,120	NONE
A074	CSSD - Division V Headquarters/Torrance Health Center	20221 S Hamilton Ave Torrance 90502, 711 Del Amo Blvd. Torrance 90502	Leased	66,825	54,835	NONE
A150	DMH - Wellness Center	21732 S Vermont Ave Suite 210 Torrance 90502	Leased	7,390	7,021	NONE
A414	DCFS - Torrance (SPA 8)	2325 Crenshaw Blvd Torrance 90501	Leased	60,804	57,764	NONE
10205	BOARD OF SUP-4TH DIST SAN PEDRO FIELD OFFICE	302 W 5th St. San Pedro 90731	Leased	2,137	1,923	NONE
A655	Alternate Public Defender & Public Defender - Torrance Branch Offices	3655 Torrance Blvd Torrance 90503	Leased	8,106	7,295	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Fifteen-year lease agreement for the Department of Mental Health (DMH) Premises at 1294 West 6th Street, San Pedro, and a two-year addendum agreement for DMH Temporary Premises at 1360 West 6th Street, San Pedro, Fourth Supervisorial District.

A. Establish Service Function Category – The SPMHC program provides direct services to adult clients in the geographic area serving San Pedro, the Harbor Gateway area, Harbor City, Palos Verdes and Rancho Palos Verdes.

B. Determination of the Service Area –The proposed lease will provide a 15-year lease and the proposed addendum will provide a two-year lease for a DMH clinic within Service Planning Area 8. The DMH programs are being displaced from their existing leased facility due to ownership's plans to sell and redevelop the site.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Service Planning Area 8 has a continued need for DMH programs.
- Need for proximity to existing County facilities: Close to several other County departments including Public Health and Health Services.
- 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, i.e., There is public bus route on 7th Street one block north of the new location, as well as a Metro J Line Silver Express Station located approximately 1 mile from the new DMH location.
- 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 DMH's needs.
- Compatibility with local land use plans: The City of Los Angeles (San Pedro area) has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.

- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire 15-year term is \$17,261,000 and the aggregate cost associated with the proposed addendum over the entire two-year term is \$676,000 for a total aggregate cost of \$17,937,000.

D. Analyze results and identify location alternatives

Based upon a review of available industry data, it has been established that the annual rental range for a comparable clinic/office lease in the area is between \$24.36 and \$51.60 per square foot, per year. The base annual rental rate of \$38.40 per square foot, per year for the proposed lease and the base annual rental rate of \$34.20 per square foot, per year for the proposed addendum represent rates that are within the middle of the market range for the area.

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 accommodations for 41DMH employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

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

TENANT:

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

LANDLORD:

**SAN PEDRO MEDICAL OFFICE PROPERTIES,
a California Limited Partnership**

**1294 WEST 6TH STREET
SUITE 200
SAN PEDRO, CALIFORNIA 90731**

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EXHIBITS

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Legal Description and Site Plan of the Property
- Exhibit C – Commencement Date memorandum and Confirmation of Lease Terms
- Exhibit D – Heating, Ventilation, and Air Conditioning Standards
- Exhibit E – Rules and Regulations
- Exhibit F – Subordination, Non-disturbance and Attornment Agreement
- Exhibit G – Tenant Estoppel Certificate
- Exhibit H – Community Business Enterprises Form
- Exhibit I – Memorandum of Lease Terms
- Exhibit J – Form of Payment Voucher

LANDLORD'S WORK LETTER

- Addendum A – Base Building Improvements
- Addendum B – Tenant Improvements
- Addendum C – Form of Preliminary and FINAL TI Cost Statement

LEASE ADDENDUM NO. 1

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the ____ day of _____, 2023 between SAN PEDRO MEDICAL OFFICE PROPERTIES, 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 Notice:	<p>San Pedro Medical Office Properties 1520 Tower Grove Dr. Beverly Hills, CA 90210 Attn: Scott Greenhut Email: scottg@kfpropertiesinc.com</p> <p>With a copy to: Clark Hill LLP 505 Montgomery Street 13th Floor San Francisco, CA 94111 Email: shammond@clarkhill.com</p> <p>All Rent payments shall be delivered to:</p> <p>San Pedro Medical Office Properties 1520 Tower Grove Dr. Beverly Hills, CA 90210</p>
b. Tenant's Address for Notice:	<p>Chief Executive Office Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, California 90012 Attention: Director of Real Estate Email: LeaseAcquisitions@ceo.lacounty.gov</p> <p>With a copy to:</p>

	County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012-2713 Attention: Property Division
c. Premises:	Approximately 17,250 rentable/gross square feet, comprised of Suite 200, on the second floor in the Building (defined below), as shown on Exhibit A attached hereto.
d. Building:	The Building, parking facilities and other improvements and real property located at 1294 W. 6 th Street, San Pedro California 90731 and described more particularly in Exhibit B attached hereto (the "Property");
e. Term:	Fifteen (15) years, commencing thirty (30) days after the date of Substantial Completion of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the fifteenth (15 th) 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 as may be extended by a duly executed amendment to the Lease or by any additional Extension Term for which an option has been validly exercised, if any.
f. Commencement Date:	Thirty (30) days following Substantial Completion of Tenant Improvements to be performed by Landlord and delivery of Premises to Tenant.
g. Intentionally Omitted	
h. Base Rent:	\$55,200 per month, which is based upon a rental rate of \$3.20 per rentable square foot per month, on a modified gross basis, as provided in Section 11.2 (rent adjustable only as provided in Section 5.1 hereof).

i. Early Termination Right (see Section 4.4)	After the 144th month of the Lease term.
j. Rentable/gross Square Feet in the Premises:	Approximately 17,250 rentable/gross square feet.
k. Permitted Use: Initial Departmental Use:	General office for the Department of Mental Health, subject to Section 6.
l. Parking Spaces:	<p>Seventy (70) parking spaces located onsite or on Adjacent parking lot. Tenant's parking spaces shall be located in adjacent parking lot, unless displaying disabled person placard or license plate. Landlord will maintain a minimum parking ratio of four (4) cars per 1000 square feet of gross leasable area of the Premises, upon terms and conditions provided in Section 21.1</p> <p>Adjacent parking lot entrance is located at:</p> <p>1360 W. 6th St San Pedro, CA 90732 (see Site Plan on Exhibit B)</p>
m. Normal Working Hours:	<p>24 hours / 7 days a week access</p> <p>8:00 a.m. to 6:00 p.m. Monday through Friday, excepting Holidays (New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as generally recognized by the County of Los Angeles or Landlord.</p>
n. Asbestos Report:	A report dated February 9, 2023, prepared by Omega Engineering, a licensed California Asbestos contractor, the cost of which shall be deducted from Tenant's Improvement Allowance.
o. Seismic Report	A report dated August 27, 2020, prepared by the Los Angeles County Department of Public Works.
p. Disabled Access Survey	An ADA/Accessibility Survey report dated November 3, 2020, prepared by IDS Group, a licensed Architectural firm.

1.2 Defined Terms Relating to Landlord's Work Letter

a. Landlord's Tenant Improvement Allowance:	Up to \$1,121,250 (\$65.00 per rentable square foot)
b. Tenant's TI Contribution:	Up to \$2,252,500 (\$130.58 per rentable square foot) provided by Landlord at Tenant's request
c. First Change Order/Additional Site Improvement Allowance Second Change Order/Additional Site Improvement Allowance	Estimate to be \$500,000.00 (\$28.986 per rentable square foot). Estimated to be \$300,000.00 (i.e., \$17.39 per rentable square foot of the Premises), to be reimbursed to Landlord.
d. Tenant's TI Contribution Amortization Rate, First Change Order/Additional Site Improvement Allowance, and Second Change Order/Additional Site Improvement Allowance Amortization Rate:	First Change Order/Additional Site Improvement Allowance is eight percent (8%) per annum, amortized over the first 60 months of the Lease Term. Second Change Order/Additional Site Improvement Allowance is eight percent (8%) per annum, amortized over the first 60 months of the Lease Term.
e. Projected Monthly Payments to Landlord and attributable to Tenant Improvement Costs in Excess of Landlord's Tenant Improvement Allowance	Tenant's TI Contribution: \$45,672.58 per month for the first 60 months of the Lease Term.
f. Tenant's Work Letter Representative:	Edgar Pejoro, or an assigned staff person of the Chief Executive Office-Real Estate Division.
g. Landlord's Work Letter Representative:	Scott Greenhut or an assigned staff person of Landlord.
h. Landlord's Address for Work Letter Notice:	San Pedro Medical Office Properties 1520 Tower Grove Dr. Beverly Hills, CA 90210 Attn: Scott Greenhut Email: scottg@kfpropertiesinc.com

<p>i. Tenant's Address for Work Letter Notice:</p>	<p>Edgar Pejoro, or assigned staff person of the Chief Executive Office-Real Estate Division Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate Email: LeaseAcquisitions@ceo.lacounty.gov</p>
<p>1.3 <u>Exhibits to Lease</u></p>	<p>Exhibit A - Floor Plan of Premises Exhibit B - APN and Site Plan of Property Exhibit C - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Schedule Exhibit F - Subordination, Non-Disturbance and Attornment Agreement Exhibit G - Tenant Estoppel Certificate Exhibit H - Community Business Enterprises Form Exhibit I - Memorandum of Lease Exhibit J - Form of Payment Voucher Exhibit K - Rules and Regulations</p>
<p>1.4 <u>Landlord's Work Letter</u> (Executed concurrently with this Lease and incorporated herein by this reference):</p>	<p>Landlord's Work Letter Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Form of Budget</p>

2. **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 and Exhibit A attached hereto together with the Tenant Improvements. Tenant represents that prior to executing this Lease it has satisfied itself regarding the total rentable square footage of the Premises. Notwithstanding anything in this Lease to the contrary, the rentable square footage of the Premises shall be deemed to be 17,250. Further, the area of the Premises will not be measured during the term of this Lease and the parties agree that the Base Rent shall not be subject to adjustment based on any remeasurement of the Premises or the Building.

3. **COMMON AREAS**

Only for purposes of Premises ingress and egress and as otherwise reasonably necessary for Tenant's permitted use of the Premises, Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas (as provided in Section 21) and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord from time to time. Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to use Common Areas for any purpose other than as described in the first sentence of this Section 3. (e.g., no loitering; use as a break area or as a waiting area), unless Landlord grants prior written consent in its sole discretion.

4. **COMMENCEMENT AND EXPIRATION DATES**

4.1 **Term**

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit C. The Commencement Date shall begin 30 days after the date of Substantial Completion of the Premises. The term "Substantial Completion of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete. The term "Substantial Completion" as used in this Lease shall mean compliance with all of the following (subject to the terms and provisions of the Work Letter):

- a. Subject to variances and grandfathered / grandmothers rights, the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- b. Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter

(except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;

- c. Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- d. Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- e. Landlord has delivered to Tenant access to the Premises sufficient to allow Tenant to install its freestanding workstations, fixtures, furniture, equipment, low voltage, telecommunication and computer cabling systems (collectively, "FF&E" but expressly excluding Tenant Improvements defined below) and to move into the Premises.

4.2 Intentionally Omitted

4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than 30 days prior to the Commencement Date for the purpose of installing Tenant's FF&E provided that such work does not interfere with Landlord's Substantial Completion. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any utility charges for such early entry period. Landlord to allow limited storage on Premises to the extent same is available for Tenant's installation of IT equipment, computer equipment, cabling and related equipment.

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time during the Early Termination period specified in Section 1.1, by giving Landlord written notice not less than 90 days prior to the first day of the 145th month of the Lease Term, executed by the Chief Executive Officer of Tenant, together with Tenant's payment to Landlord of that amount equal to the sum of (i) all unamortized Tenant Improvement Allowances including without limitation Landlord's Tenant Improvement Allowance and (ii) an early termination fee equal to 6 months' Base Rent, which shall be calculated at the monthly Base Rent then payable to Landlord.

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1 during the Term hereof within 15 days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that prior to the Commencement Date, Landlord must file with the Auditor of the County of Los Angeles a payment voucher for the Base Rent attributable to the initial month(s) of the Term up to and including June of the first year during the Term, and annually thereafter, on or before June

15 of each subsequent calendar year, for the Base Rent attributable to the following 12 months (i.e., beginning July 1). Landlord shall submit such payment vouchers in the same form as Exhibit J attached hereto, along with a completed IRS form W-9 and evidence of insurance in compliance with Section 20.2. If Landlord fails to timely file any payment voucher as required pursuant to this Section 5.1, then Tenant shall not be required to pay Base Rent to Landlord until 15 days after Landlord files such payment voucher for the applicable period. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month. The Base Rent is subject to three percent (3%) annual increases as follows:

Months	Rate	Monthly Rent
1-12	\$3.20	\$55,200.00
13-24	\$3.30	\$56,856.00
25-36	\$3.39	\$58,561.68
37-48	\$3.50	\$60,318.53
49-60	\$3.60	\$62,128.09
61-72	\$3.71	\$63,991.93
73-84	\$3.82	\$65,911.69
85-96	\$3.94	\$67,889.04
97-108	\$4.05	\$69,925.71
109-120	\$4.18	\$72,023.48
121-132	\$4.30	\$74,184.18
133-144	\$4.43	\$76,409.71
145-156	\$4.56	\$78,702.00
157-168	\$4.70	\$81,063.06
169-180	\$4.84	\$83,494.95

6. PERMITTED 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 or for any other governmental purposes or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Normal Working Hours, after Normal Working Hours, and on weekends and holidays.

Notwithstanding the foregoing, the following uses will not be permitted within the Premises during the term of the Lease: Retail Sales, Physical Therapy, Pharmacy, and Phlebotomy/Blood Draw Lab.

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease (a "Tenant Holdover"), such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 60 days written notice from the Chief Executive Officer of Tenant 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. In the event of a Tenant Holdover, then upon the

commencement of the holdover period, the monthly Base Rent shall be increased to 125% of the Base Rent applicable immediately preceding the expiration of the term of this Lease.

8. COMPLIANCE WITH LAW; RULES AND REGULATIONS

8.1 Compliance with Law

Tenant (i) shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof ("Applicable Laws") regulating the use, occupancy or improvement or alteration of the Premises by Tenant, and (ii) shall not use or knowingly allow any person to use the Premises or Common Areas for any purpose that is contrary to the Rules and Regulations (as defined below), that violates any Applicable Laws, that constitutes waste or nuisance. Subject to the foregoing, to variances and grandfathered rights, and the terms and conditions of Landlord's Work Letter, Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and, the Building to comply with all Applicable Laws binding upon Landlord during the term hereof, including but not limited to the Americans with Disabilities Act, except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

8.2 Rules and Regulations

Tenant shall comply with all reasonable, non-discriminatory rules attached to this Lease as Exhibit K and any reasonable amendments or additions promulgated by Landlord from time to time for the safety, care, and cleanliness of the Premises, Building, and parking related thereto or for the preservation of good order ("Rules and Regulations"). Landlord agrees not to enforce the Rules and Regulations in a manner that discriminates against Tenant. Landlord shall not be responsible to Tenant for the failure of any other tenants or occupants of the Building to comply with the Rules and Regulations.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other insured casualty so as to interfere substantially with Tenant's use of all or a portion of the Premises unusable, and the Premises may be restored to a complete architectural unit of substantially the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall use commercially reasonable efforts to immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall use commercially reasonable efforts to promptly 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. Base Rent shall equitably abate to the extent that the Premises are unusable by Tenant as a result of a casualty event. Tenant waives the provisions of California

Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises or Building.

9.2 Tenant Termination Right (due to Damage or Destruction).

If any portion of the Premises is damaged by fire or any other casualty so as to interfere substantially with Tenant's use of all or a portion of the Premises and the Premises will not be restored to a complete architectural unit of substantially the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, 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. Notwithstanding anything to the contrary contained in the Lease including without limitation the Work Letter, in the event the Lease is terminated pursuant to this Section 9 or in connection with or as a result of any fire or other casualty event, the unamortized sum of Tenant's TI Contribution, First Change Order/Additional Site Improvement Allowance and Second Change Order/Additional Site Improvement Allowance and any other reimbursable sums advanced by Landlord to Tenant shall be immediately accelerated, due and payable by Tenant to Landlord in full, subject to offset from any insurance proceeds actually received by Landlord due to any insurance policy found under Section 20 of this Lease that provide coverage for Tenant's property and any tenant improvements and betterments to the Premises.

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 notice to the other not more than 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 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 and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, then Tenant may:

- a. exercise its rights pursuant to Section 15.1 hereof, or

- b. subject to a 30-day written notice and opportunity to cure delivered to Landlord then 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 or at Landlord's option be reimbursed by Landlord. All work conducted pursuant to this subsection shall (i) be at least equal in quality, value and utility to the original work or installation; and (ii) be in accordance with all Applicable Laws.

10. REPAIRS AND MAINTENANCE

10.1 Landlord Representations

- a. Except as otherwise provided herein including without limitation the Agreed-To Improvement Plan (as defined in Landlord's Work Letter), Landlord represents to Tenant that to the best of its knowledge (which such Landlord representation means, wherever used in the Lease, to the personal knowledge of Scott Greenhut) as of the date hereof that the following shall be correct as of the Commencement Date:
 - i. Subject to variances and grandfathered rights, 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) serving the Premises substantially comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in reasonably good working order and condition;
 - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements that if violated would adversely and materially affect Tenant's use and occupancy of the Premises;
 - iii. The Premises, the Building and the Common Areas are free of the unlawful presence of Hazardous Materials (as hereinafter defined); and
 - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- b. Landlord represents that to the best of its knowledge, based upon a professional inspection of the Premises and the Building and the related 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, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense (subject to the Agreed-To Improvement Plan described in Landlord's Work Letter) 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. For purposes of clarity, the Disabled Access Survey identified in Section 1.1 p. above constitutes the CASp inspection referred to in this paragraph.

☐ 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

Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or any Work Letter.

- 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 in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed (reasonable wear and tear excepted):
 - i. the structural and exterior portions of the Building, including without limitation, structural aspects of all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, and stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building except for supplemental HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment, if any, which shall be Tenant's obligation to maintain, repair and replace at its sole cost;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building (passenger and freight elevators, if any)
 - vi. doors, door frames and hardware;
 - vii. emergency exit signage and battery replacement;
 - viii. Light fixtures, bulbs, tubes and ballasts;
 - ix. interior partitions.
- b. Subject to Section 10.3, upon Tenant's written request from time to time Landlord, at Tenant's sole cost and expense, shall also perform all maintenance and repairs to the Premises, at Tenant's sole cost and expense, 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. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - iii. signage;
 - iv. Supplemental HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment upon request by Tenant; and
- c. Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be reasonably requested from time to time. Tenant shall reimburse to Landlord all costs and expenses incurred by Landlord pursuant to Section 10.2(b) within thirty (30) days after delivery of a bill therefore.

10.3 Tenant Obligations

Notwithstanding Landlord's repair and maintenance obligations, Tenant shall be responsible at its sole cost for (i) 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 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 to the Premises and/or Building systems or Common Area serving the Premises as set forth in Section 10.2, and Landlord fails to provide such action, 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 ten (10) days after the giving of such notice for repair and/or maintenance obligations that can reasonably be completed with such ten (10) day period, 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 but only to the extent necessary to abate the imminent danger and only in an amount not to exceed \$10,000) if:

- i. Tenant delivers to Landlord an additional written notice advising Landlord that Tenant intends to take the required action if Landlord does not begin the required repair or maintenance within ten (10) days after the written notice;
 - ii. Landlord fails to begin the required work within this ten-day (10-day) period; and.
 - iii. All repairs by Tenant shall (y) be at least equal in quality, value and utility to the original work or installation; and (z) be in accordance with all Applicable Laws.
- b. Landlord grants to 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 after notice to and opportunity to perform by Landlord, 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 ten days, Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the factually accurate 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. If any action taken by Tenant will affect any portion of the Building systems, structural integrity of the Building, or exterior appearance of the Building, Tenant shall use only the contractor used by Landlord in the Building for such work, unless that contractor is unwilling or unable to perform the work, in which event Tenant may use the services of another qualified contractor approved by Landlord, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding anything in the Lease to the Contrary, Tenant shall take no action pertaining to or affecting any portion of the Building that will adversely affect the enjoyment, possession, or other rights of any other tenant in the Building.
- c. Notwithstanding any provisions of this Lease to the contrary, Tenant, at its sole discretion, acting through the Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, and/or alterations of the Premises that are the responsibility of the Tenant, in which case Tenant shall promptly reimburse Landlord for such cost, not to exceed \$5,000. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant remedies found in, but not limited to, Sections 4 through 13 of said Work Letter; and (ii) 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; *provided, however*, that Landlord shall have the right at its sole discretion to refuse such request.

11. SERVICES AND UTILITIES

11.1 Services

Landlord shall furnish the following:

a. Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours only in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit D attached hereto.

b. Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Work Letter (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable/gross Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

c. Elevators

Landlord shall furnish freight, if any, and passenger elevator services to the Premises during Normal Working Hours. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service, if any.

d. Water

Landlord shall make available warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

e. Janitorial

Premises: Notwithstanding anything in this Lease to the contrary, Tenant, at its sole cost and expense, shall provide all janitorial services to the Premises.

Common Areas: Landlord shall provide Common Area janitorial services 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 E attached hereto.

f. Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas serving the Premises 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. Such access (including without limitations the elevators) outside Normal Working Hours shall be provided by and through Tenant's security personnel.

g. Pest Control

Landlord at its sole cost and expense shall use commercially reasonable efforts to provide any and all pest control services to the Premises.

11.2 Utilities

a. Common Area.

With respect to Common Areas, 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 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.

b. Premises.

With respect to the Premises, Landlord agrees to pay when due all charges for the use of sewer, effluent treatment, (when and if imposed by any governmental authority), all water, sprinkler standby charges, gas, heating payable with respect to the Premises. Tenant agrees to pay when due all charges for the use of electricity ("Electricity Costs") accruing or payable in connection with the Premises during the Term of this Lease, or any renewal, extension, or holdover thereof, which shall be separately metered or submetered. Landlord and Tenant hereby agree that Tenant shall not be responsible for utility costs for the Premises other than separately metered Electricity costs attributable to Tenant's use of the Premises. 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 if not cured within such ten-day period, thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

If Tenant requires additional power (and/or related equipment and utility hook up) for the Premises, Landlord will arrange it at Tenant's expense, based upon the actual cost of utilities provided by the relevant utility company. If Tenant requires additional telecommunications service, Tenant may arrange it at Tenant's expense and Landlord shall cooperate.

11.3 Security

Tenant shall be responsible at its sole cost for guard service and other security measures for their Premises and Common Areas, (including the Parking area), from 7:00 am through 7:00 pm. Tenant and Landlord may also mutually agree to add or reduce guard services as follows: (i) if need for added service is as a direct result of Tenant's occupancy (due to Tenant's clients, visitors, vendors, or staff persons) (ii) services to be temporary, with duration of services to be mutually agreed upon by the parties, (iii) the services to be procured by the Landlord and be reimbursed by Tenant (at cost), invoices will be required.

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 real property 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; ABATEMENT

- a. Tenant shall permit Landlord and its agents to enter the Premises at reasonable times upon prior written notice for the purpose of inspecting the Premises for any other reasonable purpose. Without prior notice in the event of an emergency, Landlord shall have the right at any and all times to enter the Premises, except for the secure file room specified in Exhibit A.
- b. If Landlord temporarily closes any portion of the Building, or access to the Premises, for an extended period of time, such that Tenant's business operations are affected, Base Rent shall be equitably prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Proration will not apply when Landlord temporarily closes portions of Building and/or Premises for maintenance and repairs, provided Tenant has access to Premises. To establish eligibility for rent abatement, Tenant must give Landlord a 5-day written notice and opportunity to cure before a rent abatement shall commence.

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 30 days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than 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 30-day period and thereafter diligently prosecutes such cure to completion.

14.2 Termination

- a. 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 and remedies as may be provided by law or equity. Notwithstanding anything to the contrary contained in this Lease, upon the expiration or earlier termination of the Lease, regardless of reason or cause, the unamortized portion of Tenant's TI Contribution, the First Change Order/Additional Site Improvement Allowance and the Second Change Order/Additional Site Improvement Allowance and any other reimbursable sums advanced by Landlord to Tenant shall become immediately accelerated, due and payable by Tenant to Landlord in full.

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 Tenant's remedies provided by Sections 9.4, 10.4, 19, 21.2 and Section 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 thirty days after the giving of written notice with respect thereto by Tenant (which notice shall be 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 thirty 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;
- 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.

Notwithstanding anything to the contrary contained in this Lease, upon the expiration or earlier termination of the Lease, regardless of reason or cause, the unamortized portion of Tenant's TI Contribution, the First Change Order/Additional Site Improvement Allowance and the Second Change Order/Additional Site Improvement Allowance and any other reimbursable sums advanced by Landlord to Tenant shall become immediately accelerated, due and payable by Tenant to Landlord in full.

15.2 Waiver

Except as otherwise expressly set forth herein including without limitation the terms and conditions of the Agreed-To Improvement Plan, nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required by this Lease 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

Subject to and without prejudice to terms and conditions of Section 10.4 above, except as otherwise provided in this Lease and 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 or dangerous condition, in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and deduct the cost of said work from the Base Rent next due but only to the extent necessary to address the emergency or dangerous condition and only to the extent that Landlord receives prior notice and a reasonable opportunity to cure from Tenant.

16. **ASSIGNMENT AND SUBLETTING**

16.1 Assignment and Subletting

Tenant may not assign the Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior written consent, which shall not be unreasonably withheld; 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 or by effect of law. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest to Landlord's rights and obligations pursuant to the Lease from any repair or maintenance obligation for any continuing condition (including but not limited to deferred maintenance) existing on and after the date of transfer.

Without waiver of or prejudice to Tenant's obligation to pay rent, upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- a. A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- b. A signed letter from the new owner including the following information:
 - i. Name and address of new owner or other party to whom Base Rent should be paid
 - ii. Federal tax ID number for new owner
 - iii. Name of contact person and contact information (including phone number) for new owner
 - iv. Proof of insurance
- c. A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

Tenant shall not make any alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord (which, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- a. complies with all Applicable Laws;
- b. is not visible from the exterior of the Premises or Building;
- c. will not materially affect the systems or structure of the Building;
- d. does not unreasonably interfere with the normal and customary business office operations of other tenants in the Building; and
- e. does not require a building permit.
- f. If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations; provided, however, that Tenant must first deliver a second copy of the written request to Landlord and Landlord shall have 10 days after delivery of such second request to respond in writing.

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") and the unamortized portion of Tenant's TI Contribution, the First Change Order/Additional Site Improvement Allowance and the Second Change Order/Additional Site Improvement Allowance and any other reimbursable sums advanced by Landlord to Tenant shall become immediately accelerated, due and payable by Tenant to Landlord in full.

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 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 30 days nor later than 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 date of termination as designated by Tenant. If Tenant does not so notify Landlord within 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 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 90 days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

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, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees) arising from or connected with Landlord's gross negligence or willful misconduct in connection with (i) the use or operation of the Building by Landlord, its employees, agents or contractors, (ii) any other acts and omissions arising from and/or relating to the Landlord's ownership of the Building, or (iii) arising from any breach or default under this Lease by Landlord.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord and its employees, agents and officers, from and against any and all liability, loss, injury or damage, demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees) arising from or connected with Tenant's and/or by Tenant's employees, contractors or invitees' (i) repair, maintenance and other acts or omissions arising from and/or relating to the Tenant's use of the Premises, (ii) arising from any breach or default under this Lease by Tenant, or (iii) use or occupancy of the Premises and/or the Building and/or Property and/or the parking facilities.

20. INSURANCE

During the term of this Lease, the following insurance requirements will be in effect:

20.1 Waiver

Except to the extent of Tenant's or Tenant's employees, agents, invitees or visitors' negligence or willful misconduct, both the Tenant and the 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 – 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, Tenant and Landlord shall provide and maintain at their 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

Tenant and Landlord pursuant to this Lease. The Tenant and Landlord in no way warrants that the Required Insurance is sufficient to protect the other party for liabilities which may arise from or relate to this Lease.

a. Tenant's and Landlord's Insurance Shall Be Primary

Tenant's Required Insurance shall be primary with respect to Tenant's acts of negligence. Landlord's Required Insurance shall be primary with respect to Landlord's acts of negligence.

b. Waiver of Subrogation

To the fullest extent permitted by law and the applicable insurance policy(ies) and except as otherwise provided in the Lease, (i) 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 and (ii) the Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

c. Application of Excess Liability Coverage

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

20.3 Tenant Requirements

During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, with limits of not less than:

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. A certificate evidencing insurance coverage or letter evidencing self-insurance 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 with limits of not less than:

General Aggregate:	\$ 7 million
Products/Completed Operations Aggregate:	\$ 7 million
Personal and Advertising Injury:	\$ 6 million
Each Occurrence:	\$ 6 million

- b. Commercial Property Insurance. Such Insurance shall:

- i. Provide coverage for full replacement cost of the Building including any tenant improvements to the Premises, excluding earthquake and flood insurance and on such other terms and conditions as Landlord may from time to time reasonably determine. Insurance proceeds shall be payable to Landlord and/or to any lender or ground lessee who may have an interest in the Building. Landlord shall have no obligation to provide coverage for contents of the Premises including without limitation Tenant's FF&E and other personal property.
- ii. Provided coverage for Tenant's Tenant Improvements and betterments in a coverage amount of not less than \$2,500,000 at Tenant's annual cost of \$6,810, adjusted annually. Tenant shall reimburse Landlord for such premium within thirty (30) days after delivery to Tenant of a bill therefore.

20.5 Waiver of Subrogation

Except to the extent of Tenant's or Tenant's employees, agents, invitees or visitors' negligence of willful misconduct, Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the Tenant's insurance or self-insurance obligations or Landlord's insurance policies described herein.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of nonexclusive unreserved parking spaces set forth in Section 1, without charge, for the Term of this Lease. No tandem parking shall be required, and Tenant shall be entitled to full in/out privileges. 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 other 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.

Notwithstanding the foregoing, Tenant's parking spaces shall be located on the adjacent service lot and shall not be permitted to park on the existing Building parking lot, unless displaying disabled placard or license plate and to the extent available such that the total number of parking spaces available to Tenant shall be as set forth in Section 1.

Prior to Substantial Completion and subject to the Agreed-To Improvement Plan, such adjacent parking lot shall be fenced, slurry coated and restriped for Tenant's nonexclusive use as provided herein and shall be connected by a new walkway that will lead up to the existing Building's parking lot.

21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receive 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 on a permanent or substantially ongoing basis (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 terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective 30 days thereafter provided that Landlord has not cured the loss of parking spaces within such thirty (30) day period, or after the expiration of such cure period 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 ninety percent (90%) of the Base Rent on a day-for-day basis until Landlord cures the loss of parking spaces.

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 or Tenant's employees, agents, invitees or visitors. 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 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit G 1, 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 or potential holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements pursuant to the terms and conditions of **Landlord's Work Letter** executed by Landlord and Tenant concurrently herewith and made of part hereof by reference.

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 materially and adversely 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 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 F (or in such form as may reasonably be required by a lender) 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 which may be 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 substantially in the form of Exhibit F or in such form as may be reasonably negotiated such beneficiary, delivered to Landlord concurrently herewith, within 30 days after the execution of this Lease.

26.3 Notice of Default

If Landlord or any mortgagee or beneficiary under a deed of trust affecting the Property directly (or indirectly through Landlord) 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 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 or earlier termination of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property

placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances subject to Landlord's prior written consent which shall not be unreasonably withheld, conditioned or delayed provided that such signs are not visible from the exterior of the Premises. Landlord to provide Tenant with its pro-rata share of listings on the directory located in the Building's lobby. If Landlord installs monument signs, Tenant will have equivalent signage rights, adjusted for relative occupancy. Same for any signage on the exterior of the Building.

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 during the Term of this Lease with respect to interference by Landlord and any persons claiming by, through or under Landlord and 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, except for CRESA, who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing 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. CRESA is recognized as Tenant's representing broker and shall be paid a commission as set forth in a separate written agreement between Landlord and CRESA.

30.4 Entire Agreement

This Lease (including without limitation Landlord's Work Letter) 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. 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 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 Intentionally Omitted

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 H.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form Exhibit I, which Memorandum shall not be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts: Electronic Signatures

This Lease may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Electronic signatures shall have the same effect as though originals.

31. **AUTHORITY**

Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. 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 County. County 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 with the implication, suggestion or statement that the Landlord's provision of the consideration may secure more favorable treatment for the Landlord in the award of the Lease or that Landlord's failure to provide such consideration may negatively affect the County's consideration of the Landlord's offer to lease. 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 negotiation, consummation or administration/management of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Landlord's submission being eliminated from consideration.

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."
- 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 County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right (and prior written consent of the County shall not be required) 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. In the event by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County 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 County 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 County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

- e. Landlord shall give the County notice 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 two weeks prior to the effective date thereof.
- f. Landlord shall not furnish any information concerning County 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 County) to any person or entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any who is not obligated to keep such information confidential.
- g. The provisions of this Section 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.

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.

[SIGNATURE BLOCKS APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

**SAN PEDRO MEDICAL OFFICE
PROPERTIES**, a California limited partnership

By: Kopple Financial, Inc., a California
Corporation

Its: General Partner

DocuSigned by:
Robert C. Kopple
15D62BCD2A0849C...

By: _____
Robert C. Kopple, its President

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

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

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

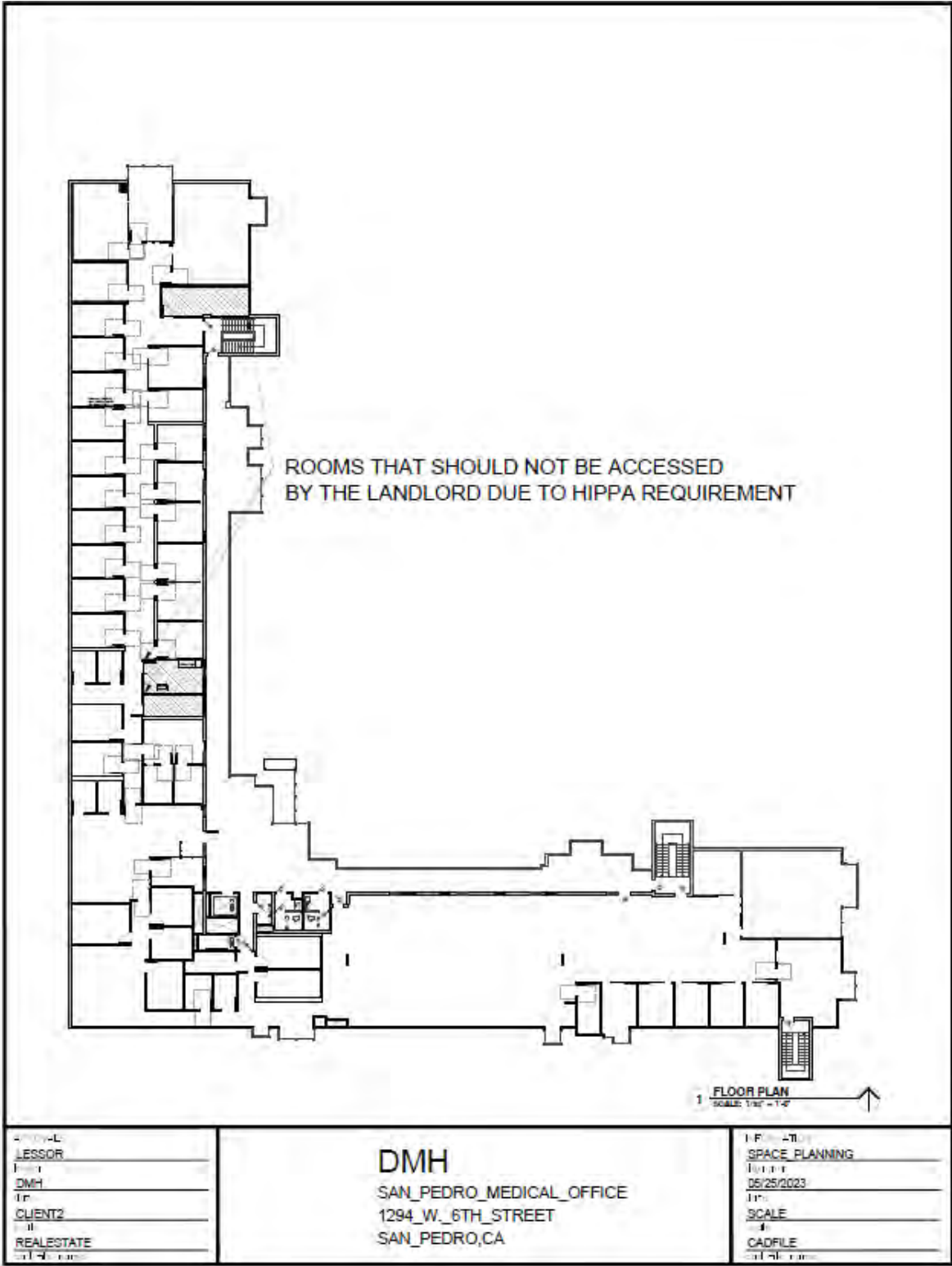


EXHIBIT B

DESCRIPTION OF THE PROPERTY

The improved real estate associated with Assessor Parcel Numbers:
7452-033-011 & 7452-033-012

EXHIBIT C

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 _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at _____ ("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 are deemed to contain 17,250 rentable/gross square feet of space; and

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____, 20____.

Tenant:

Landlord:

COUNTY OF LOS ANGELES,
a body corporate and politic

_____,
a _____

By: _____
Name _____
Its _____

By: _____
Name _____
Its _____

EXHIBIT D

HEATING, VENTILATION AND AIR CONDITIONING

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours 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 E

COMMON AREA CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

- Common area Drinking fountains cleaned, sanitized and polished.
- Common area Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- Bulb and tube replacements, as required.
- Common area Emergency exit signage and egress battery replacement (if applicable)
- Exterior Graffiti expunged as needed within two working days after notice by Tenant

2. QUARTERLY

- Building HVAC units serviced for preventative maintenance purposes, all filters changed.
- HVAC chiller water checked for bacteria, water conditioned as necessary.
- Interior and exterior pest control inspections and remediation

3. ANNUALLY

- Windows washed outside but not less frequently than -annually.
- All exterior painted wall and door surfaces washed and stains removed.
- All exterior walls treated with vinyl covering washed and stains removed.
- Common area bathrooms and any Common area ceramic tile surfaces professionally cleaned.

4. AS NEEDED

- Common area sidewalks, driveways, parking areas and all means of access and egress for the Common areas should be maintained in good and safe repair and in clean condition.
- All lawns, shrubbery and foliage on the grounds of the surrounding the Building 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.

EXHIBIT F

**SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

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

)
)
)
)
)
)
)

Space above for Recorder's Use

**SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

**NOTICE: THIS SUBORDINATION, NONDISTURBANCE 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, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 200__ 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 nondisturbance 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. Nondisturbance. 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 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 West 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 G

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 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.

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 H**COMMUNITY BUSINESS ENTERPRISES 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. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates Partners, Managers, Staff, etc.)

FIRM: NAME

ADDRESS

CONTACT

TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: _____

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above <u>and</u> also reported here separately)	_____	_____	_____

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

TYPE OF BUSINESS STRUCTURE: _____

_____ (Corporation, Partnership, Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: _____

PERCENTAGE OF OWNERSHIP

Black/African American	_____
Hispanic/Latin American	_____
Asian American	_____
Portuguese American	_____
American Indian/ Alaskan Native	_____
All Others	_____

Women _____
(Should be included in counts
above and also reported
here separately)

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS FIRM
BY THE:

State of California?	Yes	No
City of Los Angeles?	Yes	No
Federal Government?	Yes	No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS FORM.

Firm Name: DocuSigned by:

Signed: 
15D62BCD2A0849C...

Date: _____, 20____

EXHIBIT I

MEMORANDUM OF LEASE

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 and shall not be recorded. 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:

SAN PEDRO MEDICAL OFFICE
PROPERTIES, a California limited partnership

By: Kopple Financial, Inc., a California
Corporation
Its: General Partner

By: _____
Robert C. Kopple, its President

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

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

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
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)

18-Aug-17

[illegible]

PV_Leasing.accdb. Report Name: 00000-00000_17-18

EXHIBIT K

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or used for any purpose other than ingress and egress. The halls, passages, entrances, stairways, balconies and roof are not for the use of the general public, and the Lessor shall in all cases retain the right to control and prevent access thereto of all persons whose presence, in the judgment of the Lessor, shall be prejudicial to the safety, character, reputation and interests of the Building and its Tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom the Tenant normally deals only for the purpose of conducting its business on the Premises (such as clients, customers, office supplies and equipment vendors, and the like) unless such persons are engaged in illegal activities. No Tenant and no employees of any Tenant shall go upon the roof of the Building or within any chase ways in the Building without the prior written consent of the Lessor.

2. No awnings or other projections shall be attached to the outside walls of the Building. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with any window or door of the Premises other than Lessor's standard drapes or blinds. All electric ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent, or a quality, type design and bulb color approved by Lessor. Neither the interior nor the exterior of any windows shall be coated or otherwise unscreened without written consent of Lessor. Tenant will be allowed to place window film on interior windows and sidelights within the premises- subject to Landlord's prior written consent which shall not be unreasonably withheld, conditioned or delayed..

3. No sign, placard, picture, advertisement, name, notice or handbill shall be exhibited, distributed, inscribed, displayed, printed, painted or affixed by Tenant on, about or from any part of the Premises or the Building or the Complex, outside, without the prior written consent at the time, whether before or after the execution of this Lease, such consent shall in no way operate as a waiver or release of any of the provisions hereof of this Lease, and shall be deemed to relate only to the particular sign, advertisement or notice so consented to by the Lessor and shall not be construed as dispensing with the necessity of obtaining the specific written consent of the Lessor with respect to each and every such sign, advertisement or notice other than the particular sign; advertisement or notice as the case may be so consented to by Lessor. In the event of the violation of the foregoing by any Tenant, Lessor may remove or stop same without any liability, and may charge the expense incurred in such removal or stopping to the Tenant. Interior signs on doors and directory tablet shall be inscribed, painted or affixed for each Tenant by the Lessor at the expense of such Tenant, and shall be of a size, color and style acceptable to the Lessor. The directory tablet will be provided exclusively for the display of the name and location of Tenants only, and Lessor reserves the right to exclude any other names therefrom. Nothing may be placed on the exterior of corridor walls or corridor doors other than Lessor's standard lettering. Tenant shall not place anything or allow anything to be placed near any window, door, partition or wall which may appear unsightly from outside the Premises.

4. The windows and doors that reflect or admit light and air into halls, passageways or other public places in the Building shall not be covered or obstructed by

any Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills. Tenant shall see that the windows, transoms and doors of the Premises are closed and securely locked before leaving the Building. Tenant shall exercise extraordinary care and caution that all water faucets or water apparatus are entirely shut off before Tenant or Tenant's employees leave the Building, and that all electricity, as or air shall likewise be carefully shut off, so as to prevent waste or damage. Tenant shall cooperate with Lessor in obtaining maximum effectiveness of the cooling system by closing blinds when the sun's rays fall directly on the windows of the Premises. Tenant shall not tamper with or change the setting of any thermostats or temperature control valves.

5. The toilet rooms, water and wash closets and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, or other foreign substances of any kind whatsoever shall be thrown therein. Feminine hygiene products, baby/sanitary wipes, paper towels, and similar products, are not permitted to be flushed down the toilets. All damages resulting from any misuse of the fixtures shall be borne by the Tenant who, or whose sublessees, assignees or any of their servants, employees, agents, invitees, visitors or licensees shall have caused the breakage, damage or stoppage.

6. No Tenant shall mark, paint, drill into, or in any way deface any part of the Premises, the Building or the Complex. No boring, cutting or stringing of wires or laying of linoleum or other similar floor coverings shall be permitted, except with the prior written consent of the Lessor and as the Lessor may direct.

7. No bicycles, vehicles, birds or animals of any kind shall be brought into or kept in or about the Premises, and no cooking shall be done or permitted by any Tenant on the Premises, except that the preparation of coffee, tea, hot chocolate and similar items for Tenants and their employees shall be permitted provided power shall not exceed that amount which can be provided by a 20 amp circuit. Tenant may use a microwave oven, toaster oven, and a refrigerator on the Premises or the Building. No Tenant shall cause or permit any unusual or objectionable odors to be produced or permeate the Premises.

8. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Premises. No Tenant shall occupy or permit any portion of the Premises to be occupied as an office for a public stenographer or typist, or for the manufacture or sale of liquor, narcotics, or tobacco (except by a cigarette vending machine for use by Tenant's employees) in any form, or as a medical office, or as a barber or manicure shop, or as an employment bureau without the express written consent of Lessor. No Tenant shall engage or pay any employees of the Premises except those actually working for such Tenant on the Premises nor advertise for laborers giving an address at the Premises. The Premises shall not be used for lodging, sleeping, washing clothes, or for any immoral or illegal purposes.

9. No Tenant shall make, or permit to be made any unseemly or disturbing noises or disturb or interfere with occupants of this or neighboring buildings on Premises or those having business with them, whether by the use of any musical instrument, radio, phonograph, unusual noise, vibrations, or any other kind. No Tenant shall throw anything out of doors, windows or skylight or down the passageways.

10. No Tenant, sublessee or assignee nor any of their servants, employees,

agents, visitors or licensees, shall at any time bring or keep upon the Premises any inflammable, combustible or explosive fluid, kerosene, gasoline, chemical, noxious gas, or substance.

11. Tenant to be permitted to install locks and keycard readers as necessary- subject to Landlord's prior written consent which shall not be unreasonably withheld, conditioned or delayed and further provided that Landlord is provided keys and keycards Unless permitted by landlord, no additional locks or bolts of any kind shall be placed upon any of the doors or windows by any Tenant, nor shall any changes be made in existing locks or the mechanisms thereof. Each Tenant must upon termination of his tenancy, restore to the Lessor all keys and access cards of stores, offices, and toilet rooms, either furnished to, or otherwise procured by, such Tenant and in the event of the loss of keys so furnished, such Tenant shall pay to the Lessor the cost of replacing the same or of changing the lock or locks opened by such lost key as Lessor shall deem it necessary to make such changes. Should any keys or access cards get lost, stolen, or damaged, Tenant is required to report it in writing to KF Properties, Inc. immediately, but in no case longer than twenty-four (24) hours. You are required to return keys and access cards immediately upon completion or termination of your tenancy. You are not permitted to distribute keys or access cards, or make key copies without prior written consent from KF Properties.

12. All removals, or carrying in or out of any sales, freight, furniture, or bulky matter of any description must take place during the hours which Lessor shall determine from time to time. The moving of safes or other fixtures or bulky matter of any kind must be done upon previous notice to Building Management and upon its supervision, and the persons employed by any Tenant for such work must be acceptable to the Lessor. The Lessor reserves the right to inspect all safes, freight or other bulky articles to be brought into the Building and to exclude from the Building all safes, freight or other bulky articles which violate any of these Rules and Regulations of the Lease of which these Rules and Regulations are a part. Tenant shall not overload the floor of the Premises. The Lessor reserves the right to prescribe the weight and position of all safes, which must be placed upon supports approved by Lessor to distribute the weight. Lessor will not be responsible for loss of or damage to any such safe or heavy object from any cause and all damage done to the Building by moving or maintaining such safe or heavy object shall be repaired at the expense of the Tenant. All Tenant/Vendor trash, furniture, moving company boxes, and cartons are to be removed from the premises by the vendor or moving company. They are not to be disposed of in the dumpster. Trash dumpsters are not for tenant use, and are reserved for janitorial use only. No unauthorized dumping is allowed.

13. No Tenant shall purchase spring water, ice, towel, janitorial or maintenance or other like services, from any person or persons not approved by the Lessor.

14. Lessor shall have the right to prohibit any advertising by any Tenant which, in Lessor's opinion, tends to impair the reputation of the Building or the Complex or its desirability as an office location and upon written notice from Lessor, any Tenant shall refrain from or discontinue such advertising.

15. Any persons employed by any Tenant to do janitor work shall, while in the Building and outside the Premises, be subject to and under the control and direction of the superintendent of the Building (but not as an agent or servant of said superintendent or of the Lessor), and Tenant shall be responsible for all acts of such persons.

16. All doors opening onto public corridors shall be kept closed, except when in use for ingress and egress.

17. The requirements of Tenant will be attended to only upon application of the office of the Building.

18. Advertising, canvassing, posting signage, soliciting and peddling in the Building are prohibited, and each Tenant shall report and otherwise cooperate to prevent the same.

LANDLORD'S WORK LETTER

For

COUNTY OF LOS ANGELES

**CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT**

COUNTY OF LOS ANGELES, as Tenant

SAN PEDRO MEDICAL OFFICE PROPERTIES, as Landlord

Property Address: 1294 W. 6TH STREET, SUITE 200, SAN PEDRO, CA 90731

LANDLORD'S WORK LETTER

This Work Letter supplements and is made a part of the Lease Agreement (the "Lease") dated _____, 2023, executed concurrently herewith, by and between SAN PEDRO MEDICAL OFFICE PROPERTIES, a California limited partnership as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. Basic Work Letter Information. The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

- | | |
|--|---|
| (a) <u>Total Improvement Allowance</u> | Up to \$4,173,750 (i.e., \$241.96 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | Up to \$1,121,250 (i.e., \$65.00 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$2,252,500 (i.e., \$130.58 per rentable square foot of the Premises), to be repaid to Landlord pursuant to Section 6.3 below. |
| (iii) <u>First Change Order/Additional Site Improvement Allowance</u> | Estimated to be \$500,000 (i.e., \$28.99 per rentable square foot of the Premises), to be repaid to Landlord pursuant to Section 6.3 below. |
| (iv) <u>Second Change Order/Additional Site Improvement Allowance</u> | Estimated to be \$300,000 (i.e., \$17.39 per rentable square foot of the Premises), to be repaid to Landlord pursuant to Section 6.3 below. |
| (b) <u>TI Amortization Rate:</u> | Fixed eight percent (8%) per annum amortized over the first 60 months of the Lease Term |
| <u>First Change Order and Second Change Order Authorization Amortization Rate:</u> | Fixed eight percent (8%) per annum amortized over the first 60 months of the Lease Term |
| (c) <u>Tenant's Work Letter Representative</u> | Section Chief or an assigned staff person of the Chief Executive Office-Real Estate Division |
| (d) <u>Landlord's Work Letter Representative</u> | Property Manager or an assigned staff person of the Landlord |
| (e) <u>Landlord's Address for Work Letter Notices</u> | San Pedro Medical Office Properties
1294 W. 6th Street |

San Pedro, CA 90731
Attn: Scott Greenhut

Email: scottg@kfpropertiesinc.com

(f) Tenant's Address for Work Letter
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

Email: epejoro@ceo.lacounty.gov

(g) Addenda

Addendum A: Base Building
Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Preliminary and
Final TI Cost Summary

2. **Construction of the Building.**

2.1 Base Building Improvements. Subject to the Agreed-To Improvement Plan (defined in Section 2.5 below), Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall not be considered Tenant Improvements (as defined below) unless such changes or additions are specifically described in Addendum B hereto; subject, however, to the terms and conditions of the Agreed-To Improvement Plan (defined in Section 2.5 below).

2.2 Additional Costs Not Total TI Costs.

Except as set forth in and subject to the Agreed-To Improvement Plan (defined in Section 2.5 below):

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Landlord must use commercially reasonable efforts to identify all noncompliant code related items by utilizing an independent third-party expert at Landlord's sole cost and expense (except for the Asbestos report, the cost of which Landlord shall deduct from the TI Allowance). Any work that Landlord must undertake to cause the Premises or Parking Spaces to comply with the access requirements of the ADA or to make existing building systems, including but not limited to electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including

all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase and / or maintain permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses.

(d) Upon Substantial Completion, Landlord and Tenant agree that the total rental square footage of the Premises shall be deemed to be 17,250. There shall be no increase or decrease made to Base Rent regardless of actual rentable square footage of the Premises at Substantial Completion.

2.3 Base Building Plans. Landlord has delivered to Tenant complete and accurate "as built" plans and specifications for the Building in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up of a web-based download link. If Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, then any delay caused thereby shall not be a Tenant Delay (as defined below).

2.4 Survey. To the extent 'as-built' plans are missing, Landlord must perform a survey of existing space, which shall include existing floor plans and mechanical, electrical, and plumbing systems. The survey shall be at Landlord's sole cost and expense. Landlord shall submit such survey to the Tenant such that the initial Space Plan (as defined in Section 5.1) can be modified to conform to the existing conditions.

2.5 Limitation of Landlord's Site Improvement Costs.

(a) Except for the payment (or advancement as the case may be) of a sum equal to the Total TI Costs (defined in Section 6.2 below) for the purposes described herein, and notwithstanding anything in this Work Letter or the Lease to the contrary, Landlord's obligation to incur out-of-pocket costs and expenses pursuant to, arising from or in connection with the terms or conditions of this Work Letter (or any similar or related terms or conditions of the Lease) (collectively, the "Site Improvement Costs"), shall not exceed a maximum total, and shall be capped at, One Million and No/100 Dollars (\$1,000,000). Further, all additional Site Improvement Costs in excess of such \$1 million cap (the "Excess Site Improvement Costs") shall be Tenant's obligation at Tenant's sole cost and expense and Landlord shall have no financial obligation for such Excess Site Improvement Costs. For purposes of clarity, except for Total TI Costs, Site Improvement Costs shall include without limitation all costs and expenses that Landlord is obligated to pay or otherwise incur pursuant to this Section 2, Sections 3, 4 and 5 below, and Addendum A (Base Building Improvements) of this Work Letter. Conditioned on Tenant's payment of all Excess Site Improvement Costs, all work associated with Site Improvement Costs shall be carried out by Landlord (collectively, "Landlord's Site Improvements").

(b) In the event Landlord projects from time to time that the total Site Improvements Costs will exceed (or further exceed) \$1 million, Landlord shall (i) promptly notify Tenant in writing (an "Excess Site Improvement Cost Notice"), and (ii) make available to Tenant the First Change Order/Additional Site Improvement Allowance, which shall be used exclusively towards Tenant's payment of Excess Site Improvement Costs in excess of the aforementioned Landlord's \$1 million contribution. In the event Landlord projects from time to time that the total Site Improvements

Costs will exceed (or further exceed) the sum of the \$1 million Landlord's contribution and the \$500,000 First Change Order/Additional Site Improvement Allowance, Landlord shall (x) promptly send an Excess Site Improvement Cost Notice to Tenant, and (y) make available to Tenant the Second Change Order/Additional Site Improvement Allowance, which shall be used exclusively toward Tenant's payment of Excess Site Improvement Costs in excess of the aforementioned sum of the Landlord's \$1 million contribution and \$500,000 First Change Order/Additional Site Improvement Allowance.

(c) Each instance of Landlord's intention to apply in whole or part the First Change Order/Additional Site Improvement Allowance or the Second Change Order/Additional Site Improvement Allowance toward Tenant's obligation to pay Excess Site Improvement Costs shall be subject to Tenant's written consent, which such consent Tenant shall not unreasonably withhold, condition or delay. In the event that Tenant fails to deliver a written response to Landlord within five (5) days after Landlord's delivery to Tenant of an applicable Excess Site Improvement Cost Notice (which such written response from Tenant must set forth (i) Tenant's approval, or (ii) Tenant's disapproval and the detailed reasonable reasons therefor), then Landlord shall deliver to Tenant a second Excess Site Improvement Cost Notice to Tenant. In the event that Tenant fails to respond to the second written Excess Site Improvement Cost Notice within five (5) days after Landlord's delivery to Tenant then such Excess Site Improvement Cost Notice shall be deemed approved by Tenant.

(d) The terms and conditions of this Section 2.5 shall be referred to in this Work Letter and the Lease as the "Agreed-To Improvement Plan". Notwithstanding anything in the Work Letter or the Lease to the contrary, each and every term and condition of this Work Letter (and any similar or related provisions in the Lease) shall be subject to the Agreed-To Improvement Plan.

3. Selection of Architect and Engineer. Landlord shall not retain any architectural or engineering services for Premises improvements until final space plan is furnished to the Landlord. Once Landlord receives the final space plan, Landlord, in its sole discretion, shall promptly either:

(a) solicit at least three (3) proposals from qualified licensed architects familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings (as defined below). Landlord shall select an architect, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within five (5) calendar days after Landlord has submitted the name of the selected architect to Tenant, together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until Tenant accepts an architect (the "Architect"), and Tenant's written acceptance has been delivered to and received by Landlord; or

(b) retain its preferred licensed architect, who shall be the "Architect" and its preferred licensed Engineer, who shall be the "Engineer", provided that Architect is familiar with all applicable laws and building requirements for detailing a scope of work sufficient to complete the Working Drawings (as defined below) outlining the cost for design/engineering services. Landlord shall require that selected Architect and Engineer each carry Professional Liability Insurance. Such insurance shall cover liability arising from any error, omission, negligent, or wrongful act of the licensed professional (i.e. architects, engineers, surveyors, etc.) with limits of not less than \$1 Million per claim and \$2 Million aggregate.

Professional Liability coverage will survive for two (2) years subsequent to the expiration, termination or cancellation of the construction project and shall cover acts that occurred during the construction project period. All Architect fees and costs towards the costs of developing Tenant Improvement Working Drawings, Engineering Drawings, and Final Plans, shall be paid by Tenant, advanced by Landlord, and first deducted from the Landlord's TI Allowance, then from the Tenant's TI Contribution, and then (but only to the extent that Landlord determines they will not be needed for Excess Site Improvement Costs) from the First or Second Change Order/Additional Site Improvement Allowance (collectively, the "Total Improvement Allowance").

4. Selection of Contractor. The Final Plans (as defined below) shall be submitted, in Landlord's sole discretion, to either:

(a) a sufficient number of qualified contractors, selected by Landlord, so that a minimum of three (3) bids are received. Each contractor shall be requested to submit a sealed fixed price contract bid price (on an American Institute of Architects (AIA) form) to construct the Tenant Improvements depicted on the Final Plans. Landlord shall select the most qualified bidder offering the lowest price after adjustments for inconsistent assumptions, and Landlord shall submit all bids, along with Landlord's recommendation, to Tenant for Tenant's review and acceptance. Following Tenant's acceptance, Landlord shall enter into a construction contract (the "Construction Contract") with the lowest qualified bidder (the "Contractor") to construct the Tenant Improvements, consistent with the terms of the accepted bid; or

(b) the General Contractor preferred and selected by Landlord. The Landlord in its sole discretion, may elect to use its preferred Licensed General Contractor, provided that (i) the Landlord enters into an "open book" contract, (ii) the Contractor competitively bids out the Premises Tenant Improvement build-out to three (3) subcontractors for every trade, (iii) all General Contractor fees and build-out costs, attributable towards Tenant Improvements, shall be paid by Tenant, advanced by Landlord, and first deducted from the Landlord's TI Allowance, then from the Tenant's TI Contribution, and then (but only to the extent that Landlord determines they will not be needed for Excess Site Improvement Costs) from the First or Second Change Order/Additional Site Improvement Allowance.

5. Preparation of Plans and Specifications and Construction Schedule.

5.1 Preparation of Space Plan. Concurrently with the execution of this Lease, Tenant shall submit to Landlord specifications for the Premises sufficient to prepare the Working Drawings, which shall include a space plan, and low voltage and furniture plans and shall depict, without limitation, all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "Space Plan").

5.2 Preparation and Review of Working Drawings. Within thirty (30) days after the date the Space Plan is sufficient to prepare the Working Drawings and the Preliminary TI Cost Summary (as defined below) is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), that shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements,

reflected ceiling plans, office equipment locations, and special security systems, if any. The Working Drawings may be submitted in one or more stages and at one or more times provided that a schedule to submit the Working Drawings is provided to, and approved by, the Tenant. Landlord shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance. Tenant agrees and understands that notwithstanding anything to the contrary contained in this Lease, Landlord shall not be the guarantor of, nor responsible for, the cost (Landlord shall be responsible for advancing payment for Working Drawings; provided, however, that the cost shall be deducted from the Total Improvement Allowance as set forth in Section 6.3 below) correctness or accuracy of any Working Drawings, Engineering Drawings, Final Plans (defined below) or their compliance with applicable laws. Any review by Landlord is solely to protect the interests of Landlord in the Building and the Premises.

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("Engineering Drawings"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate the accepted Working Drawings with the accepted Engineering Drawings (collectively "Final Plans") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up a web-based download link. Subject to modifications as may be required, the Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction including for the layout, improvement and finish of the Premises consistent with the existing or planned design and construction of the Base Building Improvements as and to the extent approved such local agencies having jurisdiction, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data conduit, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements.

5.5 Tenant's Plan Review and Acceptance. Tenant shall accept or reject the Working Drawings, the Engineering Drawings and the Final Plans in writing as soon as practicable, but in any event, within twenty-one (21) calendar days after Tenant receives the applicable plans and drawings from Landlord. If Tenant rejects any such plans or drawings, then Tenant shall notify in writing Landlord thereof, specifying in detail the reasonable reason for such rejection, in which case Landlord shall make commercially reasonable efforts to revise the applicable plans or drawings and deliver revised plans or drawings to Tenant within fourteen (14) calendar days after receipt of Tenant's rejection notice. This procedure shall be repeated until the applicable plans are accepted by Tenant; provided, however, that if in any instance Tenant receives applicable plans and drawings from Landlord, Tenant fails to so respond to Landlord in writing within twenty-one (21) days thereafter then such plans or drawings shall be deemed approved. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility; provided that any correction to any of the foregoing or work done pursuant to same shall be at Tenant's sole cost.

Notwithstanding anything in this Work Letter or the Lease to the contrary, any revision or correction of the Working Drawings, Engineering Drawings and/or the Final Plans shall be at Tenant's sole cost, which shall be deducted from the TI Allowance.

5.6 Schedule. Within twenty-one (21) calendar days of the Plan Submission Date, Landlord shall make commercially reasonable efforts submit to Tenant a detailed baseline construction schedule subject to for plan check review and permitting by local agencies having jurisdiction, subject to acceptance by Tenant, which shall not be unreasonably withheld, setting forth the completion dates of certain project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, interim schedule milestone dates, and the date of Substantial Completion; provided, however, that such baseline construction schedule shall be subject to revision based on the time period required for plan check review and permitting by local agencies having jurisdiction. The schedule shall be apportioned by construction activity and include time required for the completion of each portion of the work. As the construction continues, Landlord shall amend the construction schedule at least once each month to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. If the amended construction schedule identifies delays to the project's critical path, the Landlord shall provide a recovery schedule and/or request for a contract time extension.

5.7 Submittals. The Landlord shall make commercially reasonable efforts to submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any material delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. "Shop Drawings" include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. "Product Data Sheets / Samples" include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. "Samples" are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements in violation of applicable laws for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

6. Landlord's TI Cost Summary and Payment of Total TI Costs.

Subject to the Agreed-To Improvement Plan:

6.1 Cost Summary. Within thirty (30) calendar days after the Plan Submission Date, Landlord shall make commercially reasonable efforts to submit to Tenant a preliminary cost summary for the Site Improvements, including Tenant Improvements, in a format similar to Addendum C attached hereto (the "Preliminary TI Cost Summary"), which Landlord, at no out of pocket cost to itself, shall use commercially reasonable efforts to cooperate in good faith with Tenant's efforts to minimize the amount by which the cost of Site Improvements exceeds the sum of Landlord's one million dollar (\$1,000,000.00) Site Improvements contribution, Landlord's TI Allowance and Tenant's TI Contribution (provided, however, that Tenant shall be solely

responsible for any overages and Landlord shall have no liability therefor), and Landlord shall submit to Tenant a preliminary cost summary for the Site Improvements Costs in a format similar to Addendum C (the "Preliminary Site Cost Summary"). Landlord shall make commercially reasonable efforts for the Preliminary TI Cost Summary and Preliminary Site Cost Summary to be revised into final form within twenty (20) days after the date that the Contractor is selected and will be referred to collectively herein as the "Final TI Cost Summary". Tenant shall have fourteen (14) calendar days after the date of receipt of the Final TI Cost Summary to accept or reject the Final TI Cost Summary in writing, which such acceptance shall not be unreasonably withheld, conditioned or delayed, including but not limited to any Contractor overhead, contingencies, profit and/or general conditions costs included therein; provided, however, that any proposed increase to Tenant's TI Contribution shown on the Final TI Cost Summary shall not be effective unless approved in writing by Landlord and Tenant, which such approval by Tenant shall not be unreasonably withheld, conditioned or delayed. In proposed increase to Tenant's TI Contribution the event that Tenant fails to deliver a written response to Landlord within five (5) days after Landlord's delivery to Tenant of a written (which such written response from Tenant must set forth (i) Tenant's approval, or (ii) Tenant's disapproval and the detailed reasonable reasons therefor) then such proposed increase to Tenant's TI Contribution (whether to pay for TI Improvements or Excess Improvement Costs) shall be deemed approved by Tenant. Tenant's failure to accept or reject the Final TI Cost Summary in writing within such period shall be deemed to be rejected. Construction of the Tenant Improvements shall not begin until Tenant accepts the Final TI Cost Summary in writing, which such approval shall not be unreasonably withheld, conditioned or delayed, and any such delay shall be a Tenant Delay. If Tenant rejects the Final TI Cost Summary due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements, at Tenant's sole expense, to comply with the Preliminary TI Cost Summary, and any delay caused by the necessity to rebid or redesign the Tenant Improvements shall be considered a Tenant Delay. If Tenant rejects the Preliminary TI Cost Summary or the Final TI Cost Summary, the parties shall promptly confer to resolve all issues relating thereto; provided that if the parties fail to resolve such issues within thirty (30) days Landlord or Tenant shall have the right to terminate this Lease on ten (10) days' written notice to Tenant and Tenant shall immediately pay out-of-pocket fees and costs incurred or advanced by Landlord pursuant to or in connection with the terms and conditions of this Lease. Tenant agrees and understands that notwithstanding anything to the contrary contained in this Lease, Landlord shall not be the guarantor of, nor responsible for, the cost, correctness or accuracy of any Preliminary TI Cost Summary, the Final TI Cost Summary, the cost of Tenant Improvements or the construction schedule timeliness. Notwithstanding anything to the contrary contained in the Lease, in the event that Landlord or Tenant terminates the Lease pursuant to this Section 6.1, Tenant shall promptly, pay to Landlord all amounts paid, incurred, disbursed or obligated to be paid or to be otherwise incurred by Landlord in connection with the terms and conditions of the Lease including without limitation all architectural fees, Site Improvement Costs, and Tenant Improvement costs. Tenant's payment obligations pursuant to the preceding sentence shall survive the termination of the Lease.

6.2 Landlord's TI Allowance and Tenant's TI Contribution. All hard or soft costs including but not limited to architectural, engineering fees, licenses and permits, FF&E, and construction of the Premises including without limitation improvements required by the Final Plans, as further described in Addendum B hereto shall be referred to herein, collectively, as "Tenant Improvements" or "TI." Costs of Tenant Improvements shall include all hard and softs costs for the Tenant Improvements including costs of Change Authorizations, and any other costs approved in writing by Tenant except Excess Site Improvement Costs, which Tenant shall pay pursuant to Section 2.5 above (collectively, "Total TI Costs") Tenant understands and

acknowledges that the Total TI Costs, any TI Costs overages, and the Excess Improvements Costs are Tenant's sole obligation. Tenant shall be solely responsible for any delay or increased cost in completing the Tenant Improvements, unless such delay or increased cost is solely attributable to the willful misconduct or gross negligence of Landlord. All Total TI Costs shall be advanced by Landlord and deducted from the Total Improvement Allowance to the extent available and as set forth in Section 6.3 below. If the Total TI Costs exceed the sum of Landlord's TI Allowance, the Tenant's TI Contribution, and the (but only to the extent that Landlord determines they will not be needed for Excess Site Improvement Costs) the First or Second Change Order/Additional Site Improvement Allowance, then Tenant shall authorize Landlord to pay the overage as necessary to pay for Tenant's monetary obligations hereunder, and the Second Change Order/Additional Site Improvement Allowance shall be increased accordingly. Thereafter, Tenant shall pay such overage to Landlord as provided in Section 6.3 below. Notwithstanding anything in this Work Letter or the Lease to the contrary, in no event or circumstance whatsoever shall Landlord be liable for Tenant Improvement costs or Excess Site Improvement Costs that exceed the Total Improvement Allowance.

6.3 Method of Payment. The total sum of Excess Improvement Costs shall be paid by Tenant, which to the extent available shall be paid by Landlord first from the First or Second Change Order/Additional Site Improvement Allowance as described in Section 2.5 above at such time as Landlord advances payment. Further, Tenant shall be obligated to pay Landlord the total sum of the Tenant Improvements costs which to the extent available shall be paid by Landlord first from Landlord's TI Allowance, then from Tenant's TI Contribution, and then (but only to the extent that Landlord determines they will not be needed for Excess Site Improvement Costs) from respectively the First and/or Second Change Order/Additional Site Improvement Allowance at such time as Landlord advances payment. To the extent advanced by Landlord, Tenant shall repay to Landlord the Total TI Costs in excess of the Landlord's TI Allowance, the First Change Order/Additional Site Improvement Allowance and the Second Change Order/Additional Site Improvement Allowance at Tenant's election, (a) in a lump sum, or (b) in equal monthly payments, amortized over the first five (5) years of the term of the Lease at the TI Amortization Rate, First Change Order Authorization Amortization Rate, or Second Change Order Authorization Amortization Rate as applicable. Tenant may, at any time during the Term, prepay all or any portion of the Total TI Costs in excess of the Landlord's TI Allowance, the First Change Order/Additional Site Improvement Allowance and the Second Change Order/Additional Site Improvement Allowance and pay any remaining amount in equal monthly payments, amortized over the first five (5) years of the term of the Lease at the TI Amortization Rate, First Change Order Authorization Amortization Rate, or Second Change Order Authorization Amortization Rate as applicable. In the event of an early termination of this Lease for whatever reasons, the unamortized portion shall become immediately due and payable by Tenant to Landlord. Notwithstanding anything to the contrary in this Lease, Landlord shall have right to draw down on allowances described herein subject to Tenant's written consent (which Tenant shall not unreasonably withhold, condition or delay); provided however that if the code-required change order is required by applicable law then it shall be deemed automatically approved by Tenant.

6.4 Base Rent Credit for Unused Portions of Landlord's TI Allowance. If the Total TI Costs are less than Landlord's TI Allowance, then the amount of any unused portion of the Total TI Costs shall be applied as a credit against the next installment(s) of Base Rent due under the Lease.

7. Construction of Tenant Improvements.

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto..

7.2 Bids. Unless waived by Tenant in writing or except as otherwise set forth in this Work Letter, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall be selected only after a minimum of three (3) bids have been solicited from responsible and qualified persons. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.3 Permits. Landlord shall use commercially reasonable efforts to obtain the approval of all applicable governmental authorities and all permits required for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans. Landlord may obtain plan check approval prior to soliciting bids from contractors or selection of preferred contractor pursuant to Section 4 hereof.

7.4 Commencement of Construction. Landlord shall submit permit applications for the construction of the Tenant Improvements within twenty-one (21) calendar days after Tenant's acceptance or Landlord's selection of the Contractor pursuant to Section 4 as the case may be. Contractor shall obtain the building permit for the Tenant Improvements prior to the commencement of construction. Once the building permits issue, Landlord shall diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays or Tenant Delays (as defined below).

7.5 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) 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.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant, shall be provided by Landlord, at Tenant's expense, in accordance with Tenant's Space Plan. Landlord shall use commercially reasonable efforts to consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than two (2) years from the date of Substantial Completion (as defined in the Lease). Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects. Landlord, at Landlord's sole cost and expense, shall promptly cause such

defects to be repaired following receipt of notice thereof, and Tenant shall have the same rights with respect thereto as set forth herein for all other punch-list items.

(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises or in other areas utilized by Landlord or its contractors, and Landlord agrees to reimburse Tenant for any and all out-of-pocket and reasonable expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up.

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.** Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction upon reasonable advance written notice to Landlord. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's cabling, furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonably good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work.

7.6 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans and as described in the Lease, subject only to the completion of minor punch-list items that will not materially interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection. If Landlord fails to complete any of the punch-list items within such 30-day period, then Tenant, in addition to its other rights and remedies under the Lease, after giving ten

(10) days written notice and opportunity to cure to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be completed.

7.7 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via USB flash drive and set up of a web-based download link.

8. Requests for Change to Tenant Improvements. Subject and without prejudice to Section 2.5 above, Tenant and Landlord may request changes, additions, deletions or substitutions in the Final Plans (each, a "Request for Change"), provided that the requesting party must submit a written request to the other party and that Requests for Change will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"). Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Tenant Improvements after the Final Plans and the Final TI Cost Summary have been accepted ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant, provided that Tenant shall promptly execute and deliver to Landlord a written Change Authorization prior to the performance of the applicable work. T Subject to the Agreed-To Improvement Plan, Landlord shall be solely responsible for the cost of any Change Authorizations or other Requests for Change that are Changes requested by Landlord ("Landlord-Requested Changes") of a discretionary or optional nature. Tenant shall be responsible for the cost of all other Landlord-Requested Changes subject to Tenant's written approval, which shall not be unreasonably withheld, conditioned or delayed. Landlord shall submit to the Chief Executive Officer or his/her designee with each Request for Change an estimate of: (i) an estimate of the cost of the requested change, (ii) the cumulative net total cost of all Change Authorizations previously executed, and (iii) an estimate of the number of days by which the construction time will be increased or shortened if the Request for Change is approved. Each Change Authorization must be signed and dated by Landlord and the Chief Executive Officer or his/her designee in order to be effective; provided, however, that if any Tenant party declines to sign such a change order then Landlord shall have no obligation to conduct such work as party of Substantial Completion and the Lease shall otherwise remain in full force and effect.

9. Furniture System.

9.1 Intentionally Omitted.

9.2 Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("Creditor"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage to the Building or the Premises caused by such removal shall be repaired by Creditor.

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord hereby waives any right to gain possession of any of Personal Property during the term of the Lease.

10. Total TI Costs Adjustment and Right to Audit. Subject to the Agreed-To Improvement Plan, Landlord shall use commercially reasonable effort to within twenty one (21) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, to provide Tenant a statement showing (a) all Total TI Costs in reasonable detail and sorted into the same line items as the Final TI Cost Summary, (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord, and (c) all Excess Site Improvement Costs. Upon approval of such statement by Tenant, payments by either party pursuant to the Lease and this Work Letter shall be adjusted as appropriate based upon such statement; provided that Landlord or Tenant deliver to the other a factually correct request for adjustment within 180 days after Substantial Completion of the Premises. Tenant shall have the right to audit the Total TI Costs for a period of 180 days after the date of Substantial Completion of the Premises. If a factually accurate audit as reasonably determined by Landlord shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the full audit report, and inform Landlord if Tenant wants Landlord to pay Tenant the amount of any over-payment made by Tenant within thirty (30) calendar days or if Tenant will apply such amount as a credit against the next installment(s) of Base Rent due under the Lease, and any future payments owed by Tenant shall be adjusted as appropriate based upon the factually accurate audit results. Landlord shall require the Contractor to include audit provisions in all subcontracts which allow Tenant to audit the subcontractors' books and records with respect to the Tenant Improvements. The total amounts of Total TI Cost, and/or Tenant Improvements, and Excess Improvements Costs shall at Landlord's election be memorialized in the Commencement Date Memorandum and signed by the parties.

11. Telephone/Computer Room and Equipment. Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan. Low-Voltage Plan and specifications provided by Tenant and approved by Landlord, at least thirty (30) calendar days prior to the Estimated Commencement Date; provided, however that Tenant at its sole cost shall be responsible for installation of its own cabling.

12. Delay.

12.1 Tenant Delays and Force Majeure Delays. Except as set forth in herein, and subject to the Agreed-To Improvement Plan, Tenant shall not be charged as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 12.2, the Estimated Commencement Date set forth in the Lease (if any) shall be extended one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals within the time periods required herein, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (b) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance,

riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)"). In no event shall any instance set forth in this Work Letter that requires the giving of approval, consent or other response from Tenant or Landlord be unreasonably conditioned, withheld or delayed.

12.2 Limitations.

(a) Notice. No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, Landlord provides Tenant with written notice that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord.

(b) Mitigation. Subject to the Agreed-To Improvement Plan, Tenant Delays and Force Majeure Delays shall delay the Estimated Commencement Date only if Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, efforts which Landlord shall be obligated to make (provided that the additional cost incurred by Landlord due to such efforts does not exceed \$10,000 on a cumulative basis, unless Tenant agrees to pay to the excess).

(c) Concurrent Delays. Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) Change Authorizations. Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule.

(e) Work Scope Precedence. In case of conflicts or discrepancies between or among this Landlord Work Letter, plans, and specifications, plans shall supersede specifications for quantity, specifications shall supersede plans for quality, and this Landlord Work Letter shall supersede both plans and specifications.

13. Tenant Remedies.

Tenant remedies shall be as set forth in the Lease; provided however, in no event shall Tenant have the right to terminate the Lease in connection with Tenant Improvement delay. Any Default as described in the Lease by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

14. Representatives

14.1 Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.2 of the Lease, which may at Landlord's option be delivered via the email address of the Tenant Representative.

14.2 Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.2 of the Lease, which may at Tenant's option be delivered via the email address of the Tenant Representative.

1. Elevator Usage During Move-In.

In the event that the use of the freight elevators and/or hoists is not sufficient to meet Tenant's requirements during the early entry period set forth in Section 4.3 of the Lease, (a) Landlord shall cause to be made operational a temporary construction elevator and hoist, or (b) Tenant shall have priority usage of two (2) passenger elevators in the elevator bank that services the Premises in order to assist Tenant in the installation of Tenant's fixtures, furniture and equipment. Any elevator usage provided under this Section 15 shall be at Tenant's sole cost.

2. Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise at a time and place that is mutually convenient. An initial construction meeting shall be held within seven (7) calendar days after the date the Contractor is selected. Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) calendar days after the date of the construction meeting.

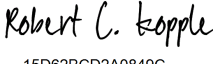
3. Delivery. Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant.

4. Miscellaneous. This Landlord Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord Work Letter. This Landlord Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord Work Letter shall be construed as if jointly drafted by the parties. This Landlord Work Letter will not be effective unless and until signed by both Parties. Neither party may assign this Landlord Work Letter or its rights or obligations hereunder without the other party's prior written consent. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. Provisions contained in this Landlord Work Letter shall prevail in case of conflict over the terms of the Lease. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

SAN PEDRO MEDICAL OFFICE PROPERTIES,
a California limited partnership

DocuSigned by:

By: 15D62BCD2A0849C...
Robert C. Kopple, President
Kopple Financial, Inc., General Partner
Date Signed: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____
Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Subject to variances and grandfathered rights, Landlord has constructed (or will construct) the Building to include the following to the extent required by the issuing governmental agency as a condition of obtaining permits and any required certificate of occupancy in connection with construction of the Tenant Improvements:

(a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by the City having jurisdiction and Certificate of Occupancy has been received.

(b) Must also include including mechanical, electrical, sprinkler, plumbing, Fire life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(c) toilet rooms per code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) Drywall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:

(e) public stairways;

(f) passenger elevators;

(g) parking facilities;

(h) ground floor lobby;

(i) finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) drinking fountains at the core;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

- (o) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;
- (p) mechanical equipment room with ducted mechanical exhaust system;
- (q) concrete floors with troweled finish ready for tenant's floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;
- (r) standard window coverings;
- (s) primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment room around the building core;
- (t) hot and cold air loops located within the Premises;
- (u) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;
- (v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;
- (w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and
- (x) Drywall on the service core walls, columns and sills in the Premises.
- (y) Demolition and removal of any existing improvements or equipment situated within the Premises unless the Final Plans show that such improvements and/or equipment will remain in the Premises.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (z) Tenant ceilings and lighting;
- (aa) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (bb) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (cc) Interior partitions, doors and hardware within the Premises;
- (dd) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (ee) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (ff) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (gg) Any and all signs for Tenant and the power therefor;
- (hh) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (ii) Additional and/or above standard electrical capacity;
- (jj) Fiber optic access; and
- (l) Any other improvements or alterations to, or exclusively serving, the Premises performed at Tenant's written request or direction.

ADDENDUM C To Landlord's Work Letter

PRELIMINARY AND FINAL
SITE IMPROVEMENTS AND TI COST SUMMARY

Preliminary TI Cost Summary

Final TI Cost Summary

Lease No. _____

Address _____

Cost Category	
Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Other (Specify)	\$
Total TI Costs	\$

ADDENDUM NO. 1**ADDITIONAL TERMS TO LEASE AGREEMENT**

THIS ADDENDUM NO. 1 ADDITIONAL TERMS TO LEASE AGREEMENT (the "**Addendum**") is made and entered into as of the Effective Date of the Lease by and between **SAN PEDRO MEDICAL OFFICE PROPERTIES**, a California limited partnership ("**Landlord**"), and **COUNTY OF LOS ANGELES**, a body corporate and politic ("**Tenant**" or "**County**") (collectively "**Landlord**" and "**Tenant**" shall be known as the "**Parties**").

WHEREAS, the Parties entered into that certain Lease Agreement dated as of _____, 2023 (the "**Lease**").

WHEREAS, the purpose of this Addendum is to amend the Lease by amending certain terms contained therein, to allow for Tenant to temporarily occupy another space the ("**Temporary Premises**", defined below) owned by Landlord until the Tenant Improvements are completed at the Premises (as defined in the Lease) located at Suite 200 in 1294 West 6th Street, San Pedro, CA 90731.

WHEREAS, all capitalized terms that are used in this Addendum but are not defined herein shall have the meanings given to them in the Lease.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration received, the Parties hereby agree to the following terms:

The following language is hereby added to the Lease as a new Section 34 thereof:

"34. **TEMPORARY PREMISES AGREEMENT.**

Tenant's lease of the Temporary Premises (as defined below in paragraph 34(a)) shall be upon all of the terms and conditions set forth in the Lease, as amended, as though the Temporary Premises was the Premises, provided that this section 34 (the "**Temporary Premises Agreement**") governs Tenant's interim lease of the Temporary Premises (as defined immediately below) except as otherwise expressly provided in, or otherwise inconsistent with, this Addendum, and except to the extent not applicable to the Temporary Premises. This Addendum is intended to be interpreted and enforced in harmony with the other provisions of the Lease; however, to the extent that there is any contradiction between the provisions of the main body of the Lease and this **section 34** of the Lease, this **section 34** prevails with respect to the Temporary Premises only.

(a) **Temporary Premises.** While the build out of the Premises is underway, Landlord leases to Tenant, and Tenant leases from Landlord another space owned by Landlord, comprised of approximately 9,376 RSF, located in Suite 200 of 1360 West 6th Street, San Pedro, CA 90731, as specifically designated on the Temporary Premises Space Plan (the "**Temporary Premises**"), which Temporary Premises Space Plan is attached hereto and incorporated herein as "**Addendum Exhibit A.**"

(b) **Projected Occupancy Date.** Tenant may install its furniture, fixtures and equipment within the Temporary Premises, starting on November 1, 2023.

(c) Temporary Premises Commencement Date. Starting on the date of Landlord's substantial completion of the Tenant Improvement Work described in subsection (g) below (the "**Temporary Premises Commencement Date**"), Tenant has the right to possess and use the Temporary Premises for the purposes allowed by the Lease.

(d) Temporary Premises Term. The leasehold tenancy created by this Temporary Premises Agreement (the "**Temporary Premises Term**") shall terminate upon Landlord's Substantial Completion (as defined in the Lease) of its long-term Premises, located in Suite 200 in 1294 West 6th Street, San Pedro, CA 91731, or such earlier termination of Tenant's lease of the Temporary Premises. Should Tenant retain possession of the Temporary Premises or any part thereof beyond the expiration of the Temporary Premises Term, (following Landlord's substantial completion of the Tenant Improvements of its long-term Premises) this lease of the Temporary Premises shall continue on a month-to-month basis until terminated by at least thirty (30) days' prior written notice by either party. Notwithstanding the foregoing or any language to the contrary found within this section 34 of the Lease, should the Lease be terminated, this Temporary Premises Agreement shall simultaneously terminate as of the Lease's Termination Date, and shall have no further force or effect on the parties.

(e) Temporary Premises Rent. The Temporary Premises rental rate shall be \$2.85 per RSF, per month, full service gross, janitorial service excepted. The rent shall be \$26,721.60 ("**Temporary Premises Rent**") per month, payable in advance to Landlord, on or before the first of the month at the address of Landlord stated in this Lease or at another location Landlord may designate. Within Thirty (30) days of execution of this Lease, Tenant shall pay to Landlord \$26,721.60, representing the first months' Temporary Premises Rent. The monthly Temporary Premises Rent shall be increased by three percent (3.0%) on each anniversary of the Temporary Premises Commencement Date.

(f) Temporary Premises Improvements. Tenant shall Lease the Temporary Premises in its "**as-is**" condition, and except as expressly set forth in the last sentence of this paragraph, Tenant acknowledges that Landlord has not promised to, and Landlord shall not have any obligation to, undertake any improvements or alterations to the condition of the Temporary Premises in connection with this Temporary Premises Agreement. Landlord acknowledges that the Temporary Premises are in good and safe condition. Landlord agrees to maintain structural elements of the Temporary Premises in good and safe condition, including all (i.) structural elements including: windows, exterior plate glass, and doors, concealed plumbing, concealed electrical systems, stairways, roof, foundations, (ii.) Mechanical including: HVAC, electrical, plumbing and fire/life systems; (iii.) the common areas; (iv.) Exterior windows; v. elevators serving the building; (vi.) Emergency exit signage; and (vii.) Light fixtures, bulbs, tubes and ballasts.

Landlord to maintain the Premises in good condition and repair. Tenant promises to surrender the Temporary Premises at the termination of the Temporary Premises Term in the same condition as received, except for normal wear and tear and except for changes authorized by Landlord in writing. Tenant agrees to make no repairs at the expense of Landlord.

(g) Tenant Improvement Work by Landlord:

With respect to the Temporary Premises, Landlord is to provide the following Tenant Improvement Work, at Tenant's sole cost and expense.

1. Install panic door/strike door hardware or new doors with such hardware and/or any items specified by the Tenant (the "Tenant Improvement Work").

Prior to full execution of this Lease Addendum:

- i. Landlord shall cause vendor(s) to provide a bid or cost estimate (with drawings and specifications for the proposed Tenant Improvements which are to be constructed by the Landlord at Tenant's sole cost and expense ("Tenant Improvement Allowance").
- ii. The Landlord will submit the estimates, drawings and the specifications to the Lessee's project manager for approval prior to commencing the work.
- iii. Tenant shall have delivered written approval to Landlord of the estimates, drawings and specifications described in the preceding clause.

In addition Landlord shall within one month of receipt of a duly executed copy of this Lease Addendum document shall:

- iii. Complete the Tenant Improvement Work. Upon completion of Tenant Improvement Work, Landlord to provide Tenant a detailed breakdown of the Tenant Improvement Costs.
- iv. The Tenant will reimburse the cost of the Tenant Improvement Work to the Lessor in one lump sum, upon reconciliation of the Tenant Improvements costs but in any event within thirty (30) days after the receipt of a duly executed copy of this Lease Addendum.

(h) Business Hours; Services; Parking: Business Hours for the building in which the Temporary Premises is located (the "Building") shall be: 8:00 a.m. to 6:00 p.m., Mondays through Fridays (except Building Holidays). "Building Holidays" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Heating, Ventilation, and Air Conditioning shall only be provided during the Business Hours of the Building stated in the preceding sentence.

Tenant shall have the right to use up to 4 unassigned parking spaces for every 1,000 square feet of rentable space (i.e., up to 37 unassigned parking spaces), on

a 'first-come, first-served' basis in common with other tenants and visitors of the Building.

Landlord is NOT obligated to provide janitorial services within the Temporary Premises: Tenant shall be responsible for all janitorial services serving the Temporary Premises, including payment for such janitorial service.

Tenant shall provide their own security guard services for the Temporary Premises and Common Areas, (including the Parking area) from 7:00 a.m. through 7:00 p.m. on work days, at Tenant's sole cost and expense and as further defined in Lease section 11.3

(h) Entry. Landlord reserves the right to enter the Temporary Premises at reasonable times to carry out any building management or business purpose in or about the Building, without any abatement of rent.

(i) Signs. Tenant shall not place or permit to be placed in, upon, about, or outside the Temporary Premises any sign, notice, or display of any kind, without the prior written consent of Landlord.

(j) Accessibility. For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant that the Temporary Premises, and the common areas of the Building and the property within which the Building is located, have not undergone inspection by a Certified Access Specialist (CASp).as of the date of this Temporary Premises Agreement, have not been inspected by a Certified Access Specialist (CASp), as that term is defined in California Civil Code Section 55.52. In accordance with subsection (e) of Section 1938 of the California Civil Code, Tenant is further notified as follows: "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." Landlord makes no representations or warranties as to the compliance of the Temporary Premises, or the common areas of the Building and the property within which the Building is located, with the Americans with Disabilities Act or any similar state or local law or ordinance; and Landlord shall not be required to make any improvements or alterations to same to comply with such federal, state, or local laws or ordinances applicable construction-related accessibility standards or requirements."

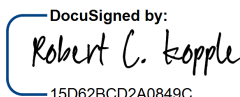
[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their duly authorized representatives effective as of the Effective Date.

LANDLORD:

SAN PEDRO MEDICAL OFFICE PROPERTIES,
a California limited partnership

By: Kopple Financial, Inc., a California corporation
Its: General Partner

By: 
15D62BCD2A0849C...
Robert C. Kopple, its President

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

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

ATTEST:

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

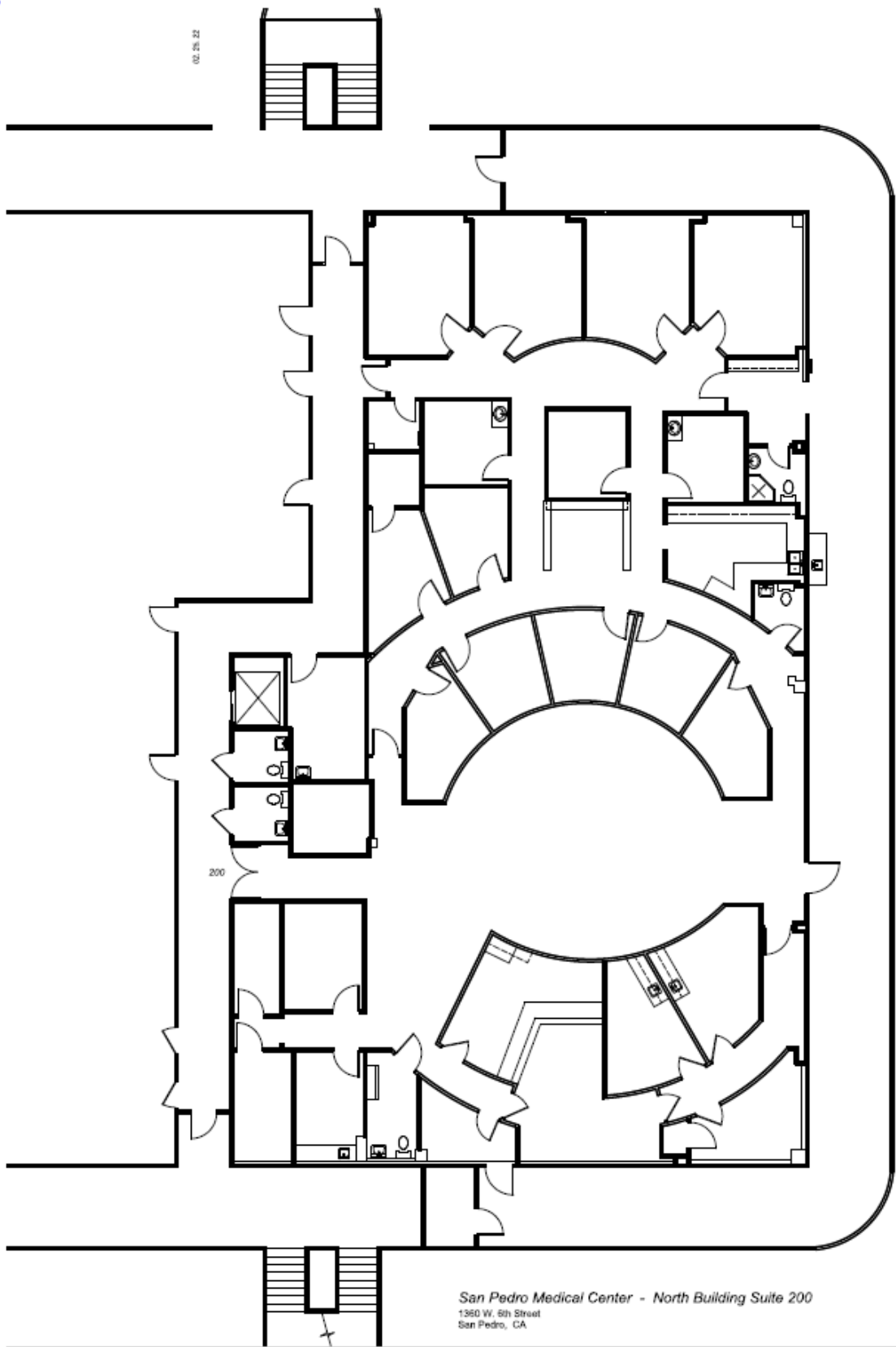
By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

Addendum Exhibit A-Space Plan/Floor Plan



BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	8/16/2023			
BOARD MEETING DATE	9/12/2023			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input checked="" type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th			
DEPARTMENT(S)	Assessor			
SUBJECT	Ten-year lease for 7,950 square feet of office space and 40 on-site parking spaces at 6167 Bristol Parkway, Suite 100, Culver City, CA 90230.			
PROGRAM	Office of the Assessor Culver City Regional Office			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A			
DEADLINES/ TIME CONSTRAINTS	The landlord will withdraw the deal if we do not meet Board approval on September 12, 2023.			
COST & FUNDING	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Total cost: \$5,632,000</td><td style="width: 50%;">Funding source: The funding sources will be Subvention funded 31.76 percent and net County cost 68.24 percent that is already included in Assessor's existing budget.</td></tr> </table> <p>TERMS (if applicable): The proposed lease will have an annual base rent cost of \$391,140 for the first year where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.</p> <p>Explanation: Sufficient funding for the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2023-24 Rent Expense budget and will be billed back to Assessor. Assessor will request funding as part of their FY 2023-24 Supplement Changes budget phase for the associated TI costs. Future funding for costs associated with the proposed lease will be requested through the annual budget process for the Assessor. The costs for Low-Voltage Items will be paid by Assessor directly to ISD.</p>		Total cost: \$5,632,000	Funding source: The funding sources will be Subvention funded 31.76 percent and net County cost 68.24 percent that is already included in Assessor's existing budget.
Total cost: \$5,632,000	Funding source: The funding sources will be Subvention funded 31.76 percent and net County cost 68.24 percent that is already included in Assessor's existing budget.			
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide use of office space for the Assessor.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The Office of the Assessor had to vacate their former offices when their landlord decided to reposition the property and did not renew the lease. The Assessor has been without office space since May 31, 2022. The office went to a hybrid teleworking model during this displacement period. The office lost the ability to provide local public service to clients within the West Los Angeles County area. . This was approved at the 8/10/2023 REMC meeting.			
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rivera, Section Chief, Leasing CEO- Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov			



Chief Executive Office.

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

September 12, 2023

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:

**TEN-YEAR LEASE
ASSESSOR
6167 BRISTOL PARKWAY, CULVER CITY
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed new ten-year lease for 7,950 square feet of office space, and 40 on-site parking spaces for the Assessor's Culver City Regional Office.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with Bristol Capital Ventures LLC (Landlord), for approximately 7,950 square feet of office space, and 40 on-site parking spaces located at 6167 Bristol Parkway, Suite 100, Culver City (Premises) to be occupied by the Assessor. This action proposes a lease for a term of ten years. The estimated maximum first year base rental cost is \$391,140. The estimated total lease cost is \$5,632,000 over the ten-year term. The rental costs will be funded by 31.76 percent subvended funds through Senate Bills 2557 and 813 and the remaining 68.24 percent by net County cost (NCC) and is included in Assessor's Fiscal Year (FY) 2023-24 Budget. Assessor will not be requesting additional NCC for this action.

3. Authorize the Chief Executive Officer, or her designee, to reimburse the Landlord up to \$596,250 for the County's Tenant Improvement (TI) contribution, if paid in lump sum or \$709,000 if amortized over the first five years at 7 percent interest per annum.
4. Authorize the Assessor or his designee, to work with and direct the Internal Services Department (ISD), in coordination with the Chief Executive Officer, or her designee for the acquisition and installation of telephone, data, and low-voltage systems and vendor installation (Low-Voltage Items) at a total cost not-to-exceed \$375,362 if paid in a lump sum or \$440,000 if amortized over five years at 10 percent interest per annum. The cost for the Low-Voltage Items is in addition to the rental costs and the County's TI contribution.
5. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed lease, and to take actions necessary and appropriate to implement the terms of the proposed lease, including, without limitation, any early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Assessor's West District office was formerly located at 6120 Bristol Parkway, Culver City, and occupied a 30,507 square feet facility since April 17, 2000. The property was subsequently purchased by a landlord with plans to reposition the property from office use to a life-sciences research and development use and asked the County to vacate the property at the expiration of their lease term on May 31, 2022. The Assessor's operations went to a hybrid schedule teleworking model during this temporary displacement period until a new office or offices could be located. The Assessor lost their ability to provide local public service to clients that reside within the west Los Angeles County area and had to redirect the public to other offices. The Assessor set up temporary workstations at their Downtown Los Angeles Headquarters located in the Kenneth Hahn Hall of Administration, as well as at their South District office, located at 1401 East Willow Street, Signal Hill, until permanent office space is leased and ready for occupancy. The Assessor decided to reconfigure from a District organizational model to a smaller regional office model, proposing two separate offices, with one office maintaining the client facing component and the other office maintaining the administrative functions, including a majority of the appraisal staff.

The Assessor has their headquarters in downtown Los Angeles, and three district offices, in the north, east and south districts and one regional office in Lancaster. The offices provide both administrative functions and direct services functions. The administrative services include real property and business assessments for tax purposes, and maintaining records of residential, commercial, industrial property, and businesses within their respective geographical areas. The department's direct services include providing

taxpayers with information on property tax assessments, property tax bills, property ownership, as well as information on building and property lot descriptions.

The proposed lease at 6167 Bristol Parkway, Culver City is the first of two proposed smaller regional offices that will replace the former West District office and will house the client facing component. By splitting into two smaller regional offices and implementing teleworking at both locations, the collective space requirements were reduced 40 percent. The proposed Culver City location will allow the Assessor to serve the residents in the west Los Angeles County region.

There will be approximately 34 employees located in the Premises, comprised primarily of clerical staff. There will be twenty-eight workstations and six hoteling workstations. The Assessor will continue to utilize a partial telework model once their new office is in place. To better serve the public they will require staff to report to this location on a rotating schedule. The redistribution of staff will provide public service to the communities being served, as well as reduce the amount of office space required to house the program. The Premises will serve the communities of Malibu, Playa Del Rey, Pacific Palisades, Westchester, West Los Angeles, Culver City, Santa Monica, Beverly Hills, Inglewood, West Hollywood, and portions of the City of Los Angeles, and unincorporated areas within this geographic area.

The Premises will provide adequate parking spaces for staff and additional visitor parking spaces will be available through the purchase of validations as needed. The Premises has an underground parking lot as well as a surface parking lot that will meet the needs of the program. The Premises is in proximity to local public transportation routes in a location adequately served by local transit services, including the Culver City Transit Center (Culver City Bus Line 108) and accessible from the 405 freeway and the 90 Marina freeway.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal 3 - *“Realize Tomorrow’s Government Today”* - provides that our increasingly dynamic, and complex environment, challenges our collective abilities to respond to public needs and expectations. We want to be an innovative, flexible, effective, and transparent partner focused on advancing the common good.

The proposed lease is also consistent with Strategic Asset Management Goal - Strengthen connection between service priorities and asset decisions and Key Objective No. 4 - Guide Strategic Decision-Making.

The proposed lease supports the above goals and objective by maximizing the effectiveness of County service by having a presence in the community in which it serves.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$391,140, which includes parking at no additional cost. The aggregate cost associated with the proposed lease over the entire term, including low-voltage cost, is \$5,632,000 as shown on Enclosure B-1. The proposed lease costs will be funded by 31.76 percent subvention fund and 68.24 percent by NCC that is already included in the Assessor's existing budget. The Assessor will not be requesting additional NCC for this action.

Sufficient funding for the proposed rent for the first year of the proposed lease term is included in the FY 2023-24 Rent Expense budget and will be billed back to Assessor. The Assessor will request funding as part of their FY 2023-24 Supplemental Changes budget phase for the associated TI costs. Future funding for costs associated with the proposed lease will be requested through the annual budget process for the Assessor. The costs for Low-Voltage Items will be paid by Assessor directly to ISD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Base rent includes 40 parking spaces at no additional cost and is subject to 3 percent annual increases.
- Total TI costs are expected to be \$1,391,250. The Landlord will provide \$795,000 (\$100 per square foot) base TI allowance.
- The County will reimburse the Landlord up to \$596,250 (\$75 per square foot) as the County's lump sum TI contribution. If the Landlord advances the County's TI contribution, this amount will be amortized over the first five years of the proposed lease term with interest at 7 percent for a fully amortized amount not-to-exceed \$709,000.
- The County will pay \$375,362 for the lump sum cost of the Low-Voltage Items. If the Assessor elects to pay in installments, this amount will be amortized over five years with interest at 10 percent for a fully amortized amount not to exceed \$440,000.
- The Landlord is responsible for all operating and maintenance cost of the building, and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.

- The County may elect to purchase their furniture through the proposed lease TI allowances, or they may choose to purchase the furniture directly from the furniture vendor, outside of the proposed lease and apart from the TI allowances contained within the proposed lease.
- The County will be responsible for purchasing validation parking vouchers from the Landlord or its parking operator. Validation rates will be subject to periodic market rate fluctuations or price increases.
- The County will be responsible for reimbursing the Landlord for any after-hours heating ventilation and air conditioning charges at the standard building rate.
- A ten-year initial term with two options to extend the proposed lease for an additional five years each with six months' notice, at fair market rent are included in the proposed lease. If all options are exercised, the total term of the proposed lease would be 20 years.
- The County has the right to terminate the proposed lease any time after the 60th month, with nine months' prior written notice, subject to a payment of a termination fee in the form of reimbursement of the unamortized base tenant improvements, plus two months of rent.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will increase by 10 percent of the base rent at the time of the proposed lease expiration.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence upon completion of the tenant improvements by the Landlord and acceptance of the Premises by the County.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for this space need, through the Board's Executive Office website and Real Estate's County website. This property was marketed on real estate websites and submitted to the County as a potential location in response to the flyer solicitation. 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. The other sites were not as well situated in the service area and did not provide for an acceptable location due to the inability to meet the size requirements and the insufficient parking ratio. Due to the public facing nature of these offices, it was important to the department to have space on the first floor, which is usually taken by retail use. Finally, parking on the westside of town is scarce and it was important to secure sufficient parking for staff and visitors. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$44.64 and \$51 per square foot, per year. The base annual rental

rate of \$49.20 per square foot, per year for the proposed lease represents a rate that is on the mid to high end of the market range for the area. We recommend the Premises as the most suitable to meet the County's space requirements due to the location, availability of space on the first floor and the property's ability to accommodate a high parking ratio.

The CEO has communicated with co-working office space companies about office space for the applicable programs, and they have informed us that their co-working office space does not have available space for long term occupancy to accommodate the required space needs. In addition, co-working office space is not financially viable in comparison to rental costs of traditional long-term office space.

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

The Department of Public Works has inspected the facility and found it suitable for County occupancy. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the Americans with Disabilities Act. The required notification letter to the City of Culver City has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the enclosed 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.

The proposed lease will provide a suitable office location for Assessor's program, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012, as outlined in Enclosure D.

ENVIRONMENTAL DOCUMENTATION

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

Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN:JTC
JLC:HD:ANR:FC:gb

Enclosures

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

ASSESSOR
6167 BRISTOL PARKWAY, CULVER CITY
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ² This facility will be the regional office primarily serving constituents in the West LA area.			X	
B	Does lease co-locate with other functions to better serve clients? ² This is one of two regional facilities for the Assessor to serve constituents in West LA			X	
C	Does this lease centralize business support functions? ²				X
D	Does this lease meet the guideline of 200 sq. ft of space per person? Approximately 234 sq. ft. per person (based on 34 staff) due to lobby with public counters, storage area, scanning and building plans room, and wellness room.			X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? 40 spaces which is 5.0/1,000 parking ratio to accommodate the members of the public who will visit the site			X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²		X		
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program?		X		
B	Is this a long-term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report enclosed as Enclosure C?		X		
G	Was build-to-suit or capital project considered? The County is a tenant in a multi-tenanted building			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				X
D	Why was this program not co-located?				
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ No suitable County occupied properties in project area.				
	3. <u>X</u> No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. ____ The Program is being co-located.				
E	Is lease a full-service lease?		X		
F	Has growth projection been considered in space request?		X		
G	¹ Has the Dept. of Public Works completed seismic review/approval?		X		
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS											
6167 Bristol Parkway, Culver City, CA											
Office of the Assessor											
Leased Area (sq.ft.)	7,950										
Term (months)	120	10 years									
Annual Rent Adjustment	3%										
	Cost Per RSF Per Month	Cost Per RSF Per Year									
Base Rent	\$4.10	\$49.20									
TI Allowance (Reimbursable) (\$75 SF)	Lump Sum Cost	Amortized Cost @ 7% , 5 Yrs									
	\$596,250	\$708,388									
LV (TESMA Labor & Materials)	Lump Sum Cost	Amortized Cost @ 10.0%, 5 Yrs									
	\$375,362	\$ 439,396									
	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year	8 th Year	9 th Year	10 th Year	Total 10 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	\$391,140	\$402,874	\$414,960	\$427,409	\$440,232	\$453,438	\$467,042	\$481,053	\$495,484	\$510,349	\$4,484,000
Tenant Improvement Costs	\$141,678	\$141,678	\$141,678	\$141,678	\$141,678	\$0	\$0	\$0	\$0	\$0	\$709,000
Total Costs Paid to the Landlord	\$532,818	\$544,552	\$556,638	\$569,087	\$581,909	\$453,438	\$467,042	\$481,053	\$495,484	\$510,349	\$5,193,000
Low Voltage Costs (TESMA) ⁽²⁾	\$201,769	\$59,407	\$59,407	\$59,407	\$59,407	\$0	\$0	\$0	\$0	\$0	\$440,000
Total Annual Lease Costs	\$734,586	\$603,959	\$616,045	\$628,494	\$641,316	\$453,438	\$467,042	\$481,053	\$495,484	\$510,349	\$5,632,000
⁽¹⁾ The Base Rent includes fixed 3 percent increases per annum. Parking for 40 unreserved spaces is also included in the rent. ⁽²⁾ ISD Labor costs are paid lump sum in year 1											
*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.											

**ASSESSOR
SPACE SEARCH – 3 MILE RADIUS
6167 BRISTOL PARKWAY, CULVER CITY**

PROPERTY ID	Name	Address	Ownership Type	Gross SqFt	Net SQFT	Vacant
Y337	Fire Station 58	5757 S Fairfax Ave Los Angeles 90056	Consolidated Fire Protection	5,168	4,393	NONE
A489	Fire Station 172	810 Centinela Ave Inglewood 90302	City of Inglewood	2,000	-	NONE
A488	Fire Station 171	141 W Regent St. Inglewood 90301	Contract	4,000	3,600	NONE
5933	PH - Curtis Tucker Public Health Center	123 W Manchester Blvd Inglewood 90301	Owned	28,734	16,828	NONE
X197	ISD - District 3 Facilities Operations Service Building	11236 Playa Ct Culver City 90230	Owned	30,660	27,419	NONE
5708	Public Library - Culver City Julian Dixon Library	4975 Overland Ave Culver City 90230	Owned	21,406	17,364	NONE
12027	KHSRA - Visitor Center	4100 S La Cienega Blvd Los Angeles 90056	Owned	2,616	-	NONE
12013	KHSRA - Pump Room	4100 S La Cienega Blvd Los Angeles 90056	Owned	524	-	NONE
10090	Stoneview Nature Center	5950 Stoneview Dr Culver City 90232	Owned	176,549	176,549	NONE
12034	KHSRA - Maintenance Trailer	4100 S La Cienega Blvd Los Angeles 90056	Owned	320	-	NONE
6330	Inglewood Courthouse	1 E Regent St. Inglewood 90301	CA State & LA County	140,674	89,483	NONE
A071	PH - West District Office	6101 W Centinela Ave Culver City 90230	Leased	8,912	8,466	NONE
13	PW Road - Div #233/333/433 Yard Office	5530 W 83rd St. Westchester 90045	Owned	2,400	2,160	NONE
14	PW Road - Div #233/333/433 Office/Garage	5530 W 83rd St. Westchester 90045	Owned	5,500	4,950	NONE
10306	Sheriff - Detective Bureau	9100 S Sepulveda Blvd Los Angeles 90045	Leased	3,213	3,052	NONE
1521	Ladera Park - Recreation Building/Office	6027 Ladera Park Ave Los Angeles 90056	Owned	2,117	1,941	NONE
F222	PW Flood - 83rd St Yard Office	5520 W 83rd St. Westchester 90045	Owned	702	632	NONE
F224	PW Flood - 83rd St Yard Office	5520 W 83rd St. Westchester 90045	Owned	1,920	1,824	NONE
A448	DMH - Culver City Mental Health Services	11303 W Washington Blvd Culver City 90066	Leased	15,980	15,181	NONE
12	PW Road - Maint District 3 Office	5530 W 83rd St. Westchester 90045	Owned	1,400	1,260	NONE
A437	DCFS - Wateridge (SPA 6)	5100 W Goldleaf Cir Building C Los Angeles 90056	Leased	52,370	46,086	NONE
B006	Fire - Prevention Bureau - West Metro Office	6167 Bristol Pkwy Culver City 90230	Leased	3,426	3,255	NONE
3776	Bioscience LA	4130 Overland Ave Culver City 90230	Owned	21,568	11,155	NONE
12041	Ladera Theater	6027 Ladera Park Ave Los Angeles 90056	Owned	991	-	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Ten- year lease agreement for the Assessor – 6167 Bristol Parkway, Suite 100, Culver City – Second Supervisorial District.

A. Establish Service Function Category – Regional service program

B. Determination of the Service Area – The proposed lease will provide a ten-year term for the Office of the Assessor within Service Planning Area 5.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: This program provides public service to property owners within the west Los Angeles County area. The residents of the area are provided with assistance on questions relating to property ownership, assessments, building and property lot descriptions, and property tax assessments.
- Need for proximity to existing County facilities: Close to several other County departments including the Department of Children and Family Services, Public Health, and the Fire Department.
- 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, including the Culver City Transit Center (Culver City Bus Line 108), and is accessible from the 405 freeway and the 90 Marina freeway.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There is no space available in existing County-owned buildings to meet the departments service needs.
- Compatibility with local land use plans: The City of Culver City has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.

- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term, including Low-Voltage cost, is \$5,632,000

D. Analyze results and identify location alternatives

It has been established that the annual rental range for a comparable lease in the area is between \$44.64 and \$51 per square foot, per year. The base annual rental rate of \$49.20 per square foot, per year for the proposed lease represents a rate that is in the middle to higher end of the market range for the area.

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 34 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

COUNTY OF LOS ANGELES - Tenant

BRISTOL CAPITAL VENTURES, LLC, a California limited liability company

6167 Bristol Parkway

SUITE 100

CULVER CITY, CALIFORNIA

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EXHIBITS

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

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 _____, 2023 between BRISTOL CAPITAL VENTURES, LLC, a California limited liability company ("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:	<p>Bristol Capital Ventures, LLC 660 S. Figueroa Street, Suite 700 Los Angeles, CA 90017 Attn: Albert Taban Email: Albert@Jadeent.com</p> <p><u>With Copy to:</u> Bristol Capital Ventures, LLC 660 S. Figueroa Street, Suite 700 Los Angeles, CA 90017 Attn: Legal Department Email: SLeiter@Jadeent.com</p>
(b) Tenant's Address for Notices:	<p>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</p> <p>With a copy to:</p> <p>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</p>
(c) Premises:	<p>Approximately 7,950 rentable square feet, designated as Suite(s) 100, in the Building</p>

	(defined below), as shown on <u>Exhibit A</u> attached hereto.
(d) Building:	The Building located at 6167 Bristol Parkway, Culver City, California, which is currently assessed by the County Assessor as APN 4134-004-001 (collectively, the "Property");
(e) Term:	Ten (10) years, commencing the first (1 st) day of the month following thirty (30) days after the date of Tenant's Acceptance of the Premises, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the tenth (10 th) annual anniversary of the Commencement Date (the "Termination Date"), subject to Tenant's Early Termination Right (Section 4.2) and Early Entry Right (Section 4.3). The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Estimated Commencement Date:	Upon Substantial Completion of Tenant Improvements to be performed by Landlord and delivery of Premises to Tenant.
(g) Intentionally Omitted	None.
(h) Base Rent:	<p>\$4.10 per rentable square foot per month (i.e., \$32,595 per month or \$391,140 per year*)</p> <p>*The Base Rent shall increase three percent (3%) annually on each anniversary of the Commencement Date.</p>
(i) Early Termination (see Section 4.4)	Tenant will have the right to terminate the Lease for any reason at any time after the sixtieth (60 th) month following the Commencement Date. Such right may be exercised by Tenant on nine (9) months' prior written notice to Landlord. If the Lease is terminated pursuant to this provision, Tenant will reimburse Landlord for the unamortized amount of the Tenant Improvement Allowance (based on an interest rate of 7%), plus two months of the

	then-current Base Rent as a termination penalty.
(j) Rentable Square Feet in the Premises:	7,950 rentable square feet
(k) Permitted Use:	General office use for the Los Angeles County Assessor, subject to Section 6.
(l) Parking Spaces:	Forty (40) unreserved spaces
(m) Tenant's Hours of Operation:	7:00 a.m. to 6:00 p.m. Monday through Friday, and 9:00 a.m. to 1:00 p.m. on Saturdays, excepting Holidays (New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as generally recognized by the County of Los Angeles or Landlord.
(n) Asbestos Report:	A report dated March 24, 2023, prepared by Charles Taylor Environmental Technical Services, a licensed California Asbestos contractor
(o) Seismic Report	A report dated May 18, 2004, prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated February 10, 2023, prepared by Building Principles Certified Access Specialists.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	Landlord shall provide a non-reimbursable tenant improvement allowance of up to \$795,000 Dollars (\$100 per rentable square foot) of the Premises, to be used for any hard or soft costs including but not limited to architectural, engineering fees, license, permits, FF&E, demolition of the existing improvements and construction of the Premises.
(b) Tenant's TI Contribution (if requested by Tenant):	Up to \$596,250.00 (\$75 per rentable square foot)

(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Fixed seven percent (7%) per annum, amortized over the first 60 months of the Lease Term.
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	\$11,806.46 per month, ending on the last day of the sixtieth (60 th) month following the Commencement Date.
(e) Tenant's Work Letter Representative:	Tina Hovsepian or assigned staff.
(f) Landlord's Work Letter Representative:	Heather Riley, Property Manager
(g) Landlord's Address for Work Letter Notices:	660 S. Figueroa Street, Suite 700 Los Angeles, CA 90017
(h) Tenant's Address for Work Letter Notices:	County of Los Angeles Chief Executive Office – Real Estate Division 320 West Temple Street, 7 th Floor Los Angeles, CA 90012 Attention: Director of Real Estate
1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H – Memorandum of Lease Exhibit I - Landlord's Work Letter
1.4 <u>Addendum No. 1</u> (Executed concurrently with this Lease and incorporated herein by this reference):	Additional Terms to Lease Agreement

2. PREMISES

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 and Exhibit A attached hereto. Tenant represents that prior to executing this Lease it has satisfied itself regarding the total rentable square footage of the Premises. Notwithstanding anything in this Lease to the contrary, the rentable square footage of the Premises shall

be deemed to be the rentable square footage described in Section 1.1 (j). All measurements provided by Landlord shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Further, the area of the Premises will not be measured during the term of this Lease and the parties agree that the Base Rent shall not be subject to adjustment based on any remeasurement of the Premises or the Building.

3. COMMON AREAS

Only for purposes of Premises ingress and egress and as otherwise reasonably necessary for Tenant's permitted use of the Premises, Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord from time to time. Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to use Common Areas for any purpose other than as described in the first sentence of this Section 3. (e.g., no loitering; use as a break area or as a waiting area).

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;

- (c) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy, or Fire Life Safety sign-off by the governing agency, for that portion of the Building that includes all of the Premises, or its equivalent;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.
- (f) Tenant's acceptance shall not be unreasonably withheld, delayed, or conditioned.

4.2 Termination Right

If the Commencement Date has not occurred within sixty (60) days after the Estimated Commencement Date, subject to Tenant Delays or Force Majeure Delays, as provided in Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference, then Tenant shall have the rights set forth in Section 13 of the Work Letter.

Notwithstanding anything to the contrary in this Lease, including the Work Letter, Landlord and Tenant agree that excepting any Landlord Delay, as defined in Paragraph 6.2 of the Work Letter, the Commencement Date of this Lease shall not be later than one hundred and eighty days (180) from the date that Landlord has (i) entered a contract with a General Contractor and (ii) received all permits and approvals from governing agencies, necessary for the Tenant Improvements to be constructed by Landlord.

4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures, and equipment in the Premises, Tenant shall coordinate its early entry rights with Landlord's representatives and Landlord's construction schedule. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

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 nine (9) months prior written notice, executed by the Chief Executive Officer or his/her designee of Tenant, together with Tenant's payment to Landlord of that amount equal to the sum of (i) all unamortized Tenant Improvement Allowances, with an interest rate of seven percent (7%) per annum and (ii) an early termination fee equal to two months' Base Rent, which shall be calculated at the monthly Base Rent then payable to Landlord.

4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord shall provide a written notice to Tenant notifying Tenant of the Termination Date; provided however, Landlord shall not be in default or breach of this Lease in the event such notice is not provided as set forth herein.

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 Adjustment

On each anniversary of the Commencement Date, yearly Base Rent shall be adjusted by increasing it by three (3%) percent be annum. Tenant shall pay Base Rent during the Term(s) as follows:

Months	Rate per RSF	Monthly Rent
1-12	\$4.10	\$32,595.00
13-24	\$4.22	\$33,572.85
25-36	\$4.35	\$34,580.04
37-48	\$4.48	\$35,617.44
49-60	\$4.61	\$36,685.96
61-72	\$4.75	\$37,786.54
73-84	\$4.90	\$38,920.13
85-96	\$5.04	\$40,087.74
97-108	\$5.19	\$41,290.37
109-120	\$5.35	\$42,529.08

5.3 Base Rent Abatement

The Landlord will abate rent in the form of a delayed Commencement Date of the Term, pursuant to Section 1.1 (e) 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 or for any other County governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays, and provided that no such change in designation or use shall constitute an amendment or modification of this Lease or otherwise adversely diminish or affect Landlord's rights thereunder. Tenant agrees to provide Landlord with prompt written notice in the event that the County Department designated for governmental purposes for which the Premises is used shall be changed by the County.

Notwithstanding the foregoing, the following uses will not be permitted within the Premises during the term of the Lease: Retail Sales, Physical Therapy, Pharmacy, and Phlebotomy/Blood Draw Lab.

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 thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at one hundred and ten percent (110%) of monthly Base Rent then 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

8.1 Applicable Laws.

Tenant (i) shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof ("Applicable Laws") regulating the use, occupancy or improvement of the Premises by Tenant, and (ii) shall not use or knowingly allow any person to use the Premises or Common Areas for any purpose that is contrary to the Rules and Regulations (as defined below), that violates any Applicable Laws, that constitutes waste or nuisance. Subject to the foregoing, to variances and grandfathered rights, and the terms and conditions of Landlord's Work Letter. 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.

8.2 Rules and Regulations

Tenant shall comply with all reasonable, non-discriminatory rules attached to this Lease as Exhibit E and any reasonable amendments or additions promulgated by Landlord from time to time for the safety, care, and cleanliness of the Premises, Building, and parking related thereto or for the preservation of good order ("Rules and Regulations"). Landlord agrees not to enforce the Rules and Regulations in a manner that discriminates against Tenant. Landlord shall not be responsible to Tenant for the failure of any other

tenants or occupants of the Building to comply with the Rules and Regulations.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days in a commercially reasonable manner and subject to any force majeure delays, 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 use commercially reasonable efforts secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall engage in commercially reasonable efforts to 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 (due to Damage or Destruction).

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, but subject to force majeure delays, 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 to Landlord's actual knowledge, as of the date hereof and on the Commencement Date:
 - i. Subject to variances and grandfathered rights, 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) serving the Premises substantially comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in reasonably good working order and condition;
 - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
 - iii. The Premises, the Building and the Common Areas are free of the unlawful presence of Hazardous Materials (as hereinafter defined); and
 - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, 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, prior to Tenant's occupancy, 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 or any Work Letter.

(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.

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

- (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 (reasonable wear and tear excepted):
 - 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, necessary repairs to, or necessary replacements of the foregoing, unless damaged by Tenant:
 - 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.
- (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.

10.3 Tenant Obligations. Without limiting Landlord's repair and maintenance obligations, 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 necessary action within a reasonable period of time given the circumstances after the giving of such notice by Tenant, which notice shall specify in detail the nature of the necessary repair or maintenance work, but in any event not later than thirty (30) 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). Notwithstanding, if more than thirty (30) days are reasonably required for the performance of such necessary repair or maintenance work, then Landlord shall not be deemed to be in default if Landlord commences such cure, within said thirty (30)-day period and thereafter diligently performs such necessary or repair work to completion.

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 ten (10) 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. If any action taken by Tenant will affect any portion of the Building systems, structural integrity of the Building, or exterior appearance of the Building, Tenant shall use only the contractor

used by Landlord in the Building for such work, unless that contractor is unwilling or unable to perform the work, in which event Tenant may use the services of another qualified contractor approved by Landlord, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding anything in the Lease to the Contrary, Tenant shall take no action pertaining to or affecting any portion of the Building that will adversely affect the enjoyment, possession, or other rights of any other tenant in the Building.

- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations of the Premises that are the responsibility of the Tenant, in which case Tenant shall reimburse Landlord for such cost, not to exceed \$10,000, as part of a separate purchase order issued by the County on Tenant's behalf; *provided, however*, that Landlord shall have the right at its sole discretion to refuse such request. 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 any Tenant Improvements as defined in Section 24. Tenant agrees to reimburse to Landlord, no later than thirty (30) days from Landlord's written request for such reimbursement.

11. SERVICES AND UTILITIES

11.1 Services

- (a) Heating, Ventilation and Air Conditioning (HVAC). Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. 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; provided however, any above-standard use of HVAC may be submetered by Landlord and shall be at Tenant's sole cost and expense. Landlord may deduct the cost to install any utility submeters from the Tenant Allowance.

- (b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises; provided however, any above-standard use of utilities may be submetered by Landlord and shall

be at Tenant's sole cost and expense. Landlord may deduct the cost to install any utility submeters from the Tenant Allowance.

(c) Elevators

Landlord shall furnish freight, if any, and passenger elevator services to the Premises during Tenant's Hours of Operations. During all other hours, Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

(d) Water

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable (tap) 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 (excepting government holidays), 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 serving the Premises 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. If required, 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.

(g) Pest Control

Landlord at its sole cost and expense shall use commercially reasonable efforts to 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 standard 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 if Landlord fails to cure within ten (10) days

of Landlord's receipt of Tenant's written notice, then Tenant thereafter shall have the right to pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord.

If Tenant requires additional power (and/or related equipment and utility hook up) for the Premises, Landlord will arrange it at Tenant's expense and/or deduct from the Tenant Allowance, based upon the actual cost of utilities provided by the relevant utility company. If Tenant requires additional telecommunications service, Tenant may arrange it at Tenant's expense and Landlord shall cooperate.

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 if Landlord fails to cure within twenty (20) days of Landlord's receipt of Tenant's written notice, then Tenant thereafter shall have the right to 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 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 without prior notice 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. Excepting Tenant's failure to pay rent, Landlord shall also have the right, but not the obligation, to remedy any failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease within the time period set forth above, and to add the reasonable costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum to the installments of Base Rent next falling due.

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 thirty (30) 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 thirty (30) 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 reasonable costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- (b) to pursue the remedy of specific performance;
- (c) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- (d) to terminate this Lease.

15.2 Waiver

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

15.3 Emergency

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

16. **ASSIGNMENT AND SUBLETTING**

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet (each, a "Transfer") the whole or any part of the Premises to another County agency or office without first obtaining Landlord's prior consent; provided, however, no such 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 and there shall be no substantial change of use of the Premises. The Transfer shall be conditioned upon (a) Tenant's delivery of written notice to the Landlord no less than thirty (30) days prior to the effective date of the Transfer, specifying the name, address and contact information from the transferee and the effective date of the Transfer; (b) written agreement signed by the transferee assuming remaining obligations, liabilities and duties of tenant under the Lease. Landlord shall not be required to recognize any other tenant under the Lease unless the foregoing requirements are satisfied.

16.2 Sale

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

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

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
 - i. Name and address of new owner or other party to whom Base Rent should be paid
 - ii. Federal tax ID number for new owner
 - iii. Name of contact person and contact information (including phone number) for new owner
 - iv. Proof of insurance
- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. 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 Applicable Laws;
- (b) is cosmetic in nature and 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.
- (e) does not require a building permit.

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

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

18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall

remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear on such Award. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

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 Landlord's gross negligence or willful misconduct in connection with (i) the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Building, or (iii) arising from any breach or default under this Lease by Landlord.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord and its employees, agents and officers, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including reasonable attorney and expert witness fees) arising from or connected with Tenant's and/or by Tenant's employees, contractors or invitees' (i) repair, maintenance and other acts or omissions arising from and/or relating to the Tenant's use of the Premises, (ii) arising from any breach or default under this Lease by Tenant, or (iii) use or occupancy of the Premises and/or the Building and/or Property and/or the parking facilities..

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.
- (b) Certificate(s) of insurance coverage (Certificate) satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and Tenant's Agents (defined below) are named as Additional Insureds under the Landlord's Commercial General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.

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.

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 the 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.

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.

Certificates and copies of any required endorsements, 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 Tenant which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(c) Additional Insured Status and Scope of Coverage.

- (d) Tenant and its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant's Agents"), shall be named as additional insureds under Landlord's Commercial General Liability Insurance policy with respect to the Building. Tenant's additional insured status shall apply whether liability is attributable to the Landlord, Tenant or Tenant's Agents. 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 set forth herein. Use of an automatic additional insured endorsement form is acceptable, provided that it satisfies the Required Insurance provisions set forth herein.

(e) 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.

(f) 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.

(g) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and reasonably acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(h) 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 Tenant maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Landlord coverage.

(i) Waiver of Subrogation

To the fullest extent permitted by law and the applicable insurance policies and except as otherwise provided in the Lease, 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.

(j) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate the Tenant to pay any portion of any Landlord deductible or SIR.

(k) 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.

(l) Application of Excess Liability Coverage

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

(m) 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.

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.

20.2 Insurance Coverage Types And Limits

Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

- iv. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, 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. A certificate evidencing insurance coverage or letter evidencing self-insurance will be provided to Landlord after execution of this Lease at Landlord's request.

20.3 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:

- iv. 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.
- v. 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.

20.4 Waiver of Subrogation

Except to the extent of Tenant's or Tenant's employees, agents, invitees or visitors' negligence of willful misconduct, Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the Tenant's self-insurance obligations or Landlord's property insurance policies describe herein.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces and unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-

exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building.

Access Cards: 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 plus an additional five (5) keycards for staff that will report to the site on an occasional basis, if applicable. Landlord shall provide to Tenant up to (3) replacement access cards each calendar year at no charge. If Tenant returns any access cards that are no longer active or malfunctioning during the Lease term, these may be re-programmed or replaced at no cost to the Tenant. Notwithstanding any additional access cards or key fobs, Tenant agrees that in the event that Tenant utilizes more than forty (40) parking spaces on any single day, Tenant shall be subject to Landlord's standard parking charges for any vehicles exceeding forty (40) vehicles for such day.

Validations: Tenant shall have the right to purchase or reimburse the landlord for parking validations for visitors. Landlord to provide the building rate schedule to the Tenant. Landlord may from time to time adjust the posted parking validation fees. Landlord to provide Tenant with at least sixty (60) days advance written notification prior to new parking validation rates taking effect. Notwithstanding anything to the contrary herein, Tenant understands and agrees that parking operations are managed and rates set by a third-party parking operator and that Tenant shall negotiate rates and validations with such third-party operator directly.

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 or Tenant's employees, agents, invitees or visitors. 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 fifteen business (15) 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

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

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 materially and adversely impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien. For any work not performed by Landlord, Landlord shall have the right at all times to post and keep posted on the Premises any notice which it deems necessary for protection from Liens. In the event any Lien is recorded against the Premises or the Building as a result of any work performed, materials furnished or obligations incurred by Tenant, and the Lien is not removed or discharged within thirty (30) days of the filing thereof, Landlord shall have the right, but not the obligation, to pay and discharge the recorded Lien without regard to whether it is lawful or correct.

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 (or in such form as may reasonably be required by a lender) 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 which may be 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 or earlier termination of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

Tenant shall be allowed building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Landlord's expense. Tenant shall have the right to install, at Landlord's sole cost and expense, up to two (2) lines per 1,000 rentable square feet of the Premises on the Building's directory board in the main lobby of the Building. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances and subject to Landlord's prior written consent. If there is a monument sign for the Building, Tenant shall have the right to one entry (two if two-sided) identifying the Tenant, at Tenant's expense, to be paid out of the Tenant Improvement Allowance.

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 other than Avison Young (Mark Mattis) for Landlord and CRESA Los Angeles ("CRESA") (Gerald Porter) for Tenant, 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 as disclosed to the other in writing 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. Landlord and Tenant agree that the Landlord shall be solely

responsible for the payment of any brokerage commission to either Avison Young or CRESA, and that the Tenant shall have no responsibility therefor. CRESA shall receive from Landlord or Landlord's broker, a commission payment, all commissions to be paid shall be pursuant to separate written agreement.

30.4 Entire Agreement

This Lease (including all exhibits hereto and the Landlord's Work Letter) 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 documents 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
- (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. OPTION TO EXTEND

34.1 Option Terms.

Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two (2) options to renew this Lease for an additional period of sixty (60) months each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the "Extension Term(s)").

34.2 Exercise of Option.

Tenant must exercise its options to extend this Lease by:

- (a) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than one hundred eighty (180) days, nor earlier than three hundred sixty-five (365) days, prior to the end of the initial Term, or the First Extension Term, as applicable, and
- (b) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, this Lease shall terminate on the scheduled expiration date as if the applicable option had not been exercised.

34.3 Terms and Conditions of the Extension Terms.

The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to Fair Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, and Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms.

34.4 Agreement on Base Rent.

Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively.

34.5 Market Rental Value.

The term "Market Rental Value" shall be the rental rate for renewal transactions that comparable Premises in the market in which the Premises is located would command for approximately the same term as the Extension Term on the open market at the commencement date of the Extension Term, pursuant to transactions completed in the twelve (12) month period prior to the commencement date of the Extension Term, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant, at its sole cost, within the Premises of the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, conditions imposed on Landlord by Tenant, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion and non-equity tenants for comparable premises for general office use for a comparable period of time, the annual rental rates per square foot, rental increases, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, presence or absence of pass throughs for taxes, insurance maintenance and other costs, the type of escalation clause (e.g., whether increases in additional rent are determined on a net or gross basis, and if gross, whether such increases are determined according to a base year or a base dollar amount expense stop), parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent (excluding any abatement during the period of construction or subsequent to the commencement date as to the space in question), brokerage commissions, if any, which would be payable by Landlord in similar transactions, length of the lease term, size and location of the Building being leased, and other general applicable conditions of tenancy for such comparable transactions.

34.6 Opinions.

Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion)

Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County

34.7 Amendment of Lease

Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect

IN WITNESS WHEREOF this Lease has been executed the day and year first set forth above.

LANDLORD:

BRISTOL CAPITAL VENTURES, LLC
a California limited liability company



By: _____
Name: Albert Taban
Its: Authorized Signatory

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
County Counsel

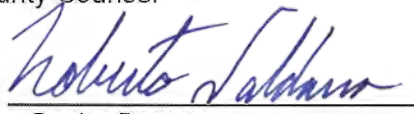
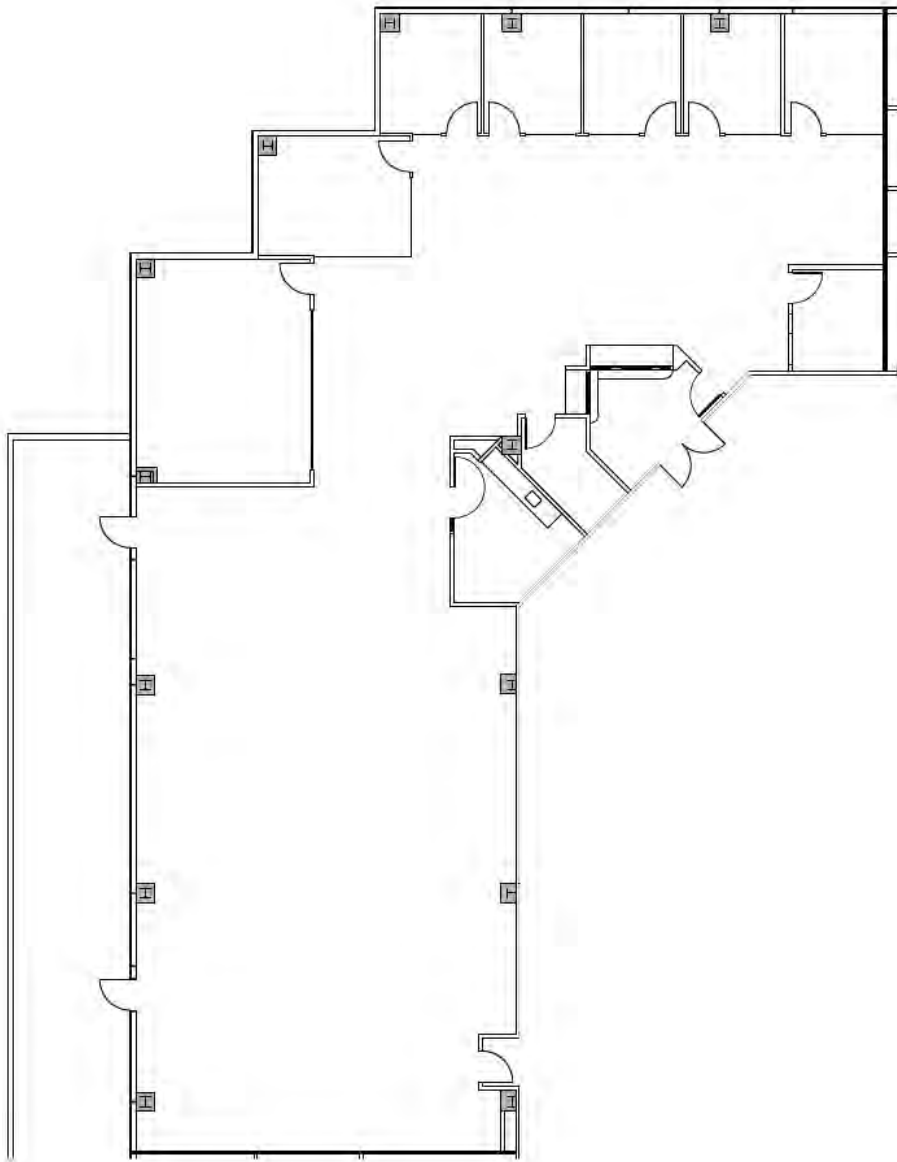
By: 
Senior Deputy

EXHIBIT A
FLOOR PLAN OF PREMISES



6167 BRISTOL PKWY FLOOR PLAN SUITE 100

Date: 04/18/2023

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 _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 4) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");
- 5) Tenant has accepted possession of the Premises and now occupies the same;
- 6) The Lease commenced on _____ ("Commencement Date");
- 7) The Premises contain _____ rentable square feet of space; and
- 8) Base Rent Schedule per Section 5.2 of the Lease:

On each anniversary of the Commencement Date, yearly Base Rent shall be adjusted by increasing it by three (3%) percent be annum. Tenant shall pay Base Rent during the Term(s) as follows:

Months	Rate per RSF	Monthly Rent
1-12*	\$4.10	\$32,595.00
13-24	\$4.22	\$33,572.85
25-36	\$4.35	\$34,580.04
37-48	\$4.48	\$35,617.44
49-60	\$4.61	\$36,685.96
61-72	\$4.75	\$37,786.54
73-84	\$4.90	\$38,920.13
85-96	\$5.04	\$40,087.74
97-108	\$5.19	\$41,290.37
109-120	\$5.35	\$42,529.08

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____,
20____.

Tenant:

Landlord:

COUNTY OF LOS ANGELES,
a body corporate and politic

_____,
a _____

By: _____
Name _____
Its _____

By: _____
Name _____
Its _____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
8. Bulb and tube replacements, as required.
9. Emergency exit signage and egress battery replacement (if applicable)
10. Graffiti expunged as needed within two working days after notice by Tenant
11. Floors washed as needed.
12. Standard kitchen/lunchroom/restroom supplies replenished, including, but not limited to, paper supplies and soap.
13. Exclusive Building day porter service from 7:00 a.m. to 3:00 p.m. (excepting government holidays)

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. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 25. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY (on an "as-necessary" basis)

- 26. Perimeter windows washed as required inside and outside but not less frequently than twice annually.
- 27. All painted wall and door surfaces cleaned and stains removed.
- 28. All walls treated with vinyl covering cleaned and stains removed.

F. ANNUALLY. To the extent that these services are provided to other tenants of the Building, Landlord shall extend the following services to Tenant:

- 29. 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.
- 30. 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.
- 31. Touch-up paint all interior painted surfaces in a color and finish to match existing

G. AS NEEDED

- 32. 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.
- 33. 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.
- 34. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

35. 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.

38. 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.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

EXHIBIT E

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

**County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012**

)
)
)
)
)
)
)

Space above for Recorder's Use

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of February, 2023 by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and VALLEY NATIONAL BANK (successor by merger to BANK LEUMI USA), a national banking association, ("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 (the "Loan") to Borrower. The Loan is or will be secured by a deed of trust 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.

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 without limitation 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 without limitation 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, provided that the Lease is in full force and effect and there exist no material default by Tenant under the Lease.

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. From and after the occurrence of any Transfer of the Property, Tenant shall make all payments under the Lease directly to Purchaser.

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 and such prepayment was received by Purchaser; or

(d) be obligated for any security deposit not actually received by 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. As used herein, the term "material" means any amendment or modification of the Lease which does any one or more of the following: (i) reduces the rent (whether base rent or additional rent payable by Tenant); (ii) reduces the term of the Lease; or (iii) imposes any material financial or construction obligation on landlord (including Landlord, Purchaser or Lender) which is not set forth in the Lease (including, without limitation, Landlord's maintenance, repair and/or replacement obligations with respect to the Property).; or

(f) be bound make any payment to Tenant or perform any work required to be made or performed by any prior Landlord or relating to periods prior to the date Purchaser or Lender obtains title to the Property, and Purchaser or Lender shall not be obligated to pay for any work allowance or contribution required to be made by any prior Landlord pursuant to the terms of the Lease; or

(g) bound by any responsibility to repair or restore the Premises or the Property after damage or destruction of the Premises or the Property, or any part thereof, due to fire or other casualty occurring prior to the date that Purchaser or Lender obtains title to the Property, or because of condemnation occurring prior to the date that Purchaser or Lender obtains title to the Property. Purchaser (including Lender) shall have no obligation to repair or restore the Premises or the Property unless Purchaser or Lender shall have received insurance proceeds or cash condemnation awards in an amount (that when aggregated with the applicable insurance deductible in the case of an insured casualty) is sufficient to complete such repairs.

6. Cure by Lender of Landlord Defaults. Tenant hereby agrees that from and after the date hereof, in the event of any act or omission by any prior Landlord which would give Tenant the right, either immediately or after the lapse of time, to terminate or cancel the Lease or to claim a partial or total eviction, or to abate or reduce rent, Tenant will not exercise any such right until it has given written notice of such act or omission (a "Default Notice") to Lender, and Lender has failed within thirty (30) days after the later of (a) receipt of such notice by Lender or (b) the expiration of any applicable grace or cure period set forth in the Lease, to commence to cure such act or omission within such period and thereafter diligently prosecute such cure to completion; provided, that, in the event Lender cannot complete such cure without possession of the Property, Tenant shall not exercise any such right if Lender commences judicial or non-judicial proceedings to obtain possession after Lender's receipt of the Default Notice and thereafter diligently prosecutes such proceedings and cure to completion within ninety (90) days following such receipt.

7. Payments to Lender and Exculpation of Tenant. Tenant is hereby notified that the Lease and the rent and all other sums due thereunder have been assigned to Lender as security for the Loan. In the event that Lender or any future party to whom Lender may assign the Deed of Trust notifies Tenant of a default under the Deed of Trust and directs that Tenant pay its rent and all other sums due under the Lease to Lender or to such assignee, Tenant shall honor such direction without inquiry and pay its rent and all other sums due under the Lease in accordance with such notice. Landlord agrees that Tenant shall have the right to rely on any such notice from Lender or any such assignee without incurring any obligation or liability to Landlord, and Tenant is hereby instructed to disregard any notice to the contrary received from Landlord or any third party.

8. Limitation of Liability. Lender shall not, either by virtue of the Deed of Trust or this Agreement, be or become a mortgagee-in-possession or be or become subject to any liability or obligation under the Lease or otherwise until Lender shall have acquired the interests of Landlord

in the Property, by foreclosure or otherwise, and then such liability or obligation of Lender under the Lease shall extend only to those liabilities or obligations accruing subsequent to the date that Lender has acquired the interests of Landlord in the Property as modified by the terms of this Agreement. In addition, upon such acquisition, Lender shall have no obligation, nor incur any liability, beyond Lender's then equity interest, if any, in the Property.

9. 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: Valley National Bank
555 West 5th Street, Suite 3300
Los Angeles, California 90013
Attention: Maggie Shi

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

10. 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 agrees that it will not subordinate the Lease to the lien of any mortgage, trust deed or deed of trust other than the Deed of Trust for so long as the Deed of Trust shall remain a lien on the Property. If any portion or portions of this Agreement shall be held invalid or inoperative, then all of the remaining portions shall remain in full force and effect, and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion or portions held to be invalid or inoperative. This Agreement may be executed in any number of separate counterparts, each of which shall be deemed an original, but all of which, collectively and separately, shall constitute one and the same agreement. This Agreement cannot be altered, modified, amended, waived, extended, changed, discharged, or terminated orally or by any act on the part of Tenant, Landlord or Lender, but only by an agreement in writing signed by the party against whom enforcement of any alteration, modification, amendment, waiver, extension, change, discharge, or termination is sought.

TENANT: COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: VALLEY NATIONAL BANK (successor by merger to BANK
LEUMI USA),
a national banking association

By: _____
Name: _____
Title: _____

Exhibit A

Legal Description

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____
 Lease Dated: _____
 Current Landlord: _____
 Located at: _____
 Premises: _____
 Commencement Date of Term: _____
 Expiration Date: _____
 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1. Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

 (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: _____.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. *(Categories listed below are based on those described in 49 CFR Section 23.5)*

I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)						
1. Firm Name: _____				3. Contact Person/Telephone Number: _____		
2. Address: _____						
				4. Total number of employees in the firm: _____		
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM			
1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____			
2. Total Number of Ownership/Partners, Etc.: _____		III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION	
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the: State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No
Black/African American			
Hispanic/Latin American			
Asian American			
Portuguese American			
American Indian/Alaskan Native			
All Others			Section D. OPTION TO PROVIDE REQUESTED INFORMATION <input type="checkbox"/> We do not wish to provide the information required in this form. Firm Name: _____

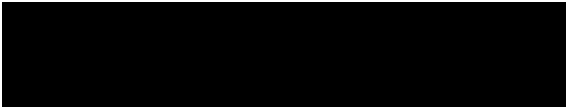
	Signature/Title: _____
	Date: _____

EXHIBIT H

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between _____, a _____ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated _____, 20__ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20__, and ending on a date _____ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: _____, 20__.

LANDLORD:

By: _____

Its: _____

By: _____

Its: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____

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
Interim 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)

EXHIBIT I

LANDLORD'S WORK LETTER

LANDLORD'S WORK LETTER

FOR

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

TENANT: COUNTY OF LOS ANGELES

LANDLORD: BRISTOL CAPITAL VENTURES, LLC

PROPERTY ADDRESS: 6167 BRISTOL PARKWAY, SUITE 100, CULVER CITY, CA

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "**Lease**") dated _____, 20____, executed concurrently herewith, by and between BRISTOL CAPITAL VENTURES, LLC, a California limited liability company, as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. Basic Work Letter Information. The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

- | | |
|---|--|
| (a) <u>Total TI Costs</u> | \$1,391,250 (i.e., \$175 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | \$795,000 (i.e., \$100 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$596,250 (i.e., \$75 per rentable square foot of the Premises) |
| (b) <u>TI Amortization Rate and Change Authorization Amortization Rate:</u> | Fixed Seven percent (7%) per annum |
| (c) <u>Tenant's Work Letter Representative</u> | Tina Hovsepian or an assigned staff person of the Chief Executive Office-Real Estate Division |
| (d) <u>Landlord's Work Letter Representative</u> | Property Manager or an assigned staff person of the Landlord |
| (e) <u>Landlord's Address for Work Letter Notices</u> | 660 S. Figueroa Street, Suite 700
Los Angeles, CA 90017
Email: Heather@Jadeent.com |
| (f) <u>Tenant's Address for Work Letter Notices</u> | 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 |
| (g) <u>Addenda</u> | Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Preliminary and Final TI Cost Summary |

2. Construction of the Building.

2.1 Base Building Improvements. Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "**Base Building Improvements**") as a part

of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall not be considered Tenant Improvements (as defined below) unless such changes or additions are specifically described in Addendum B hereto.

2.2 Additional Costs Not Total TI Costs.

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Landlord must use commercially reasonable efforts to identify all noncompliant code related items by utilizing an independent third-party expert at Landlord's sole cost and expense (except for the Asbestos report, the cost of which shall be at Landlord's expense.). Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or to make existing building systems, including but not limited to electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "**Sick Building Syndromes**", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase and / or maintain permitted structural floor loading in order to accommodate Tenant's use, which shall be standard office use.

(d) Upon Substantial Completion, Landlord and Tenant agree that the total rental square footage of the Premises shall be deemed to be 7,950. There shall be no increase or decrease made to Base Rent regardless of actual rentable square footage of the Premises at Substantial Completion.

2.3 Base Building Plans. Landlord has delivered to Tenant complete and accurate "as built" plans and specifications for the Building in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up of a web-based download link. If Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, then any delay caused thereby shall not be a Tenant Delay (as defined below).

2.4 Survey. To the extent 'as-built' plans are missing, Landlord must perform a survey of existing space, which shall include existing floor plans and mechanical, electrical, and plumbing systems. The survey shall be at Landlord's sole cost and expense. Landlord shall submit such survey to the Tenant such that the initial Space Plan (as defined in Section 5.1) can be modified to conform to the existing conditions.

2.5 Limitation of Landlord's Costs. Notwithstanding anything in this Work Letter or the Lease to the contrary, Landlord's obligation to incur costs pursuant to the terms and conditions of this Work

Letter (or any similar provisions in the Lease) (collectively, "**Improvement Costs**") shall not exceed a maximum total in the aggregate of One Million Three Hundred Ninety-one Thousand Two Hundred and Fifty Dollars (\$1,391,250.00), of which (i) Seven Hundred Ninety-five Thousand Dollars (\$795,000.00) shall be applicable for Landlord's costs to perform its obligations pursuant to this Section 2, Section 5 below and Addendum B of this Work Letter ("**Base TI Allowance**"), and Five Hundred Ninety-six Thousand Two Hundred Fifty Dollars (\$596,250.00) shall be repaid by Tenant to Landlord as set forth in the Lease ("**Additional Reimbursable Allowance**"). Tenant shall be solely responsible for any Improvement Costs in excess of \$795,000.00 ("**Excess Improvement Costs**"). In the event Landlord projects that the total Improvements costs will exceed \$795,000.00, Landlord shall (i) promptly notify Tenant in writing, and (ii) make available to Tenant the Additional Reimbursable Allowance, as may be increased by Landlord from time to time, to be used toward Tenant's payment of Excess Improvement Costs.

3. Selection of Architect and Engineer. Landlord shall not retain any architectural or engineering services for Premises improvements until final space plan is furnished to the Landlord, which Landlord shall do within thirty (30) days of the mutual execution of the Lease. Once Landlord receives the final space plan, Landlord, in its sole discretion, shall promptly retain its preferred licensed architect, who shall be the "Architect" and its preferred licensed Engineer, who shall be the "Engineer", provided that Architect is familiar with all applicable laws and building requirements for detailing a scope of work sufficient to complete the Working Drawings (as defined below) outlining the cost for design/engineering services.

4. Selection of Contractor. The Final Plans (as defined below) shall be submitted, in Landlord's sole discretion, to the General Contractor preferred and selected by Landlord. The Landlord in its sole discretion, may elect to use its preferred Licensed General Contractor, provided that (i) the Landlord enters into an "open book" contract, (ii) the Contractor competitively bids out the Premises Tenant Improvement build-out to three (3) subcontractors for every trade, (iii) all General Contractor fees and build-out costs shall be deducted from the Tenant Improvement Allowance and Additional Reimbursable Allowance.

5. Preparation of Plans and Specifications and Construction Schedule.

5.1 Preparation of Space Plan. Concurrently with the execution of this Lease, Tenant shall submit to Landlord specifications for the Premises sufficient to prepare the Working Drawings, which shall include a space plan, and low voltage and furniture plans and shall depict, without limitation, all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "**Space Plan**").

5.2 Preparation and Review of Working Drawings. Within thirty (30) days after the date the Space Plan is submitted to Landlord (the "**Plan Submission Date**"), Landlord shall instruct the Architect to commence preparation of working drawings (the "**Working Drawings**"), which shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems, if any. The Working Drawings may be submitted in one or more stages and at one or more times provided that a schedule to submit the Working Drawings is provided to, and approved by, the Tenant. Landlord

shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance, which shall not be unreasonably withheld, delayed or conditioned. Landlord shall be solely responsible for ensuring that the Working Drawings fully comply with all applicable building codes and cover any expenses that result from the errors, omissions or inconsistencies in the Architect's Instruments of Service.

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("**Engineering Drawings**"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance, , which shall not be unreasonably withheld, delayed or conditioned.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate the accepted Working Drawings with the accepted Engineering Drawings (collectively "**Final Plans**") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via USB flash drive and set-up a web-based download link. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements. Landlord's review of the Space Plan, Working Drawings, Engineering Drawings, and Final Plans shall be at Landlord's sole cost and expense.

5.5 Tenant's Plan Review and Acceptance. Tenant shall accept or reject the Working Drawings, the Engineering Drawings and the Final Plans within twenty-one (21) calendar days after Tenant receives the applicable plans and drawings from Landlord. If Tenant rejects any such plans or drawings, then Tenant shall notify Landlord thereof, specifying in detail the reasonable reason for such rejection, in which case Landlord shall revise the applicable plans or drawings and deliver revised plans or drawings to Tenant within fourteen (14) calendar days after receipt of Tenant's rejection notice. This procedure shall be repeated until the applicable plans are accepted by Tenant. If, after sixty (60) days from mutual execution of this Lease the parties cannot agree on the Working Drawings, the Engineering Drawings or the Final Plans, then either Landlord or Tenant may elect to terminate the Lease and this Work Letter by delivering a written termination notice to the other party, whereupon all monies previously paid to Landlord shall be promptly refunded to Tenant, and the parties shall have no further obligations under the Lease and the Work Letter. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility.

5.6 Schedule. Within twenty-one (21) calendar days of the Plan Submission Date, Landlord shall submit to Tenant a detailed baseline construction schedule subject to plan check review and permitting by local agencies having jurisdiction, subject to acceptance by Tenant, which shall not be unreasonably withheld, conditioned or delayed, setting forth the completion dates of certain

project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, interim schedule milestone dates, and the date of Substantial Completion; provided, however, that such baseline construction schedule shall be subject to revision based on the time period required for plan check review and permitting by local agencies having jurisdiction. The schedule shall be apportioned by construction activity and include time required for the completion of each portion of the work. As the construction continues, Landlord shall amend the construction schedule at least once each month to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. If the amended construction schedule identifies delays to the project's critical path, the Landlord shall provide a recovery schedule and/or request for a contract time extension.

5.7 Submittals. The Landlord shall submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. **"Shop Drawings"** include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. **"Product Data Sheets / Samples"** include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. **"Samples"** are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

6. Landlord's TI Cost Summary and Payment of Total TI Costs

6.1 Cost Summary. Within twenty-one (21) calendar days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary cost summary for the Tenant Improvements in a format similar to Addendum C attached hereto (the **"Preliminary TI Cost Summary"**), which must not exceed the sum of Landlord's TI Allowance and Tenant's TI Contribution. The Preliminary TI Cost Summary shall be revised into final form within twenty (20) days after the date that the Contractor is selected and will be referred to herein as the **"Final TI Cost Summary"**. Tenant shall have fourteen (14) calendar days after the date of receipt of the Final TI Cost Summary to accept or reject (which acceptance or rejection shall not be unreasonably withheld, delayed or conditioned) the Final TI Cost Summary, including but not limited to any Contractor overhead, profit and/or general conditions costs included therein; provided, however, that any proposed increase to Tenant's TI Contribution shown on the Final TI Cost Summary shall not be effective unless approved in a separate written agreement executed by Landlord and Tenant. Tenant's failure to accept or reject the Final TI Cost Summary in writing within such period shall be deemed to be rejected. Construction of the Tenant Improvements shall not begin until Tenant accepts the Final TI Cost Summary in writing, which shall not be unreasonably withheld, conditioned or delayed, and which in any event shall occur within fourteen (14) days of Landlord's submission of the Preliminary Cost Summary to Tenant. If Tenant rejects the Final TI Cost Summary due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements to comply with the

Preliminary TI Cost Summary, and any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. The cost of such redesign shall be a part of the Landlord's TI Allowance. If Tenant rejects the Preliminary TI Cost Summary or the Final TI Cost Summary, the parties shall promptly confer to resolve all issues relating thereto.

6.2 Landlord's TI Allowance and Tenant's TI Contribution. All improvements required by the Final Plans, as further described in Addendum B hereto, and any and all modular furniture described in the Modular Specifications (as defined below) shall be referred to herein, collectively, as "**Tenant Improvements**" or "**TI**." Costs of Tenant Improvements shall include costs for furniture (or Tenant may elect to purchase direct from the furniture vendor, outside of the TI Allowance and Change Order TI Allowances provided by the Landlord), soft costs, and any other costs approved in writing by Tenant (collectively "**Total TI Costs**"), all of which must not exceed the sum of Landlord's TI Allowance, Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties. Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements, if such increased costs are caused by Landlord's actions, inaction, request, modifications, or other conduct or failure to act ("**Landlord Delay**"). Except as otherwise provided herein, all Total TI Costs shall be paid by Landlord and deducted from Landlord's TI Allowance. If the Total TI Costs exceed Landlord's TI Allowance, then Tenant may authorize Landlord to pay the overage in an amount not exceeding Tenant's TI Contribution. Thereafter, Tenant shall pay such overage to Landlord as provided in Section 6.3 below. Notwithstanding anything in this Work Letter or the Lease to the contrary, in no event or circumstance whatsoever shall Landlord be liable for Tenant Improvement costs that exceed the Landlord's TI Allowance, Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties.

6.3 Method of Payment. Tenant shall be obligated to pay Landlord that portion of Tenant's TI Contribution used to pay for any Total TI Costs in excess of Landlord's TI Allowance thirty (30) calendar days after all of the following conditions have been met: (i) Tenant Improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all documentation substantiating all Tenant Improvements' expenses, including without limitation, receipts, invoices, proof of payment, unconditional lien releases and approved changed orders; and (iii) Tenant has reconciled all Tenant Improvements' costs to determine and confirm the total Tenant Improvements amount spent and the amount of Tenant's TI Contribution owed to Landlord. At Tenant's election, such payment may be a) in a lump sum, or (b) in equal monthly payments, amortized over the first five (5) years of the term of the Lease at the TI Amortization Rate. Tenant may, at any time during the Term, prepay all or any portion of the Total TI Costs in excess of the Landlord's TI Allowance and pay any remaining amount in equal monthly payments, amortized over the first five (5) years of the term of the Lease at the TI Amortization Rate.

7. Construction of Tenant Improvements.

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans is not described on Addendum B hereto, such work shall be considered a Base Building Improvement and shall be performed by Landlord at its own cost and expense and not included in the cost of Tenant Improvement.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall be selected only after a minimum of three (3) bids have been solicited from responsible and qualified persons. The bids shall include an itemized list of all materials and labor and shall include all additional costs,

including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.3 Permits. Landlord shall use commercially reasonable efforts to obtain the approval of all applicable governmental authorities and all permits required for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans, which shall not be unreasonably withheld, delayed or conditioned. Landlord may obtain plan check approval prior to soliciting bids from contractors or selection of preferred contractor pursuant to Section 4 hereof.

7.4 Commencement of Construction. Landlord shall submit permit applications for the construction of the Tenant Improvements within twenty-one (21) calendar days after Tenant's acceptance or Landlord's selection of the Contractor pursuant to Section 4 as the case may be. Contractor shall obtain the building permit for the Tenant Improvements prior to the commencement of construction. Thereafter, Landlord shall diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays or Tenant Delays (as defined below).

7.5 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) 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.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant, shall be provided by Landlord, at Landlord's expense, in accordance with Tenant's Space Plan. Landlord shall use commercially reasonable efforts to consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than two (2) years from the date of Substantial Completion (as defined in the Lease), excepting fit and finish items which shall be warranted for a period of one (1) year. Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects. Landlord, at Landlord's sole cost and expense, shall promptly cause such defects to be repaired following receipt of notice thereof, and Tenant shall have the same rights with respect thereto as set forth herein for all other punch-list items.

(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises or in other areas utilized by Landlord or its contractors, and Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as

reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up.

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.** Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonable good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work.

7.6 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans and Section 4.1 of the Lease, subject only to the completion of minor punch-list items that will not materially interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection. If Landlord fails to complete any of the punch-list items within such 30-day period, then Tenant, in addition to its other rights and remedies under the Lease, after giving ten (10) days written notice and opportunity to cure to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be completed, with the cost thereof plus ten percent (10%) for Tenant's overhead and supervision to be deducted from the next installment(s) of rent or other amounts payable by Tenant under the Lease.

7.7 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents"

shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via USB flash drive and set up of a web-based download link.

8. Requests for Change.

Tenant and Landlord may request changes, additions, deletions or substitutions in the Final Plans (each, a "Request for Change"), provided that the requesting party must submit a written request to the other party and that Requests for Change will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"). Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Tenant Improvements after the Final Plans and the Final TI Cost Summary have been accepted ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Tenant shall be obligated to pay Landlord for the Tenant Request for Change as part of Tenant's portion of Tenant's TI Contribution used to pay for any Total TI Costs in excess of Landlord's TI Allowance as defined in Section 6.3. Landlord shall be solely responsible for the cost of any Change Authorizations or other Requests for Change that are not Tenant-Requested Changes or approved by the Chief Executive Officer or his/her designee. Landlord shall submit to the Chief Executive Officer or his/her designee with each Request for Change: (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Authorizations previously executed, and (iii) an estimate of the number of days by which the construction time will be increased or shortened if the Request for Change is approved. Each Change Authorization must be signed and dated by tenant department, Landlord and the Chief Executive Officer or his/her designee in order to be effective.

9. Furniture System.

9.1 Tenant shall deliver to Landlord within fourteen (14) calendar days after the date of full execution of this Work Letter, modular furniture plans and specifications (the "**Modular Specifications**"). If applicable to the project, based on the Modular Specifications, Landlord and/or Landlord's architect shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors or Tenant may elect to purchase direct from the furniture vendor, outside of the TI Allowance and Change Order TI Allowances provided by the Landlord. The bid package shall be broken down into separate line items for material, delivery, and sales tax, and each furniture item shall be broken down by unit price, quantities, description and specification. Prior to submission for bids, Landlord shall review the bid package with Tenant, and Tenant shall have the right to accept or reject the bid package, which acceptance or rejection shall not be unreasonably withheld, delayed or conditioned. Landlord or Tenant shall order the modular furniture set forth in the Modular Specifications and install the same within the Premises, all of which shall be a Total TI Cost (unless paid direct by Tenant), payable by Landlord and/or Tenant as provided in Section 6.2 and Section 6.3 hereof. Tenant's acceptance of any bid package shall not be deemed to be a representation by Tenant as to the adequacy or correctness of any specifications contained therein.

9.2 Alternatively, Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("**Creditor**"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "**Personal Property**") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage to the Building or the Premises caused by such removal shall be repaired by Creditor.

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord hereby waives any right to gain possession of any of Personal Property during the term of the Lease.

10. Total TI Costs Adjustment and Right to Audit. Landlord shall use commercially reasonable effort to within twenty one (21) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, to provide Tenant a statement showing (a) all Total TI Costs in reasonable detail and sorted into the same line items as the Final TI Cost Summary, and (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord. Upon approval of such statement by Tenant, payments by either party pursuant to the Lease and this Work Letter shall be adjusted as appropriate based upon such statement. Tenant shall have the right to audit the Total TI Costs at any time after the date of Tenant's Acceptance of the Premises, which shall not be unreasonably withheld, delayed or conditioned. If the audit shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the audit summary, and inform Landlord if Tenant wants Landlord to pay Tenant the amount of any over-payment made by Tenant within thirty (30) calendar days or if Tenant will apply such amount as a credit against the next installment(s) of Base Rent due under the Lease, and any future payments owed by Tenant shall be adjusted as appropriate based upon the audit results. Landlord shall require the Contractor to include audit provisions in all subcontracts which allow Tenant to audit the subcontractors' books and records with respect to the Tenant Improvements.

11. Telephone/Computer Room and Equipment. Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan, Low-Voltage Plan and specifications provided by Tenant, at least thirty (30) calendar days prior to the Estimated Commencement Date. During this thirty (30) day period, the Landlord shall be responsible for the security and protection of any telephone/data equipment delivered to the site prior to the Estimated Commencement Date.

12. Delay.

12.1 **Tenant Delays and Force Majeure Delays.** Except as set forth in this Section 12, Tenant shall not be charged additional general contractor fees as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 12.2, the Estimated Commencement Date set forth in the Lease shall be extended one (1) day, but not more than seven (7) days in total, for each day that: (a) Tenant fails or refuses to give authorizations or approvals within the time periods required herein, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "**Tenant Delay(s)**"); or (b) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes

beyond the reasonable control of Landlord (referred to herein as "**Force Majeure Delay(s)**"). In no event shall any instance set forth in this Work Letter that requires the giving of approval, consent or other response from Tenant or Landlord be unreasonably delayed.

12.2 Limitations.

(a) Notice. No Tenant Delay or Force Majeure Delay (excepting natural disasters, earthquake, or war) shall be deemed to have occurred unless, within a reasonable time, but not later than thirty (30) days, Landlord provides Tenant with written notice in compliance with the Lease specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord.

(b) Mitigation. Landlord agrees to use commercially reasonable efforts, not exceeding \$1,000 on a cumulative basis, to mitigate the results of Tenant Delays and Force Majeure Delays.

(c) Concurrent Delays. Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) Change Authorizations. Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule.

(e) Work Scope Precedence. In case of conflicts or discrepancies between or among this Landlord Work Letter, plans, and specifications, plans shall supersede specifications for quantity, specifications shall supersede plans for quality, and this Landlord Work Letter shall supersede both plans and specifications.

13. Tenant Remedies. If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, including Force Majeure and agency delays beyond Landlord's control, or if the Tenant Improvements have not been completed within one hundred and eighty days (180) calendar days after the Estimated Commencement Date as a result of Landlord delay, then Tenant may, at its option:

13.1 Cancel the Lease upon sixty (60) calendar days' written notice to Landlord and Landlord fails to complete the Tenant Improvements prior to the expiration of said sixty (60) day period; or

13.2 At any time after sixty (60) days has lapsed since the Estimated Commencement date and after thirty (30) calendar days' written notice to Landlord, assume the responsibility for constructing and/or completing the Tenant Improvements itself. If Tenant elects to construct or complete the Tenant Improvements itself, then:

(a) Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b) Base Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for Tenant's administrative costs, and including interest at the rate of six percent (6%) per annum ("**Tenant's Total Expense**"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the Base Rent payable under the Lease. Provided however, such adjustment to Base Rent shall not be made if Landlord has or will reimburse to Tenant the Base TI Allowance set forth in Section 2.5 above, provided that Landlord shall agree to a day-for-day abatement for any delay in the Commencement Date arising from Landlord's Delay.

Any default by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

14. Representatives.

14.1 Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

14.2 Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.2 of the Lease.

15. Elevator Usage During Move-In

The Premises is situated on the ground floor; however, if needed by Tenant, Landlord shall cause to be accessible to Tenant working elevators that services the Premises in order to assist Tenant in the installation of Tenant's fixtures, furniture and equipment. Any elevator usage provided under this Section 15 shall be at no cost to Tenant.

16. Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise at a time and place that is mutually convenient. An initial construction meeting shall be held within seven (7) calendar days after the date the Contractor is selected. Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) calendar days after the date of the construction meeting.

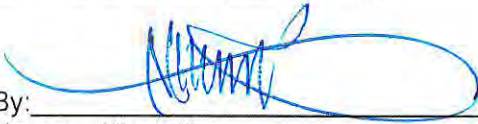
17. Delivery. Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant.

18. Miscellaneous This Landlord Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord Work Letter. This Landlord Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord Work Letter shall be construed as if jointly drafted by the parties. This Landlord Work Letter will not be effective unless and until signed by both Parties. Neither party may assign this Landlord Work Letter or its rights or obligations hereunder without the other party's prior written consent. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. Provisions contained in this Landlord Work Letter shall prevail in case of conflict over the terms of the Lease. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

Bristol Capital Ventures, LLC,
a California limited liability company

By: 

Name: Albert Taban

Title: Authorized Signatory

Date Signed: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
CHIEF EXECUTIVE OFFICER

By: _____

John T. Cooke
Assistant Chief Executive Officer

Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Landlord has constructed (or will construct) the Building to include the following:

(a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by the City having jurisdiction and Certificate of Occupancy has been received.

(b) Must also include including mechanical, electrical, sprinkler, plumbing, Fire life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(c) toilet rooms per code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) Drywall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:

(e) public stairways;

(f) passenger and freight elevators;

(g) parking facilities;

(h) ground floor lobby;

(i) finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) intentionally deleted;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on first floor, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;

(p) intentionally deleted;

(q) concrete floors with troweled finish ready for tenant's floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(r) standard window coverings;

(s) intentionally deleted;

(t) intentionally deleted;

(u) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;

(v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;

(w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and

(x) Drywall on the service core walls, columns and sills in the Premises.

(y) Demolition and removal of any existing improvements or equipment situated within the Premises, unless the Final Plans show that such improvements and/or equipment will remain in the Premises.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity; and
- (k) Fiber optic access.

ADDENDUM C To Landlord's Work Letter

PRELIMINARY AND FINAL TI COST SUMMARY

___ Preliminary TI Cost Summary
___ Final TI Cost Summary

Lease No. _____
Address _____

Cost Category

Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$