



**OPERATIONS CLUSTER
AGENDA REVIEW MEETING**

DATE: November 29, 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 CONTRACT FOR EMPLOYEE DRUG AND ALCOHOL
TESTING PROGRAM SERVICES ADMINISTRATION
DHR - Maggie Martinez, Assistant Director, Employee Benefits Division
 - B) Board Letter:
REQUEST FOR RESOLUTION FOR DELEGATED AUTHORITY TO THE
DEPARTMENT OF CHILDREN AND FAMILY SERVICES TO ENTER INTO
NEW OPERATIONAL AGREEMENTS AND RENEW OPERATIONAL
AGREEMENTS WITH LICENSES AT VARIOUS LOCATIONS
DCFS/CIO - Vanessa Caputo, Administrative Services Manager III
 - C) Board Letter:
EIGHT-YEAR LEASE
CHILD SUPPORT SERVICES DEPARTMENT
3179 WEST TEMPLE AVENUE, POMONA
CEO-RE - Alexandra Nguyen-Rivera, Section Chief, Leasing

D) TEN-YEAR LEASE
DEPARTMENT OF MENTAL HEALTH
5419 WEST SUNSET BOULEVARD, LOS ANGELES
CEO-RE - Alexandra Nguyen-Rivera, Section Chief, Leasing

3. **PRESENTATION/DISCUSSION ITEM(S):**

None available.

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

5. **NOTICE OF CLOSED SESSION**

CS-1 POTENTIAL LITIGATION

CHAPTER 8 SALES

County Department: Treasurer and Tax Collector

6. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

- A) CEO/CLASS - COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS TO IMPLEMENT THE FISCAL YEAR 2023-2024 SUPPLEMENTAL BUDGET AND OTHER CLASSIFICATION/COMPENSATION ACTIONS
- B) LACDA/CIO - AMENDMENT TO THE PEOPLESFT TECHNICAL SUPPORT SERVICES CONTRACT
- C) DPH/CIO - REQUEST APPROVAL OF AN APPROPRIATION ADJUSTMENT FROM THE COUNTY'S INFORMATION TECHNOLOGY INFRASTRUCTURE FUND TO IMPLEMENT DISEASE MANAGEMENT ROBOTIC PROCESS AUTOMATIONS (RPAs) FISCAL YEAR 2023 – 2024
- D) RR/CC - REQUEST APPROVAL OF CONTRACT #23-019 WITH EXTRACT SYSTEMS FOR RESTRICTIVE COVENANT MODIFICATION PROGRAM SERVICES
- E) ISD - DELEGATED AUTHORITY TO APPLY FOR AND ACCEPT GRANT AND INCENTIVE FUNDING, SUBMIT AND EXECUTE ALL ELECTRIC VEHICLE INFRASTRUCTURE CHARGING RELATED GRANT APPLICATION DOCUMENTS, AND AUTHORIZE OWNERSHIP TRANSFER OF CONCRETE PADS FOR SOUTHERN CALIFORNIA EDISON'S CHARGE READY PROGRAM

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	11/29/2023	
BOARD MEETING DATE	12/19/2023	
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 Human Resources (DHR)	
SUBJECT	Approval of Employee Drug and Alcohol Testing Services contract	
PROGRAM	Occupational Health Program & Periodic/Recurring Medical/Screening Services	
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	
DEADLINES/ TIME CONSTRAINTS	The current third-party administrator (TPA), ASAP Drug Solutions services contract will expire on December 31, 2023. The initial term for the new contract is January 1, 2024, through December 31, 2029, with three optional one-year extensions through December 31, 2032.	
COST & FUNDING	Total cost: \$ 615,000	Funding source: Funding is available in the Department of Human Resources' operating budget.
	TERMS (if applicable): Services under this contract will be paid on a fee-for-service basis, at an estimated cost of \$375,000 for the base five-year term, and approximately \$240,000 if DHR exercises the three, one-year options to extend.	
	Explanation: Funding for the Contract will be provided by current budget allocations with ongoing annual costs budgeted each fiscal year. No new net County funds are being requested for this Contract.	
PURPOSE OF REQUEST	The purpose is to enable the County of Los Angeles (County) to continue to maintain its federally mandated employee drug and alcohol testing program for its commercial drivers. The contracted services will provide drug and alcohol testing services for all County employees with Commercial Driver's licenses, provide non-DOT drug and alcohol testing services, and mobile services for Non-DOT drug and alcohol testing according to the County of Los Angeles' Reasonable Suspicion and Random Drug and Alcohol Testing Programs.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The U.S. Department of Transportation (DOT) requires pre-employment drug testing, as well as random and post-accident drug and alcohol testing of employees who carry a commercial driver's license. Since its inception in 1995, the County has utilized a third-party administrator for administration of the program. The contractor oversees a network of specimen collection facilities located in various geographical areas within the County and will also provide mobile services for Non-DOT drug and alcohol testing.	
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: The recommended actions support the County's Strategic Plan Goal 1, Operational Effectiveness, providing timely and cost-effective services to the County, and strengthening its loss prevention program.	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: •Maggie Martinez, Assistant Director, DHR Employee Benefits Division •(213) 351-2921 •mmartinez@hr.lacounty.gov	



LISA M. GARRETT
DIRECTOR OF PERSONNEL

COUNTY OF LOS ANGELES

DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS

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

BRANCH OFFICE

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

December 19, 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:

APPROVAL OF CONTRACT FOR EMPLOYEE DRUG AND ALCOHOL TESTING PROGRAM SERVICES ADMINISTRATION (ALL DISTRICTS - 3 VOTES)

SUBJECT

The Department of Human Resources (DHR) requests the Board of Supervisors (Board) approval to execute a contract with American Substance Abuse Professional Drug Solutions, Inc. (ASAP) who will procure a network of clinics to perform U.S. Department of Transportation (DOT) and Non-DOT employee drug and alcohol testing program services administration.

IT IS RECOMMENDED THAT THE BOARD

1. Delegate the authority to the Director of Personnel, or designee, to execute a contract, similar to Attachment A, with ASAP to procure a network of clinics to perform DOT and Non-DOT employee drug and alcohol testing program services administration. The term of the contract will be effective January 1, 2024, through December 31, 2029, with the option to extend for up to three one-year periods, for a maximum total Contract term of eight years. The approximate yearly obligation is \$75,000, for an approximate total cost of \$375,000.
2. Delegate the authority to the Director of Personnel, or designee, to exercise the three one-year extension options at an annual approximate cost of \$80,000 and an approximate total of \$240,000.

3. Delegate the authority to the Director of Personnel, or designee, to execute all extension options, any non-substantive changes, as well as terms and conditions required by the Board pursuant to the provision of the contract, provided that:
a) County Counsel approval is obtained; and b) DHR notifies the Board and the Chief Executive Office (CEO), in writing, within 10 business days after execution.
4. Delegate the authority to the Director of Personnel, or designee, to increase the annual contract amount up to 15 percent for additional work within the scope of the contract, if required.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommendation is to enable the County of Los Angeles (County) to continue to maintain its federally mandated employee drug and alcohol testing program for its commercial drivers. The current contractor ASAP, has been contracting with the County, providing these services, since December 3, 2013.

DOT requires pre-employment drug testing, as well as random and post-accident drug and alcohol testing of employees who carry a commercial driver's license. Since its inception in 1995, the County has utilized a third-party administrator for administration of the program. Included in this contract is a drug and alcohol testing program for other County employees, known as Non-DOT. Non-DOT testing services include reasonable suspicion testing based on observation; random testing for designated employees; and follow-up testing. The contractor oversees a network of specimen collection facilities located in various geographical areas within the County and will also provide mobile services for Non-DOT drug and alcohol testing according to the County's Reasonable Suspicion and Random Drug and Alcohol Testing Programs. An estimated 1,000 annual random, reasonable suspicion, and post-rehabilitation follow-up DOT tests will be handled through this contract.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support the County's Strategic Plan Goal 1, Operational Effectiveness, providing timely and cost-effective services to the County, and strengthening its loss prevention program.

FISCAL IMPACT/FINANCING

Services under this contract will be paid on a fee-for-service basis (Attachment B), at an estimated cost of \$375,000 for the base five-year term, and approximately \$240,000 if DHR exercises the three, one-year options to extend. The total maximum cost of this contract will be \$615,000.

The contract does not guarantee a minimum amount of business, and the Department will only accrue an obligation when work is performed. Services are used on an as-needed basis. Costs resulting from this agreement vary each year based on department usage and are not expected to exceed an estimated annual cost of \$75,000. Expenses incurred are fully offset by billings to County departments utilizing the services. Funding is included in DHR's FY 2023-24 Final Adopted Budget and funding for subsequent years will be included in each fiscal year budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 3, 2013, the Board approved delegated authority to the CEO or designee to execute a three-year contract and all extension options with a third-party administrator for employee drug and alcohol testing to comply with DOT requirements and Non-DOT County policy since the program's inception in 1995. Pursuant to the March 29, 2016, Board-approved realignment of County functions, responsibility for administration of the Plan was transferred from CEO to DHR.

This contract with ASAP includes all required Board provisions and has been approved as to form by County Counsel.

These services are exempt from Proposition A requirements as the contracted services are needed on a part-time and intermittent basis.

CONTRACTING PROCESS

A Request for Proposal (RFP) was released on April 27, 2023, for Employee Drug and Alcohol Testing Third Party Administrator Services. The RFP announcement was posted on the Internal Services Department contracting website. The Virtual Proposer's Conference was held on May 17, 2023, via Microsoft Teams.

On June 9, 2023, two proposals were received by the due date. Both proposers met the minimum requirements and were subsequently reviewed and evaluated by representatives of DHR's Occupational Health and Leave Management Division and DHR's Employee Benefits Division.

The proposal submitted by ASAP was rated the highest; it also had the lowest proposed pricing.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this contract will enable the County to continue to maintain its employee drug and alcohol testing program.

CONCLUSION

Upon approval by the Board, please return three (3) adopted copies of this Board letter to DHR. It is requested that the Executive Officer notify DHR Administrative Services at (213) 974-2407 when the documents are available.

Respectfully submitted,

LISA M. GARRETT
Director of Personnel

LMG:PAM:MGM
LF:MA:WM

Attachments (2)

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

S:_AS\Board Letters_Memos\2023\Emp. Drug and Alcohol Testing Third-Party Admin Svcs Contract – 12-19-2023

Contract No.



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

ASAP DRUG SOLUTIONS

FOR

EMPLOYEE DRUG AND ALCOHOL TESTING SERVICES

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STANDARD EXHIBITS

- A** Statement of Work and Attachments
- B** Pricing Schedule
- C** Work Order (To be provided by Contractor)
- D** County's Administration
- E** Contractor's Administration
- F** Forms Required at the Time of Contract Execution
- G** Safely Surrendered Baby Law

UNIQUE EXHIBITS

INFORMATION SECURITY AND PRIVACY REQUIREMENTS

- H** Information Security and Privacy Requirements

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
ASAP DRUG SOLUTIONS
FOR
EMPLOYEE DRUG AND ALCOHOL TESTING SERVICES**

This Contract ("Contract") made and entered into this ____ day of _____, 20__ by and between the County of Los Angeles, hereinafter referred to as County and ASAP Drug Solutions dba ASAPcheck, hereinafter referred to as "Contractor". ASAP Drug Solutions is located at 20300 S. Vermonte STE 265, Torrance, CA 90502.

RECITALS

WHEREAS, the County may contract with private businesses for Employee Drug and Alcohol Testing Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing Employee Drug and Alcohol Testing Services; and

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

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

1 APPLICABLE DOCUMENTS

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

Standard Exhibits:

- Exhibit A Statement of Work and Attachments
- Exhibit B Pricing Schedule
- Exhibit C Work Order (To be provided by Contractor)
- Exhibit D County's Administration
- Exhibit E Contractor's Administration
- Exhibit F Forms Required at the Time of Contract Execution
 - F1 Contractor Acknowledgement and Confidentiality Agreement
 - F2 Contractor Employee Acknowledgement and Confidentiality Agreement
 - F3 Contractor Non-Employee Acknowledgement and Confidentiality Agreement
- Exhibit G Safely Surrendered Baby Law

Unique Exhibits:

Information Security and Privacy Requirements

- Exhibit H Information Security and Privacy Requirements

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

2 DEFINITIONS

2.1 Standard Definitions:

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

- 2.1.1 Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the

service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work.

- 2.1.2 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Contract.
- 2.1.3 Statement of Work:** The directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the Contract services.
- 2.1.4 Subcontract:** An agreement by the Contractor to employ a Subcontractor to provide services to fulfill this Contract.
- 2.1.5 Subcontractor:** Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.
- 2.1.6 Board of Supervisors (Board):** The Board of Supervisors of the County of Los Angeles acting as governing body.
- 2.1.7 County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.1.8 County Contract Project Monitor:** Person with responsibility to oversee the day-to-day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.1.9 County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.1.10 Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.11 Contractor Project Manager:** The person designated by the Contractor to administer the Contract operations under this Contract
- 2.1.12 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3 WORK

- 3.1** Pursuant to the provisions of this Contract, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.

- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same will be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor must have no claim whatsoever against the County.

4 TERM OF CONTRACT

- 4.1 The term of this Contract will be five (5) years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County will have the sole option to extend this Contract term for up to three (3) additional one (1) year periods, for a maximum total Contract term of eight (8) years. Option periods will be exercised at the sole discretion of the Director of Personnel or his/her designee. County shall be deemed to have exercised each one-year extension option automatically, without further act, unless, no later than thirty (30) days prior to the expiration to each Initial Term, or the Extended Term, as applicable, the Director of Personnel, in his/her sole discretion, notifies the Contractor in writing that the County elects not to extend the Contract pursuant to this Paragraph 4.2. Each Extended Term shall be subject to the terms and conditions in this Contract, including but not limited to the rates quoted as set for in Exhibit B - Pricing Schedule.

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

- 4.3 The Contractor must notify the Department of Human Resources (DHR) when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to DHR at the address herein provided in Exhibit D (County's Administration).

5 CONTRACT SUM

5.1 Total Contract Sum

The Pricing Schedule is set forth in Exhibit B, Pricing Schedule. The Pricing Schedule provides the fees for the requested services.

5.2 Written Approval for Reimbursement

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

5.3 Notification of 75% of Total Contract Sum

The Contractor must maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract sum under this Contract. Upon occurrence of this event, the Contractor must send written notification to DHR at the address herein provided in Exhibit D (County's Administration).

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

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

5.5 Invoices and Payments

5.5.1 The Contractor must invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A (Statement of Work and Attachments) and elsewhere hereunder. The Contractor must prepare invoices, which will include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments will be as provided in Exhibit B (Pricing Schedule) and the Contractor will be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment will be due to the Contractor for that work.

5.5.2 The Contractor's invoices must be priced in accordance with Exhibit B (Pricing Schedule).

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

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

5.5.5 All invoices under this Contract must be submitted in two (2) copies to the following address:

County of Los Angeles
Department of Human Resources
Attention: Administrative Services Division - Fiscal Services 500
W. Temple Street, Room 585
Los Angeles, CA 90012

5.5.6 County Approval of Invoices

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

5.5.7 Local Small Business Enterprises – Prompt Payment Program

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

5.6 Intentionally Omitted

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

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

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

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

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

6 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County Administration

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

6.2 County's Project Director

The role of the County's Project Director may include:

- 6.2.1** Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and
- 6.2.2** Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.3 County's Project Manager

The role of the County's Project Manager is authorized to include:

- 6.3.1** Meeting with the Contractor's Project Manager on a regular basis; and
- 6.3.2** Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.
- 6.3.3** The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.4 County's Contract Project Monitor

The role of the County's Project Monitor is to oversee the day-to-day administration of this Contract; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Project Monitor reports to the County's Project Manager.

7 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit E (Contractor's Administration). The Contractor will notify the County in writing of any change in the names or addresses shown.

7.2 Project Manager

- 7.2.1** The Contractor's Project Manager is designated in Exhibit E (Contractor's Administration). The Contractor must notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.2.2 The Contractor's Project Manager will be responsible for the Contractor's day-to-day activities as related to this Contract and will meet and coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis.

7.3 Approval of Contractor's Staff

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

7.4 Contractor's Staff Identification

Contractor will provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 Background and Security Investigations

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

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

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

7.5.3 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 Confidentiality

7.6.1 Contractor must maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local

laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

- 7.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all third-party claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Subcontractors, to comply with this Paragraph 7.6.1, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.6 will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. For the purpose of 7.6.2, third-party will include claims, demands, damages, liabilities, losses, costs, and expenses related to or filed by employee of County.
- 7.6.3** Contractor must inform all of its officers, employees, agents and Subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4** Contractor must sign and adhere to the provisions of Exhibit F1 (Contractor Acknowledgement and Confidentiality Agreement).

8 STANDARD TERMS AND CONDITIONS

8.1 Amendments and Change Notices

- 8.1.1** For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract must be prepared and executed by the Contractor and by the DHR Director of Personnel or his/her designee.
- 8.1.2** The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by the DHR Director of Personnel or his/her designee.

- 8.1.3** The County reserves the right to initiate Change Notices that do not affect the scope, term, Contract sum or payments provided that after Contractor has reviewed such Change Notice, Contractor agrees that such changes will not impose additional costs on Contractor. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by the County's Project Director or his/her designee. The County's Project Director or his/her designee is authorized to enter into and execute such Change Notices.

8.2 Assignment and Delegation/Mergers or Acquisitions

- 8.2.1** The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2** The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this paragraph, County consent will require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract will be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.3** Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, will be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.3 Authorization Warranty

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

8.4 Budget Reductions

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

8.5 Complaints

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

8.5.1 Complaint Procedures

- 8.5.1.1** Within ninety (90) business days after the Contract effective date, the Contractor must provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 8.5.1.2** The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.1.3** If the County requests changes in the Contractor's policy, the Contractor must make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.1.4** If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor must submit proposed changes to the County for approval before implementation.
- 8.5.1.5** The Contractor must preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.1.6** When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.1.7** Copies of all written responses must be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.6 Compliance with Applicable Law

- 8.6.1** In the performance of this Contract, the Contractor must comply with all applicable federal, state and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference. To the extent that Contractor's compliance with the requirements of this Section 8.6.1 or any applicable law or regulation requires the cooperation of the County, the County shall provide reasonable assistance to Contractor in order for Contractor to comply with its legal obligations under the terms of this Agreement. Notwithstanding the foregoing, in no event will either the terms of this section nor the terms of this Agreement be interpreted to require Contractor to violate or contravene any applicable state, federal or local law or regulation.
- 8.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all third-party claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by the Contractor, its officers, employees, agents, or Subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to the Contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) will be conducted by the Contractor and performed by counsel selected by the Contractor and approved by County. Notwithstanding the preceding sentence, County will 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 County with a full and adequate defense, as determined by County, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from the Contractor for all such costs and expenses incurred by County in doing so. For the purpose of this Section 8.6.2, "third-party" includes liability, demands, claims, action fees, costs, and expenses related to or filed by employees of County. Notwithstanding the foregoing, Contractor has no responsibility for (a) County's employment practices and/or any disciplinary action taken by County over County employees and/or personnel or (b) the actions of County employees and/or personnel. Contractor has no responsibility or liability for oversight and/or disciplinary action of County's employees, and /or personnel. County has sole authority and responsibility to employ, discharge, or otherwise control its employees.

8.7 Compliance with Civil Rights Laws

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

- 8.7.1** That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
- 8.7.2** That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
- 8.7.3** That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- 8.7.4** Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.

8.8 Compliance with the County's Jury Service Program

8.8.1 Jury Service Program

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in [Sections 2.203.010 through 2.203.090 of the Los Angeles County Code](#).

8.8.2 Written Employee Jury Service Policy

- 8.8.2.1** Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "contractor" as defined under the Jury Service Program ([Section 2.203.020 of the County Code](#)) or that the Contractor qualifies for an exception to the Jury Service Program ([Section 2.203.070 of the County Code](#)), the Contractor must have and adhere to a written policy that provides that its Employees will receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
- 8.8.2.2** For purposes of this paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and

has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) the Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor will also be subject to the provisions of this paragraph. The provisions of this paragraph will be inserted into any such Subcontract agreement and a copy of the Jury Service Program must be attached to the agreement.

- 8.8.2.3** If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor will have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor must immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" for three (3) consecutive month or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.
- 8.8.2.4** Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County Contracts for a period of time consistent with the seriousness of the breach.

8.9 Conflict of Interest

8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, will be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder will in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.9.2 The Contractor must comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it must immediately make full written disclosure of such facts to the County. Full written disclosure must include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph will be a material breach of this Contract.

8.10 Consideration of Hiring County Employees Targeted for Layoffs or on a County Re-Employment List

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor must give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.11 Consideration of Hiring GAIN-GROW Participants

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor will give consideration for any such employment openings to participants in the County's Department of Public and Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration will mean that the Contractor will interview qualified candidates. The County will refer GAIN-GROW participants by job category to the Contractor. Contractors must report all job openings with job requirements to: GAINGROW@DPSS.LACOUNTY.GOV and BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

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

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of the Contractor on this or other Contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: 1) violated a term of a Contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board

- 8.12.4.1** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 8.12.4.2** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the

hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

- 8.12.4.3** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board will be presented to the Board of Supervisors. The Board of Supervisors will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4** If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.
- 8.12.4.5** The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the Contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- 8.12.4.6** The Contractor Hearing Board's proposed decision will contain a recommendation on the request to reduce the period of

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

8.12.5 Subcontractors of Contractor

These terms will also apply to Subcontractors of County Contractors.

8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's poster, Exhibit G (Safely Surrendered Baby Law) in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. Information and posters for printing are available at <https://lacounty.gov/residents/family-services/child-safety/safe-surrender/>.

8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program

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

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

8.15 County's Quality Assurance Plan

8.15.1 The County or its agent(s) will monitor the Contractor's performance under this Contract on not less than an annual basis. Such

monitoring will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate Contractor performance database. The report to the Board will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.16 Intentionally Omitted

8.17 Employment Eligibility Verification

8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor must 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 must retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The Contractor must indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.18 Counterparts and Electronic Signatures and Representations

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

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

signatures have been affixed to Amendments to this Contract.

8.19 Fair Labor Standards

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

8.20 Force Majeure

8.20.1 Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's Subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

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

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

8.21 Governing Law, Jurisdiction, and Venue

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

8.22 Independent Contractor Status

- 8.22.1** This Contract is by and between the County and the Contractor and is not intended, and must 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 must not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2** The Contractor will be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County will have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.
- 8.22.3** The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor will be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.
- 8.22.4** The Contractor must adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

The Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all third-party liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from, connected with, or relating to this Contract and due to Contractor or Contractor's employees negligence or willful misconduct, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees. For the purpose of this Section 8.23, third-party will include employees of County Indemnatee. Notwithstanding and foregoing, Contractor has no responsibility for (a) County Indemnatee's employment practices and/or any disciplinary action taken by a County Indemnatee's over County Indemnatee's employees and/or personnel or (b) the actions of County Indemnatee's employees and/or personnel. Contractor shall not be treated as an agent or a partner of County Indemnatee and as such Contractor has no responsibility or liability for oversight and/or disciplinary action of County Indemnatee's employees, contractors and/or personnel. Each County Indemnatee has sole authority and responsibility to employ, discharge, or otherwise control its employees, agents, and subcontractors.

8.24 General Provisions for all Insurance Coverage

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Additional Insured status under the Contractor's General Liability policy, must be delivered to County at the address shown below and provided prior to commencing services under this Contract.

8.24.2.2 Renewal Certificates or a copy of the binder from Contractor's insurance broker as proof such coverage has been renewed must be provided to County prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or subcontractor insurance policies at any time.

8.24.2.3 Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the Contractor identified as the contracting party in this Contract. Certificates must provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.

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

Certificates and copies of any required endorsements must be sent to the County's DHR Occupational Health Programs Medical Unit at the following e-mail: ohp@lacounty.gov.

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

8.24.3 Additional Insured Status and Scope of Coverage

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

8.24.4 Cancellation of or Changes in Insurance

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

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance will constitute a material breach of the

Contract, upon which County immediately may withhold payments due to the Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to the Contractor, deduct the premium cost from sums due to the Contractor or pursue Contractor reimbursement.

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Must Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, must be primary with respect to all other sources of coverage available to the Contractor. Any County maintained insurance or self-insurance coverage must be in excess of and not contribute to any Contractor coverage.

8.24.8 Waivers of Subrogation

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

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies will not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require the Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing the Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond must be

executed by a corporate surety licensed to transact business in the State of California.

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

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

8.24.14 Alternative Risk Financing Programs

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

8.24.15 County Review and Approval of Insurance Requirements

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

8.25 Insurance Coverage

8.25.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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

8.25.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1

million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance must cover liability arising out of the Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

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

8.25.4 Unique Insurance Coverage

8.25.4.1 Sexual Misconduct Liability

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

8.25.4.2 Professional Liability -- Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$3 million aggregate. Further, Contractor understands and agrees it must maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25.4.3 Cyber Liability Insurance

The Contractor must secure and maintain cyber liability insurance coverage with limits of \$2 million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and

finer; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must 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, will 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. Please note that the limit above is the minimum limit, and the County reserves the right to increase this limit based on its final assessment of the project during the Contract negotiations.

8.26 Liquidated Damages

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

8.26.2 If the Director of Personnel, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Director of Personnel, or his/her designee, deems are correctable by the Contractor over a certain time span, the Director of Personnel, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director of Personnel, or his/her designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current

circumstances a reasonable estimate of such damages is one hundred dollars (\$100) per day per infraction, or as specified in Attachment 2 (Performance Requirements Summary [PRS]) Chart of Exhibit A (Statement of Work and Attachments) hereunder, and that the Contractor will be liable to the County for liquidated damages in said amount. Said amount will be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days' notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

- 8.26.3** The action noted in Paragraph 8.26.2 must not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.
- 8.26.4** This Paragraph must not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Paragraph 8.26.2, and must not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

8.27 Most Favored Public Entity

If the Contractor's prices for pricing established on or after the effective date of this agreement decline or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices must be immediately extended to the County.

8.28 Nondiscrimination and Affirmative Action

- 8.28.1** The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2** Contractor certifies to the County each of the following:
 - 8.28.2.1** That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
 - 8.28.2.2** That Contractor periodically conducts a self-analysis or utilization analysis of its work force.

- 8.28.2.3** That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- 8.28.2.4** Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.
- 8.28.3** The Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4** The Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5** The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6** The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 8.28.7** If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated federal or state anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County will, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.29 Non Exclusivity

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

8.30 Notice of Delays

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party must, within five (5) business days, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Notice of Disputes

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

8.32 Notice to Employees Regarding the Federal Earned Income Credit

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

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

The Contractor must notify and provide to its employees, and will require each Subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit G (Safely Surrendered Baby Law) of this Contract. Additional information is available at <https://lacounty.gov/residents/family-services/child-safety/safe-surrender/>.

8.34 Notices

All notices or demands required or permitted to be given or made under this Contract must be in writing and will be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits D (County's Administration) and E (Contractor's

Administration). Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director of Personnel will have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.35 Prohibition Against Inducement or Persuasion

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party will in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 Public Records Act

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and will 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 will not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.37 Publicity

8.37.1 The Contractor must not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- 8.37.1.1 The Contractor must develop all publicity material in a professional manner; and
 - 8.37.1.2 During the term of this Contract, the Contractor will not, and will not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County will not unreasonably withhold written consent.
 - 8.37.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 (Publicity) will apply.

8.38 Record Retention and Inspection -- Audit Settlement

- 8.38.1 The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor must also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, will have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract during Contractor's regular business hours. 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, will be kept and maintained by the Contractor and will be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor will pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location. Notwithstanding the foregoing, in no event will any such audit extend to any record or document that Contractor is under a third party contractual obligation and requires the consent of any third party prior to disclosure.
- 8.38.2 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor must file a copy of such audit report with the County's Auditor Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under

this Contract. Subject to applicable law, the County will make a reasonable effort to maintain the confidentiality of such audit report(s) 8.38.3. Failure on the part of the Contractor to comply with any of the provisions of this subparagraph 8.38 will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract at County's expense, 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 must be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference will be paid to the Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract. Notwithstanding the foregoing, in no event will any such audit extend to any record or document that Contractor is under a third party contractual obligation and requires the consent of any third party prior to disclosure.

8.39 Recycled Bond Paper

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

8.40 Subcontracting

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

8.40.2 If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:

8.40.2.1 A description of the work to be performed by the Subcontractor.

8.40.2.2 A draft copy of the proposed Subcontract; and

8.40.2.3 Other pertinent information and/or certifications requested by the County.

- 8.40.3** The Contractor must indemnify, defend, and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 8.40.4** The Contractor will remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed Subcontract.
- 8.40.5** The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.40.6** The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any Subcontract and Subcontractor employees. After approval of the Subcontract by the County, Contractor must forward a fully executed Subcontract to the County for their files.
- 8.40.7** The Contractor will be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8** The Contractor must obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. Before any Subcontractor employee may perform any work hereunder, Contractor must ensure delivery of all such documents to the County's DHR Occupational Health Programs Medical Unit at the following e-mail: ohp@lacounty.gov before any Subcontractor employee may perform any work hereunder.

8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) will constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice will be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of the Contractor, pursuant to [County Code Chapter 2.202](#).

8.42 Termination for Convenience

- 8.42.1** This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than thirty (30) days after the notice is sent.
- 8.42.2** After receipt of a notice of termination and except as otherwise directed by the County, the Contractor must:
- 8.42.2.1** Stop work under this Contract on the date and to the extent specified in such notice, and Complete performance of such part of the work as would not have been terminated by such notice.
- 8.42.3** All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract must be maintained by the Contractor in accordance with Paragraph 8.38 (Record Retention and Inspection -- Audit Settlement).

8.43 Termination for Default

- 8.43.1** The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:
- 8.43.1.1** Contractor has materially breached this Contract; or
- 8.43.1.2** Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- 8.43.1.3** Except for a Force Majeure event as set forth in Paragraph 8.20, if Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- 8.43.2** In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.

- 8.43.3** Except with respect to defaults of any Subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this paragraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.
- 8.43.4** If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the Contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).
- 8.43.5** The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 Termination for Improper Consideration

- 8.44.1** The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

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

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

8.45 Termination for Insolvency

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

8.45.1.1 Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.45.1.2 The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for the Contractor; or

8.45.1.4 The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Paragraph 8.45 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 Termination for Non-Adherence of County Lobbyist Ordinance

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

8.47 Termination for Non-Appropriation of Funds

Notwithstanding any other provision of this Contract, the County will not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget

for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract will terminate as of June 30 of the last fiscal year for which funds were appropriated. The County will notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.48 Validity

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

8.49 Waiver

No waiver by a Party of any breach of any provision of this Contract will constitute a waiver of any other breach or of such provision. Failure of a Party to enforce at any time, or from time to time, any provision of this Contract will not be construed as a waiver thereof. The rights and remedies set forth in this paragraph 8.49 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 Warranty Against Contingent Fees

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

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

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

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

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

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

Failure of the Contractor to maintain compliance with the requirements set forth in

Paragraph 8.51 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" will constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of the Contractor to cure such default within ten (10) days of notice will be grounds upon which County may terminate this Contract and/or pursue debarment of the Contractor, pursuant to [Los Angeles County Code Chapter 2.206](#).

8.53 Time Off for Voting

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

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

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting Contractors from engaging in human trafficking.

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

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

8.55 Intentionally Omitted

8.56 Compliance with Fair Chance Employment Hiring Practices

Contractor, and its Subcontractors, must comply with fair chance employment hiring practices set forth in [California Government Code Section 12952](#). Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

8.57 Compliance with the County Policy of Equity

The Contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The Contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The Contractor, its employees and Subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the Contractor, its employees or its

Subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the Contractor to termination of contractual agreements as well as civil liability.

8.58 Prohibition from Participation in Future Solicitation(s)

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

8.59 Injury and Illness Prevention Program

Contractor will be required to comply with the State of California's Cal OSHA's regulations. California Code of Regulations Title 8 Section 3203 requires all California employers to have a written, effective Injury and Illness Prevention Program (IIPP) that addresses hazards pertaining to the particular workplace covered by the program.

9 UNIQUE TERMS AND CONDITIONS

9.1 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

9.1.1 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations. The Contractor understands that it has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of its staff and the establishment of proper procedures for the release of such information, including if applicable the use of appropriate consents and authorizations specified under HIPAA.

9.1.2 The parties acknowledge their separate and independent obligations with respect to HIPAA. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all applicable areas and that County has not undertaken any responsibility for compliance on the Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to the Contractor's obligations under HIPAA but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

9.1.3 The Contractor and the County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA laws and implementing regulations as applicable to Contractor's services under this Agreement.

9.1.4 Each party further agrees that, should it fail to comply with its obligations under HIPAA, it will indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.

9.2 Ownership of Materials, Software and Copyright

9.2.1 The County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.

9.2.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. The County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.

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

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

9.2.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under subparagraph 9.2.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required

by subparagraph 9.2.3 or for any disclosure which the County is required to make under any state or federal law or order of court.

- 9.2.6** All the rights and obligations of this Paragraph 9.2 shall survive the expiration or termination of this Contract.

9.3 Patent, Copyright and Trade Secret Indemnification

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

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

9.3.2.1 Procure for the County all rights to continued use of the questioned equipment, part, or software product; or

9.3.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.3.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

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

9.4 Intentionally Omitted

9.5 Data Destruction

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

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

The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the County's boundaries. The County must receive within thirty (30) business days, a signed document from Contractor(s) and Vendor(s) that certifies and validates the data and information were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

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

9.6 Local Small Business Enterprise (LSBE) Preference Program

9.6.1 This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in [Chapter 2.204 of the Los Angeles County Code](#).

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

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

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

9.6.4.1 Pay to the County any difference between the Contract amount and what the County's costs would have been if the Contract had been properly awarded;

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

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

9.7 Social Enterprise (SE) Preference Program

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

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

9.8 Disabled Veteran Business Enterprise (DVBE) Preference Program

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

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

10 Survival

In addition to any terms and conditions of this Agreement that expressly survive expiration or termination of this Agreement by their terms, the following provisions shall survive the expiration or termination of this Agreement for any reason:

Paragraph 1 (Applicable Documents)

Paragraph 2 (Definitions)

Paragraph 3 (Work)

Paragraph 5.4 (No Payment for Services Provided Following
Expiration/Termination of Agreement)

Paragraph 7.6 (Confidentiality)

Paragraph 8.1 (Amendments)

Paragraph 8.2 (Assignment and Delegation/Mergers or Acquisitions)

Paragraph 8.6.2

Paragraph 8.19 (Fair Labor Standards)

Paragraph 8.20 (Force Majeure)

Paragraph 8.21 (Governing Law, Jurisdiction, and Venue)

Paragraph 8.23 (Indemnification)

Paragraph 8.24 (General Provisions for all Insurance Coverage)

Paragraph 8.25 (Insurance Coverage)

Paragraph 8.26 (Liquidated Damages)

Paragraph 8.34 (Notices)

Paragraph 8.38 (Record Retention and Inspection/Audit Settlement)

Paragraph 8.42 (Termination for Convenience)

Paragraph 8.43 (Termination for Default)

Paragraph 8.48 (Validity)

Paragraph 8.49 (Wavier)

Paragraph 8.58 (Prohibition from Participation in Future Solicitation(s))

Paragraph 9.2 (Ownership of Materials, Software and Copyright)

Paragraph 9.3 (Patent, Copyright and Trade Secret Indemnification)

Paragraph 10 (Survival)

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Director of Personnel of the Department of Human Resources, or designee, on the day and year first above written.

CONTRACTOR

ASAP DRUG SOLUTIONS

By

Chris Tang

Digitally signed by Chris Tang
DN: cn=Chris Tang, o.ou,
email=chris.tang@careonsite.com
, c=US
Date: 2023.11.07 13:53:23 -08'00'

Name

Co-CEO and Medical Director

Title

COUNTY OF LOS ANGELES

By

LISA M. GARRETT
Director of Personnel
Department of Human Resources

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By

Eduardo Montelongo
Assistant County Counsel

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Director of Personnel of the Department of Human Resources, or designee, on the day and year first above written.

CONTRACTOR

ASAP DRUG SOLUTIONS

By

Name

Title

COUNTY OF LOS ANGELES

By

LISA M. GARRETT
Director of Personnel
Department of Human Resources

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By

Eduardo Montelongo

Eduardo Montelongo
Assistant County Counsel

EXHIBIT A

STATEMENT OF WORK AND ATTACHMENTS

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SOW ATTACHMENTS

- 1** Contract Discrepancy Report (CDR)
- 2** Performance Requirements Summary (PRS)

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The Contractor will serve as the County's Third-Party Administrator (TPA) for the employee drug and alcohol testing program as described in this Statement of Work and the resultant Contract. The Contractor will provide administration of the County's programs as follows:

- 1) A drug and alcohol testing program for commercial drivers, in accordance with guidelines mandated by the Federal Department of Transportation (DOT). The DOT requires pre-employment drug testing, as well as random, return to duty, follow-up and post-accident drug and alcohol testing of County employees who hold a Commercial Driver's License.
- 2) A drug and alcohol testing program for other County employees, known as Non-DOT. Non-DOT testing services include reasonable suspicion testing based on observation; random testing for designated employees; and follow-up testing.
- 3) Mobile services for Non-DOT drug and alcohol testing according to the County of Los Angeles' Reasonable Suspicion and Random Drug and Alcohol Testing Programs as described in this document.

The Contractor will oversee testing services provided by a network of certified specimen collection facilities located in various geographical areas within the County. Testing services include screening and confirmation tests (urine collection and breath alcohol), Laboratory analysis, and medical review. The Contractor will also coordinate professional substance abuse evaluations, and employee and supervisor education programs, as needed.

Currently, County departments have approximately 1,200 employees who are covered by DOT drug testing guidelines. Over the last five (5) years, the following employee drug and alcohol tests were performed:

	Random	Follow-up	Return to Duty	Pre-employment /Post Offer DOT	Non-DOT	Reasonable
Year 2020	707	26	3	80	185	16
Year 2021	657	47	6	59	242	20
Year 2022	619	60	4	72	163	17

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

All changes must be made in accordance with Paragraph 8.1, Amendments, of the Contract.

3.0 QUALITY CONTROL

The Contractor must immediately establish and maintain a Quality Control Plan to assure that requirements of this Contract are met. The plan shall include, but not be limited to the following:

- 3.1** The methods for assuring and verifying that Contractor staff are qualified and properly trained to perform the services required under the agreement and that they comply with applicable continuing education requirements;
- 3.2** A system for monitoring compliance with all the services listed in this Exhibit A – Statement of Work. It must specify the activities inspected or audited on a scheduled or unscheduled basis, how often inspections or audits will be accomplished, and the title of the individual(s) who will perform the inspection or audit.
- 3.3** The methods for identifying and correcting deficiencies and preventing further deficiencies in the quality of service performed under the contract if the performance level becomes unacceptable.
- 3.4** At a minimum, the Contractor's Quality Control Plan must include annual visits to each collection site by an inspector or an inspection team, which includes person(s) who are DOT-certified as a Drug Test Collector(s) and Blood Alcohol Technician(s).
- 3.5** The Contractor shall prepare a report of its Quality Control Plan efforts and results and submit it to the County Contract Manager (CCM) at the end of each calendar year of the contract term. Contractors must also submit site inspection reports to the CCM within thirty (30) days following each inspection.

4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8.15 (County's Quality Assurance Plan).

4.1 Meetings with County

Contractor is required to attend as-needed meeting(s). Contractor's Project Manager or alternate must be available to attend meetings throughout the year at times and places convenient to the County upon the County's request, without additional cost to the County.

4.2 Contract Discrepancy Report (Attachment 1 of this Exhibit A)

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

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

4.3 County Observations

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

5.0 DEFINITIONS

The following definitions apply to this Statement of Work describing the major responsibilities and duties of the County and the Contractor. The definitions used in the Statement of Work will have the following meaning, unless otherwise obvious from their use in the context.

5.1 Collection Site

A place where specimens for drug and alcohol testing are collected in accordance with 49 CFR, Part 40 procedures.

5.2 Department Employee Representative (DER)

Departmental employees assigned to manage a given County department's Department of Transportation (DOT) drug testing program. Each department with commercial drivers may have one or more DER's.

5.3 County Contract Project Monitor (CCPM)

Person with responsibility to oversee the day-to-day activities of this contract including responsibility for inspection of any or all tasks, deliverables, goods, services, or other work provided by or for the Contractor.

5.4 Drug Test; Pre-Employment/Post-Offer DOT

A Pre-Employment/Post-Offer DOT drug test is a required test performed prior to the first time that an employee is assigned to safety-sensitive duties and/or when a current driver needs to be added to the Random Testing database. Note that pre-employment DOT drug tests are not performed at the time of the County's pre-placement medical examination.

5.5 Drug/Alcohol Test; Non-DOT

A Non-DOT drug/alcohol test is a test conducted according to County policy in accordance with the County Drug-free Workplace Program.

5.6 Laboratory

Laboratory certified by the Federal Substance Abuse and Mental Health Services Administration ("SAMSHA") in accordance with 49 CFR Part 40 Section 40.81.

5.7 Medical Review Officer (MRO)

A licensed physician (Doctor of Medicine or Osteopathy) who meets the MRO certification requirements of DOT guidelines 49 CFR Part 40.

5.8 Random Testing

Random Testing shall have the same definition as found in DOT guidelines 49 CFR Part 40.

5.9 Substance Abuse Professional (SAP)

A person who meets the SAP certification requirements of DOT guidelines 49 CFR Part 40.

5.10 Third Party Administrator (TPA)

A service agent who coordinates a variety of drug and alcohol testing services for employers. A TPA ensures the services it provides comply with DOT regulations and that its service agents are qualified.

5.11 Work Order

A Work Order is a written authorization, signed by an authorized County employee, and issued to the Contractor for provision of services in accordance with the terms and prices specified in the contract. Work performed without a Work Order will not be reimbursable.

6.0 RESPONSIBILITIES

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

COUNTY

6.1 Personnel

The County will administer the Contract according to the Contract, Paragraph 6 (Administration of Contract – County). Specific duties will include:

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

6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.

6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.1 (Amendments).

6.2 Furnished Items

The County will provide the Contractor with the updated Roster of commercial drivers and/or employees updated monthly.

CONTRACTOR

6.3 Project Manager

6.3.1 Contractor shall provide a full-time Project Manager or designated alternate. Contractor shall provide a telephone number and email where the Project Manager may be reached Monday through Friday, 8:00 a.m. to 6:00 p.m., and an after-hours number for contact during exigent circumstances.

6.3.2 Project Manager shall act as a central point of contact with the County.

6.3.3 Project Manager shall have five (5) years of experience as a project manager.

6.3.4 Project Manager and alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager and alternate shall be able to effectively communicate, in English, both orally and in writing.

6.4 Personnel

6.4.1 Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

6.4.2 Contractor shall be required to background check their employees as set forth in Paragraph 7.5 (Background and Security Investigations), of the Contract.

Uniforms/Identification Badges

Contractor shall ensure their employees are appropriately identified as set forth in Paragraph 7.4 (Contractor's Staff Identification) of the Contract.

6.5 Materials and Equipment

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

6.6 Training

6.6.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

6.6.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards.

6.7 Contractor's Office

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office must be staffed during the hours of 9 a.m. to 5 p.m., Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. Key Contractor personnel must be available during these hours for consultation with the CCM. When the office is closed, an answering service shall be provided to receive calls. The Contractor shall answer calls received by the answering service within one business day of receipt of the call.

7.0 INTENTIONALLY OMITTED

8.0 INTENTIONALLY OMITTED

9.0 INTENTIONALLY OMITTED

10.0 SPECIFIC WORK REQUIREMENTS

10.1 Testing Facilities

- 10.1.1** Contractor must only perform the specific drug and alcohol testing identified in the Work Order provided by the employee who is subject to drug and alcohol testing.
- 10.1.2** Contractor must provide an updated list of collection sites to the project manager on contract start date and notify them in writing three business days prior to subsequent changes to the collection site ability to conduct drug and alcohol screenings.
- 10.1.3** Contractor must ensure that its collection site personnel are trained in accordance with 49 CFR Part 40 and Part 382.
- 10.1.4** Contractor shall ensure that all specimen collection staff have valid and current DOT Collector or Breath Alcohol Technician (BAT) certifications.
- 10.1.5** Contractor must develop a unique Work Order, approved by the County, which lists the three separate types of testing (i.e., Commercial Driver; Random DOT and Non-DOT; and Reasonable Suspicion) as described in this document and as seen in SOW Exhibit C.
- 10.1.6** Contractor must ensure that DOT Collectors and BATs comply with qualification training requirements and error correction training procedures.

- 10.1.7 Contractor must provide arrangements for transportation of specimens from collection sites to laboratories within two (2) days.
- 10.1.8 Contractor must ensure that each collection site maintains the required minimum staffing of two full-time DOT Collectors and BATs.
- 10.1.9 Contractor must maintain at least fifteen (15) collection sites throughout the County, including at least one clinic in the northern-most area (Santa Clarita/Palmdale/Lancaster). At least two of these sites must be open on a 24-hour, 7 days-a-week basis for drug and/or breath alcohol testing.
- 10.1.10 Contractor shall ensure that collection sites have a bathroom dedicated and used exclusively for urine drug collections. Bathrooms must comply with all DOT requirements.
- 10.1.11 Contractor shall ensure that collection sites protect the security and integrity of urine collections in accordance with DOT guidelines.
- 10.1.12 Testing Maximum Time Limit: With the exception of a shy bladder, Contractor shall complete testing within one hour from the time of donor arrival.
- 10.1.13 Contractor must ensure that all collection sites have a maintenance supply of the Federal Drug Testing Custody, Collection and Control Forms (CCF) for both DOT and Non-DOT testing.
- 10.1.14 The Contractor may subcontract collection sites (s) in accordance with the Contract, Paragraph 8.40 (Subcontracting).

10.2 Laboratory Testing

- 10.2.1 The Contractor must ensure that the urine specimen analysis is completed by a Laboratory certified by SAMSHA to conduct urine drug screenings for federal agencies.
- 10.2.2 The Contractor may subcontract the Laboratory specimen analysis in accordance with the Master Agreement, Paragraph 8.40 (Subcontracting).
- 10.2.3 In accordance with the *49 CFR Part 40 § 40.85*, the Contractor must ensure that its Laboratories or its subcontracted Laboratories test for the following drugs or classes of drugs identified by the DOT for all drug screening identified in this document, including Non-DOT testing:
 - Marijuana metabolites
 - Cocaine metabolite
 - Amphetamines
 - Opioids
 - Phencyclidine (PCP)

- 10.2.4** The Contractor must ensure that cut-off values equal those identified by DOT Regulations of 49 CFR § 40.87.
- 10.2.5** In the event that federal DOT regulations for the substances or classes of drugs or the cut-off values are revised or updated by the federal DOT, the Contractor must notify the County in writing within ten (10) Business Days of the change and provide a written plan of action to implement the change(s).

10.3 Medical Review Officer (“MRO”) Services

- 10.3.1** The County requires that all DOT and Non-DOT controlled substances testing Laboratory results be reviewed by a qualified MRO who is a licensed physician (M.D. or D.O.) in accordance with 49 CFR Part 40 Subpart G.
- 10.3.2** The County requires that the MRO process is completed in accordance with DOT guidelines for all DOT and Non-DOT drug tests.
- 10.3.3** Medical Marijuana for medical purposes as recommended by a physician or other health care provider will not be considered as an authorized medical use of a controlled substance. Accordingly, the Contractor must ensure that the MRO reports this test result as positive, which is consistent with the federal government’s drug and alcohol program, regarding the use of marijuana.
- 10.3.4** Contractor may subcontract MRO services, in accordance with the Contract, Paragraph 8.40 (Subcontracting), if an in-house MRO is not employed. Subcontracted MRO services must follow all established protocols and procedures as outlined in this section.
- 10.3.5** Contractor must ensure that the employee’s Laboratory results are received by the MRO immediately or within twenty-four (24) hours of the results becoming available.
- 10.3.6** Contractor must ensure that the MRO reviews and contacts all employees whose Laboratory drug results were non-negative in accordance with 49 CFR Part 40 Subpart G.
- 10.3.7** Contractor must ensure that the MRO initiates the testing of the split sample with the Contractor if the employee elects this option within three (3) Business Days after being informed of a verified positive test result.
- 10.3.8** The Contractor must ensure that the analysis of the split sample is performed at an independent second Laboratory certified by the SAMSHA to conduct urine drug screenings for federal agencies and that the results are provided to the CCM as soon as available but no later than five (5) Business Days after the testing.

- 10.3.9** Contractor must ensure that negative dilute test results are reported as “negative dilute” to the Program Manager and Department Employee Representative (DER) with a recommendation for repeat testing immediately, no later than the close of the following business day.
- 10.3.10** Contractor must ensure that the MRO or the MRO’s designee makes reasonable efforts to reach the employee whose sample is under review at the day and evening telephone numbers listed on the CCF. Reasonable efforts must include:
- 10.3.10.1** Three telephonic attempts spaced reasonably over a 24-hour period.
- 10.3.10.2** The MRO or the MRO assistant must document any and all efforts made to contact the employee, including dates and times.
- 10.3.11** In the event the MRO or their delegate is unable to reach the employee, the Contractor must notify the CCM and the DER. The DER will contact the employee and instruct the employee to call the MRO within three (3) business days.
- 10.3.12** The Contractor must not submit any drug and alcohol screening results until the MRO verifies and finalizes the drug screening test results.
- 10.3.13** High Risk Drivers: The Contractor shall ensure that their MROs notify the County’s Project manager and the DER within two (2) business days when the MRO becomes aware of medical information which indicates that:
- an employee may be medically unqualified to drive a commercial vehicle;
 - continued performance by the employee of safety sensitive functions is likely to pose a significant safety risk; or
 - an employee is using prescribed Marinol or a potentially sedating medication that would interfere with their ability to safely perform the essential functions of a commercial driver.

10.4 Refusal to Test

- 10.4.1** Contractor must ensure that for any employee who refuses to comply with any component of the drug testing collection procedures, their drug screening test result is reported as a “Refusal to Test.”
- 10.4.2** In the event that an employee does not provide an adequate urine specimen within the 3-hour collection period, the Contractor must follow the “Shy Bladder” procedures outlined in 49 CFR §40.193.

10.4.3 In the event that an employee refuses to comply with any component of the drug testing collection procedures, with exception of the “Shy Bladder” procedures, their drug screening test result is reported as a “Refusal to Test,” the Contractor must notify the CCM immediately in writing no later than one business day from the “Refusal to Test,” and provide the CCM with the following:

- A copy of the employee’s Non-DOT Random or Non-DOT Reasonable Suspicion Work Order;
- A written statement by the Contractor’s representative, which must include the following:
 - The name of the employee, date/time of the drug and alcohol test, job title, and item number;
 - The name of the Contractor’s representative that interacted with the employee;
 - A detailed summary explaining why drug screening was reported as a “Refusal to Test.”

10.5 DOT Testing

10.5.1 Database of Commercial Drivers

10.5.1.1 Contractor shall aggregate County departments as one employer for the purpose of DOT Random Testing and reporting.

10.5.1.2 Contractor must maintain a web-based software application or database which lists all County active commercial drivers who are subject to DOT Random Testing and utilizes a computer-generated random selection system to identify commercial drivers for testing.

10.5.1.3 The database of commercial drivers subject to Random Testing must be updated in real time whenever commercial driver is added or removed by an authorized DER or the CCM.

10.5.1.4 The CCM must have access to the Contractor’s database for the purposes of adding/removing commercial drivers, DERs and to receive the results of all DOT and Non-DOT drug test results.

10.5.2 Testing ratios must be maintained in accordance with the most current DOT guidelines and if any County department(s) fall below the testing ratio that DOT maintains, the Contractor must notify the CCM in writing within three (3) business days.

- 10.5.3** Contractor must verify that commercial drivers have completed a negative DOT pre-placement drug and alcohol screening prior to being added to the list of commercial drivers who are subject to DOT Random Testing.

10.6 Substance Abuse Professional Services (SAP)

- 10.6.1** Contractor must provide SAP services in all areas of the County in accordance with DOT guidelines.
- 10.6.2** Contractor must ensure that at least one SAP in the Contractor's network must be available to conduct an initial intake interview within five (5) business days of a request for interview by an employee who has recently provided a non-negative test result.
- 10.6.3** Following the initial SAP intake interview, the Contractor must ensure that the SAP tracks and documents the employee's rehabilitation progress until a negative return-to-duty test is obtained.
- 10.6.4** If the employee fails to comply with the SAP's treatment recommendations or return-to-duty testing, the Contractor will notify the CCM and DER in writing within five (5) business days.
- 10.6.5** Contractor must notify the DER within two (2) business days after the return-to-duty testing is authorized by the SAP.
- 10.6.6** Following the Initial Intake Interview Evaluation, Contractor must provide a report to the employee, the DER, and the CCM within five (5) business days. The report shall include the following information:
- The SAP-recommended program which the employee is required to complete.
 - A specific timeframe the employee must complete the SAP-recommended program.
 - Instructions for the employee in the event there are any problems fulfilling their recommended program.
- 10.6.7** After the Follow-Up Evaluation, Contractor must provide the DER and CCM a report within five (5) business days. The report must include the following information:
- Whether the employee met all SAP recommended requirements.
 - If the employee is eligible to take a return-to-duty drug test.
 - The required DOT follow-up testing schedule upon a negative return-to-duty drug test result.

10.7 FMCSA Clearinghouse

- 10.7.1** Contractor, as the County's consortia/third-party administrator (C/TPA) must ensure compliance to drug and alcohol reporting regulations identified in 49 Code of Federal Regulations (CFR), Parts 40 and 382 by current and prospective employees to Federal Motor Carrier Safety Administration (FMCSA) Clearinghouse database on behalf of the County, including, but not limited to the following requirements:
- Report all alcohol and drug violations;
 - Ensure that all CDL drivers have provided consent to limited and full queries of the FMCSA Clearinghouse;
 - Run annual limited queries on all CDL drivers according to the regulation;
 - Run full queries as required due to the results found in the annual limited query;
 - Run full query on all pre-employment applicants as requested.
- 10.7.2** Contractor must immediately notify the DER and the CCM when a FMCSA Clearinghouse query results indicate that a job applicant or employee is prohibited from driving commercially in writing, no later than the close of the business day in which the Contractor becomes aware of the query result.

10.8 Non-DOT Testing

- 10.8.1** The County's Non-DOT testing program has two categories of testing, both of which require a split sample collection using a urine container with preservatives:
- 10.8.1.1 Non-DOT Random**
- A drug and alcohol test initiated by a County department for certain positions;
- 10.8.1.2 Non-DOT Reasonable Suspicion**
- A drug and alcohol test initiated by a County department based on observations made by a trained supervisor or manager that an employee's impairment may be the result of drug or alcohol use.
- 10.8.2** Contractor must ensure that Non-DOT Random and Non-DOT Reasonable Suspicion drug and alcohol testing follows the same collection procedures and Laboratory testing procedure identified in 49 CFR Part 40 and Part 382 with the following exceptions:

- The Contractor must not use DOT Chain of Custody forms, but instead must use a Non-DOT Chain of Custody form;
- The County requires that both Non-DOT Random and Non-DOT Reasonable Suspicion testing Laboratory results be reviewed by a qualified MRO who is a licensed physician (M.D. or D.O.) in accordance with 49 CFR Part 40 Subpart G.
- The Contractor must report all test results only to CCM after the MRO verifies and finalizes the drug screening test results.
- The Contractor must ensure that Non-DOT Random and Non-DOT Reasonable Suspicion drug and alcohol testing will not result in a referral to a SAP.
- Contractor must ensure that Non-DOT Random and Non-DOT Reasonable testing results will not be reported to the FMCSA Clearinghouse.

10.9 Required Reporting

- 10.9.1** Contractor must provide the DER with an electronic copy of all negative DOT test results within two (2) business days of Contractor's receipt of negative test results from the Laboratory.
- 10.9.2** Contractor must provide the DER and the CCM with written/electronic copy of the signed MRO CCF and an electronic copy of the MRO report for all Non-negative DOT test results within two (2) business days from Contractor's receipt of a non-negative test results from the Laboratory, unless there are testing complications or findings which require extended MRO involvement, or the Contractor was unable to contact and speak to the employee. In these cases, Contractor shall provide documentation regarding donor's failure to comply with communication within five (5) business days post Contractor's receipt of a non-negative test result from the Laboratory. Results must include employee's name, department, date of collection, and substances detected (if any).
- 10.9.3** Contractor must notify the DER and CCM if an employee fails to comply with any aspect of a DOT or Non-DOT drug and alcohol test protocol.
- 10.9.4** Contractor must provide, and the Laboratory must retain all non-negative test results samples for both DOT and Non-DOT in accordance to federal requirements.

10.10 Electronic Transfer of Records

Contractor must transmit all drug and alcohol screening results to the CCM via a County-approved, browser-based, secure file transfer client, such as a Managed

File Transfer ("MFT") system, to upload the Contractor's drug and alcohol screening results electronically. The browser-based, secure file transfer client will be maintained and operated by the County, at no cost or expense to the Contractor or County. Alternatively, at County's discretion, deliveries may be made by messenger, U.S. Mail or other secure method at the expense of the Contractor.

10.11 Expert Witness Services

Contractor must provide expert witness services, as needed, from the MRO, SAP, and certifying scientist at the prices listed in Exhibit B, Pricing Schedule.

10.12 Consultative Services

Contractor must provide reasonable consultative services at no charge to the DER and CCM regarding individual employees and policy/program questions as related to drug and alcohol testing procedures and regulations.

10.13 Training Sessions

Contractor must provide training on the use of the Contractor's software application and/or database which tracks all drug and alcohol testing results as needed within 30 days of the commencement of this contract.

10.14 Mobile Services

10.14.1 Contractor must ensure that Non-DOT drug and alcohol tests are conducted using a Mobile Unit at the County employee's worksite.

10.14.2 Contractor must ensure that the Mobile Unit conducts Non-DOT drug and alcohol tests in accordance with the County of Los Angeles Reasonable Suspicion and Random Drug and Alcohol Testing Programs as described in Section 10.8 of the SOW.

10.14.3 Contractor must ensure that the Mobile Unit submits all corresponding documents related to drug and alcohol testing to the CCM via a browser-based, secure file transfer client (such as the MFT system).

11 GREEN INITIATIVES

11.1 Contractor shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.

11.2 Contractor shall notify County's Project Manager of Contractor's new green initiatives prior to the contract commencement.

12 PERFORMANCE REQUIREMENTS SUMMARY

A Performance Requirements Summary (PRS) chart, Attachment 2 of this Exhibit A, listing required services that will be monitored by the County during the term of this Contract is an important monitoring tool for the County.

All listings of services used in the PRS are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

13 TRANSITION SERVICES

13.1 Transition Services – Start of Contract

- 13.1.1** Prior to the start date of the Contract, the County will notify the existing employee drug and alcohol testing third-party administration contractor to release all data and materials necessary for the Contractor to service this Contract to the new Contractor upon the new Contract's execution.
- 13.1.2** The Contractor must provide sufficient management support and staffing to effect an orderly transition of services.

13.2 Transition Services Upon Expiration or Termination

- 13.2.1** The Contractor must cooperate with the County to provide for a smooth transition from Contractor-provided services to whatever service replacement method the County determines to be in the County's best interest. The Contractor must provide sufficient management support and staffing to effect an orderly transition during the following transition periods as applicable:
 - 1. Two (2) months prior to and two (2) months following non-renewal or expiration of the Contract in the ordinary course of business;
 - 2. Two (2) months following the effective date of notice of termination by the County for any reason other than a termination pursuant to Paragraph 8.43 (Termination for Default) of the Contract.
 - 3. Two (2) months following the effective date of notice of termination by the County for any reason other than a termination pursuant to Paragraph 8.43 (Termination for Default) of the Contract.
- 13.2.2** The Contractor must facilitate the disposition of all take-over and historical files, records, and any other data and materials generated for or provided by the County to service this Contract, as requested by the County, as set forth in this Section 13.0 of this SOW, and as further defined in Section 3.0 of Exhibit H (Information Security and Privacy Requirements) to the Contract.
- 13.2.3** The Contractor will not be entitled to any compensation or other fees for transition services provided following the expiration, non-renewal, or termination of the Contract for any reason.

STATEMENT OF WORK

ATTACHMENTS

TABLE OF CONTENTS

Attachments

- 1 CONTRACT DISCREPANCY REPORT
- 2 PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

CONTRACT DISCREPANCY REPORT

TO: _____

FROM: _____

DATES: _____

Prepared: _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY PROBLEMS: _____

Signature of County Representative

Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

Signature of Contractor Representative

Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: _____

Signature of Contractor Representative

Date

COUNTY ACTIONS: _____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
EMPLOYEE DRUG & ALCOHOL TESTING SERVICES

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Contract: Paragraph 7 - Administration of Contract- Contractor	Contractor must notify the County in writing of any change in name or address of the Project Manager	Inspection and Observation	\$150 per occurrence
Contract: Sub-paragraph 8.38 - Record Retention and Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.38	Inspection of files	\$350 per occurrence
Contract: Sub-paragraph 8.40 - Subcontracting	Contractor must obtain County's written approval prior to subcontracting any work.	Inspection and Observation	\$300 per occurrence; possible termination for default of contract
SOW: Paragraph 3 – Quality Control	Contractor must establish and maintain a Quality Control Plan to assure requirements of Contract are met	Inspection and Observation	\$500 per occurrence
SOW: Sub-paragraph 4.1 - Monthly Meetings	Contractor's representative to attend meetings as scheduled by the County.	Attendance	\$150 per occurrence

SOW: Sub-paragraph 4.2 – Contract Discrepancy Report (CDR)	Upon receipt of a CDR, Contractor must respond in writing within five business days and submit correction plan within 10 business days.	Inspection and Observation	\$300 per occurrence
SOW: Sub-paragraph 6.3 – Project Manager	Contractor's Project Manager must be reachable by telephone and email Monday – Friday 8 a.m. to 6 p.m. and after hours during exigent circumstances.	Inspection and Observation	\$100 per occurrence
SOW: Sub-paragraph 6.8 – Contractor's Office	Contractor's office must be staffed from 9 a.m. to 5 p.m. Monday through Friday by at least one employee who can respond to inquiries and complaints regarding Contract performance. Key personnel must also be available during these hours.	Inspection and Observation	\$100 per occurrence
SOW: Sub-paragraph 10.1.3 – Testing Facilities	Contractor must ensure its collection site personnel are trained in accordance with 49 CFR Part 40 and Part 382.	Inspection and Observation	\$500 per occurrence
SOW: Sub-paragraph 10.2.1 – Laboratory Testing	Contractor must ensure that urine specimen analysis is completed by a Laboratory certified by the Federal Substance Abuse and Mental health Services Administration.	Inspection and Observation	\$1000 per occurrence
SOW: Sub-paragraph 10.3.1 – Medical Review Officer Services	All DOT and Non-DOT controlled substance testing Laboratory results must be reviewed by a qualified MRO who is a licensed physician.	Inspection and Observation	\$500 per occurrence

SOW: Sub-paragraph 10.4.1 – Refusal to Test	If an employee refuses to comply with any drug testing collection procedures, their drug screening test must be reported as “Refusal to Test.”	Inspection and Observation	\$500 per occurrence
SOW: Sub-paragraph 10.5.1.1 – Database of Commercial Drivers	Contractor must maintain a software application or database that lists all County active commercial drivers subject to random testing and uses a computer-generated random selection system.	Inspection and Observation	\$500 per occurrence
SOW: Sub-paragraph 10.6.1 – Substance Abuse Professional (SAP) Services	Contractor must provide SAP services to all areas of the County in accordance with DOT guidelines	Inspection and Observation	\$300 per occurrence
SOW: Sub-paragraph 10.7.1 – FMCSA Clearinghouse	Contractor must ensure compliance to 49 CFR, Parts 40 and 382 drug and alcohol reporting regulations.	Inspection and Observation	\$1000 per occurrence
SOW: Sub-paragraph 10.9.1 – Required Reporting	Contractor must provide the DER with an electronic copy of all negative DOT test results within two business days post Contractor's receipt of result from the laboratory.	Inspection and Observation	\$350 per occurrence
SOW: Sub-paragraph 10.14.1 – Mobile Services	Contractor must conduct Non-DOT drug and alcohol tests at the County employee's worksite.	Inspection and Observation	\$350 per occurrence

EXHIBIT B

PRICING SCHEDULE

Instructions: for each examination listed below, the vendor is to provide a fixed price in the "Clinic Cost" columns. All prices must include all administrative costs and the costs for providing any and all on-going services set forth in this agreement.

By submission of this price list, the vendor certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other vendor or competitor for the purpose of restricting competition.

DRUG AND ALCOHOL TESTING SERVICE/COMPONENT DESCRIPTION		CLINIC COST			
		INITIAL TERM YEARS 1-5	OPTION YEAR 1	OPTION YEAR 2	OPTION YEAR 3
1.	DOT TESTING - Urine collection and breath alcohol analysis per DOT regulations: Pricing includes all required and as-needed items. Required: Specimen Validity and Screening-Immunoassay. As needed: Confirmatory GC/MS and/or 6- Acetylmorphine confirmation testing, Limits of Detection, THC-V, Adulterant Screen, and any required MRO services for non-Negative results. Any same-day repeat collections. Additional physician review for shy bladder, shy lung, and/or opiates. Pricing includes all reporting requirements for the FMCSA Clearinghouse. Price per test.	\$62.50+ * see note	\$69.00+	\$69.00+	\$69.00+
2.	Non-DOT TESTING - Urine collection and breath alcohol analysis: Pricing includes all required and as-needed items: Required Specimen Validity and Screening-Immunoassay. As needed, Confirmatory GC/MS and/or 6- Acetylmorphine confirmation testing, Limits of Detection, THC-V, Adulterant Screen, and any required MRO services for non-Negative results. Any same-day repeat collections. Price per test.	\$67.50+ * see note	\$75.00+	\$75.00+	\$75.00+
3.	Split specimen GC/MS Test (Second Laboratory): For DOT and Non-DOT Testing. Initiated by either MRO if primary test is adulterated, substituted or MRO requests Limit of Detection. Split Specimen test can also be Initiated by donor. Includes handling charges. Price per Split Specimen test.	\$150.00	\$150.00	\$150.00	\$150.00

PRICING SCHEDULE

DRUG AND ALCOHOL TESTING SERVICE/COMPONENT DESCRIPTION		CLINIC COST			
		INITIAL TERM YEARS 1-5	OPTION YEAR 1	OPTION YEAR 2	OPTION YEAR 3
4.	Breath Alcohol Test (BAT): Price per test. Including confirmatory testing, as needed.	\$7.00+	\$7.75+	\$7.75+	\$7.75+
5.	Substance Abuse Professional (SAP) Services: SAP Services for each non-negative DOT test result. Priced per employee for the duration of the services required for the employee.	\$300.00+	\$330.00+	\$330.00+	\$330.00+
6.	Expert Witness including MRO, SAP or Certifying Scientist: As needed. Price per hour.	\$500.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++
7.	Mobile services for Non-DOT TESTING: Urine collection and breath alcohol analysis. Pricing includes any same-day repeat collections, GC/MS and/or 6- Acetylmorphine confirmation testing, and any required MRO services. Price per test.	\$67.50+++	\$75.00+++	\$75.00+++	\$75.00+++
8.	Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Clearinghouse: Conducting Limited and Full Queries of the Clearinghouse. Price includes all associated verification of authorizations for Pre-Employment Queries, Limited Annual and Full Queries, as needed. Price per Query.	\$33.00/ query administration	\$33.00/ query administration	\$33.00/ query administration	\$33.00/ query administration

* Prices based on current manual processes and can decrease up to 9% with implementation of automation. ASAP is committed to work with LA County to implement if desired.

* Prices based on current panels and additional request for testing may incur laboratory fee at no markup. A change in Non-DOT panel components may result in an increase cost.

+ For Service #1, #2, #4, and #5 price listed is Contractor's flat rate. Additional fees for third-party Urine Collections, Breath Alcohol Collections, and SAP Services will be passed through to LA County without mark-up or premium.

++ MRO-A rate when needed for special projects and witness-testimony: \$100/hr with minimum 1 hour to apply for initial term years 1-5, \$125/hr with minimum 1 hour to apply for option years

+++ Mobile Service Fees include price per test and the following:

1. Minimum Service Fee of \$350.00 for up to 4 hours of collector time (maximum 8 collections can be conducted by a collector in 4 hours), per site, M-F 7 AM - 6 PM. Time starts when collector is dispatched.

2. Additional time will be billed in increments of 4 hours and 8 collections at a rate of \$350, per site, M-F 7 AM - 6 PM. Time starts when collector is dispatched.

3. After hours Mobile Services Fee of \$350.00 for up to 4 hours of collector time (maximum 8 collections can be conducted by a collector in 4 hours), per site, outside of regular business hours, weekends, and holidays. Time starts when collector is dispatched.

4. Mobile Service requests require a two-hour lead time. Requests with lead time less than two hours will be charged a premium fee of an additional \$250.00.

5. The Minimum Service Fee of \$350.00 will be charged in the case of No Shows or Cancellations within 15 minutes of the request.

EXHIBIT C

WORK ORDER

(To be provided by Contractor)

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY PROJECT DIRECTOR:

Name: Sepideh A. Souris
Title: Senior Human Resources Manager
Address: 510 S. Vermont Avenue, 12th Floor,
Los Angeles, CA 90020
Telephone: 213-369-6202
Facsimile: 213-351-2744
E-Mail Address: ssouris@hr.lacounty.gov

COUNTY PROJECT MANAGER:

Name: Narek Artonian
Title: Principal Analyst
Address: 510 S. Vermont Avenue, 12th Floor,
Los Angeles, CA 90020
Telephone: 213-369-6748
Facsimile: 213-351-2744
E-Mail Address: nartonian@hr.lacounty.gov

COUNTY CONTRACT PROJECT MONITOR:

Name: Nina Arbet-Brandt
Title: Human Resources Analyst III
Address: 510 S. Vermont Avenue, 12th Floor,
Los Angeles, CA 90020
Telephone: 213-433-7207
Facsimile: 213-351-2744
E-Mail Address: nbrandt@hr.lacounty.gov

CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S NAME:** ASAP Drug Solutions dba ASAPcheck**CONTRACT NO:** _____**CONTRACTOR'S PROJECT MANAGER:**

Name: Shannon Durst
Title: Director of Business Development
Address: 20300 S. Vermont Ave, Torrance, CA 90502
Telephone: (916) 712-2236
Facsimile: _____
E-Mail Address: shannon.durst@asapdrugsolutions.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Chris Tang
Title: Co-CEO, Medical Director
Address: 20300 S. Vermont Ave, Torrance, CA 90502
Telephone: (562) 477-1525
Facsimile: (562) 548-6665
E-Mail Address: chris.tang@careonsite.com

Name: Heather Manley
Title: Senior Vice President of Operations
Address: 20300 S. Vermont Ave, Torrance, CA 90502
Telephone: (442) 279-5196
Facsimile: _____
E-Mail Address: heather.manley@tangandcompany.com

Notices to Contractor shall be sent to the following:

Name: Shannon Durst
Title: Director of Business Development
Address: 20300 S. Vermont Ave, Torrance, CA 90502
Telephone: (916) 712-2236
Facsimile: _____
E-Mail Address: shannon.durst@asapdrugsolutions.com

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

NON-IT CONTRACTS

F1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
AND

F2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

AND

F3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENTContractor Name: Click or tap here to enter text.Contract No Click or tap here to enter text.**GENERAL INFORMATION:**

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

SIGNATURE: _____

DATE: Click or tap here to enter text.PRINTED NAME: Click or tap here to enter text.POSITION: Click or tap here to enter text.

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENTContractor Name: Click or tap here to enter text.Contract No Click or tap here to enter text.Employee Name: Click or tap here to enter text.**GENERAL INFORMATION:**

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE: _____

DATE: Click or tap here to enter text.PRINTED NAME: Click or tap here to enter text.POSITION: Click or tap here to enter text.

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENTContractor Name: Click or tap here to enter text.Contract No Click or tap here to enter text.Non-Employee Name: Click or tap here to enter text.**GENERAL INFORMATION:**

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

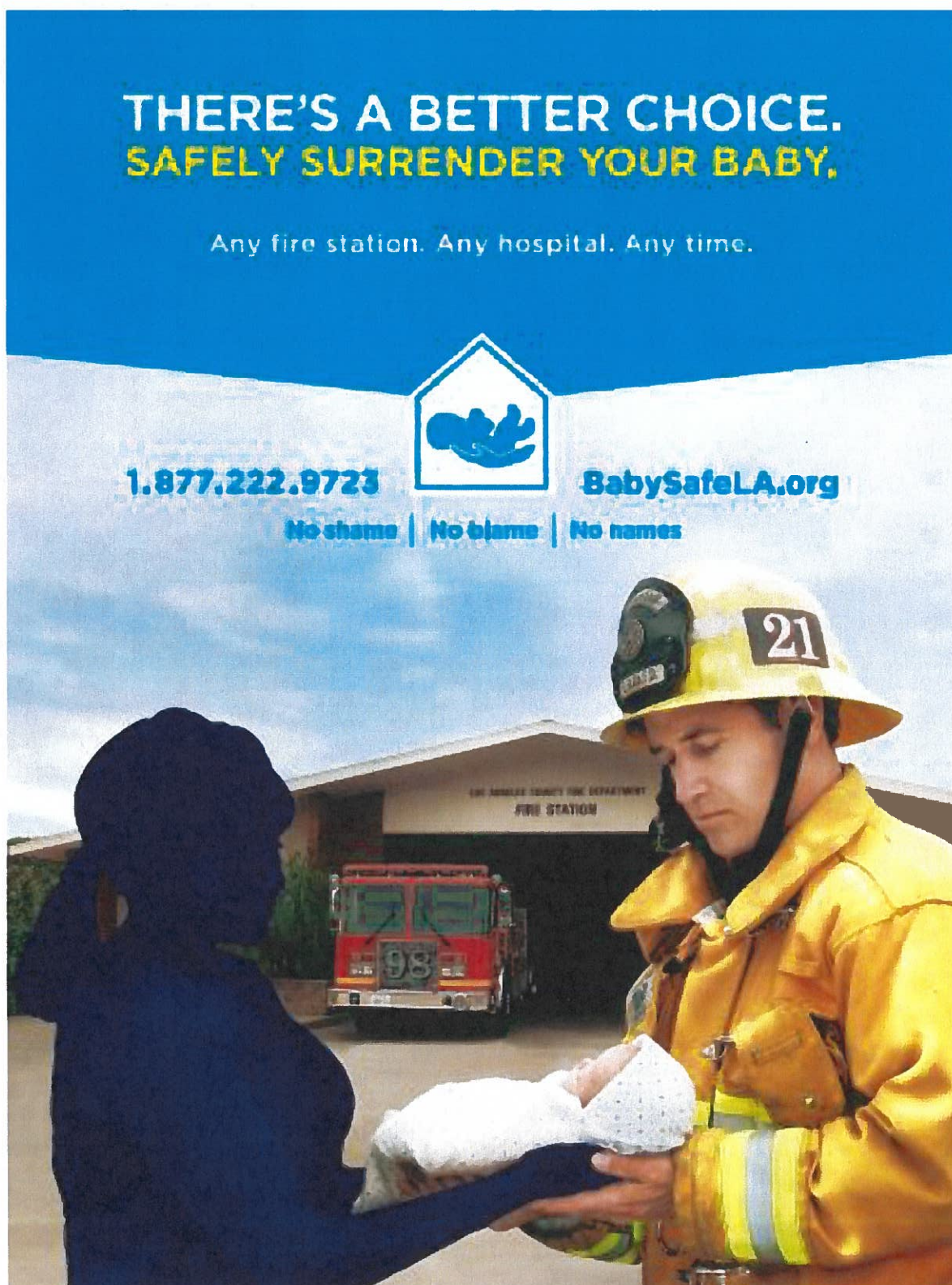
I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information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

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

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

SIGNATURE: _____

DATE: Click or tap here to enter text.PRINTED NAME: Click or tap here to enter text.POSITION: Click or tap here to enter text.



THERE'S A BETTER CHOICE. SAFELY SURRENDER YOUR BABY.

Any fire station. Any hospital. Any time.



1.877.222.9723

BabySafeLA.org

No shame | No blame | No names

Some parents of newborns can find themselves in difficult circumstances. Sadly, babies are sometimes harmed or abandoned by parents who feel that they're not ready or able to raise a child. Many of these mothers or fathers are afraid and don't know where to turn for help.

This is why California has a Safely Surrendered Baby Law, which gives parents the choice to legally leave their baby at any hospital or fire station in Los Angeles County.

FIVE THINGS YOU NEED TO KNOW ABOUT BABY SAFE SURRENDER

- 1 Your newborn can be surrendered at any hospital or fire station in Los Angeles County up to 72 hours after birth.
- 2 You must leave your newborn with a fire station or hospital employee.
- 3 You don't have to provide your name.
- 4 You will only be asked to voluntarily provide a medical history.
- 5 You have 14 days to change your mind; a matching bracelet (parent) and anklet (baby) are provided to assist you if you change your mind.

No shame | No blame | No names



ABOUT THE BABY SAFE SURRENDER PROGRAM

In 2002, a task force was created under the guidance of the Children's Planning Council to address newborn abandonment and to develop a strategic plan to prevent this tragedy.

Los Angeles County has worked hard to ensure that the Safely Surrendered Baby Law prevents babies from being abandoned. We're happy to report that this law is doing exactly what it was designed to do: save the lives of innocent babies. Visit BabySafeLA.org to learn more.

No shame | No blame | No names

ANY FIRE STATION.
ANY HOSPITAL.
ANY TIME.

1.877.222.9723
BabySafeLA.org

**THERE'S A BETTER CHOICE.
SAFELY SURRENDER
YOUR BABY.**

BabySafeLA.org

No shame | No blame | No names



FROM SURRENDER TO ADOPTION: ONE BABY'S STORY

Los Angeles County firefighter Ted and his wife Becki were already parents to two boys. But when they got the call asking if they would be willing to care for a premature baby girl who'd been safely surrendered at a local hospital, they didn't hesitate.

Baby Jenna was tiny, but Ted and Becki felt lucky to be able to take her home. "We had always wanted to adopt," Ted says, "but taking

home a vulnerable safely surrendered baby was even better. She had no one, but now she had us. And, more importantly, we had her."

Baby Jenna has filled the longing Ted and Becki had for a daughter—and a sister for their boys. Because her birth parent safely surrendered her when she was born, Jenna is a thriving young girl growing up in a stable and loving family.

ANSWERS TO YOUR QUESTIONS

Who is legally allowed to surrender the baby?

Anyone with lawful custody can drop off a newborn within the first 72 hours of birth.

Do you need to call ahead before surrendering a baby?

No. A newborn can be surrendered anytime, 24 hours a day, 7 days a week, as long as the parent or guardian surrenders the child to an employee of the hospital or fire station.

What information needs to be provided?

The surrendering adult will be asked to fill out a medical history form, which is useful in caring for the child. The form can be returned later and includes a stamped return envelope. No names are required.

What happens to the baby?

After a complete medical exam, the baby will be released and placed in a safe and loving home, and the adoption process will begin.

What happens to the parent or surrendering adult?

Nothing. They may leave at any time after surrendering the baby.

How can a parent get a baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days by calling the Los Angeles County Department of Children and Family Services at (800) 540-4000.

If you're unsure of what to do:

Call or text our toll-free number 24 hours a day, 7 days a week, and we'll happily take your questions and concerns and help you through the process.

1.877.222.9723 or BabySafeLA.org

INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

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

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

1. DEFINITIONS

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

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

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

associates, students, volunteers, and staff from third party entities who provide service to the County.

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

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

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

The Contractor's Information Security Program must:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
 - Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
 - Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
 - Protect against accidental loss or destruction of, or damage to, County Information; and
 - Safeguard County Information in compliance with any applicable laws and regulations which apply to the Contractor.
- b. **Privacy Program.** The Contractor must establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including County Information. The Contractor's Privacy Program must include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training will be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures must be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and

Risks. The Contractor's Privacy Program must perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

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

The Contractor's Privacy Program must include:

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

3. PROPERTY RIGHTS TO COUNTY INFORMATION

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

4. CONTRACTOR'S USE OF COUNTY INFORMATION

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor must collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including,

but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING COUNTY INFORMATION AND DATA

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

6. CONFIDENTIALITY

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

- e. **Retention of County Information.** The Contractor must not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

The Contractor must perform background and security investigation procedures in the manner prescribed in the Contract, Paragraph 7.5 (Background and Security Investigations).

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

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

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

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

8. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit will also apply to all Subcontractors and third parties. The Contractor or third party will be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Exhibit, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and

such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor will be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor must obtain advanced approval from the County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting services subject to this Exhibit.

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

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

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

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

10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

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

- a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor must (i) promptly return or destroy, at the County's option, all originals and copies of all documents and materials it has received containing County Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives,

drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be returned to the County, the Contractor must provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. For documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be destroyed, the Contractor must provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor must return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.

- b. **Method of Destruction.** The Contractor must 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 Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the County's request. On termination or expiration of this Contract, the County will return or destroy all Contractor's Information marked as confidential (excluding items licensed to the County hereunder, or that provided to the County by the Contractor hereunder), at the County's option.

11. PHYSICAL AND ENVIRONMENTAL SECURITY

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

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

12. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor must: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up

systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

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

13.ACCESS CONTROL

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

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

- a. Network access to both internal and external networked services must be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;
- b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;
- c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to County Information is removed in a timely manner;
- d. Applications will include access control to limit user access to County Information and application system functions;

- e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor must record, review and act upon all events in accordance with Incident response policies set forth in Section 14 SECURITY AND PRIVACY INCIDENTS; and
- f. In the event any hardware, storage media, or removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor must ensure all County Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

14. SECURITY AND PRIVACY INCIDENTS

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

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within twenty-four (24) hours of detection of the Incident. All notifications must 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:

Ralph Johnson
Chief Information Security Officer
320 W Temple, 7th Floor
Los Angeles, CA 90012
(213) 253-5600

Chief Privacy Officer:

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

Departmental Information Security Officer:

Jeremy Keller
Departmental Information Security Officer
510 S. Vermont Avenue
Los Angeles, CA 90020
(213) 447-3999
jkeller@hr.lacounty.gov

- b. Include the following Information in all notices:
 - i. The date and time of discovery of the Incident,

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

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

15. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of County Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Section 6 CONFIDENTIALITY will constitute a material breach of

this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

16. AUDIT AND INSPECTION

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

The Contractor must have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. The Contractor must provide 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 Information, the Contractor must 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 Section must be provided at no additional charge to the County.

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

Such audit will 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 are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor must 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 will extend to any regulators with

oversight of the County. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

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

17. CYBER LIABILITY INSURANCE

See the contract at Sub-paragraph 8.25.4 (Unique Insurance Coverage), Cyber Liability Insurance.

18. PRIVACY AND SECURITY INDEMNIFICATION

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

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

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

PRICING SCHEDULE

Instructions: for each examination listed below, the vendor is to provide a fixed price in the "Clinic Cost" columns. All prices must include all administrative costs and the costs for providing any and all on-going services set forth in this agreement.

By submission of this price list, the vendor certifies that the prices quoted herein have been arrived at independently without consultation, communication, or agreement with any other vendor or competitor for the purpose of restricting competition.

DRUG AND ALCOHOL TESTING SERVICE/COMPONENT DESCRIPTION		CLINIC COST			
		INITIAL TERM YEARS 1-5	OPTION YEAR 1	OPTION YEAR 2	OPTION YEAR 3
1.	DOT TESTING - Urine collection and breath alcohol analysis per DOT regulations: Pricing includes all required and as-needed items: Required: Specimen Validity and Screening-Immunoassay. As needed: Confirmatory GC/MS and/or 6- Acetylmorphine confirmation testing, Limits of Detection, THC-V, Adulterant Screen, and any required MRO services for non-Negative results. Any same-day repeat collections. Additional physician review for shy bladder, shy lung, and/or opiates. Pricing includes all reporting requirements for the FMCSA Clearinghouse. Price per test.	\$62.50+ * see note	\$69.00+	\$69.00+	\$69.00+
2.	Non-DOT TESTING - Urine collection and breath alcohol analysis: Pricing includes all required and as-needed items: Required Specimen Validity and Screening-Immunoassay. As needed, Confirmatory GC/MS and/or 6- Acetylmorphine confirmation testing, Limits of Detection, THC-V, Adulterant Screen, and any required MRO services for non-Negative results. Any same-day repeat collections. Price per test.	\$67.50+ * see note	\$75.00+	\$75.00+	\$75.00+
3.	Split specimen GC/MS Test (Second Laboratory): For DOT and Non-DOT Testing. Initiated by either MRO if primary test is adulterated, substituted or MRO requests Limit of Detection. Split Specimen test can also be Initiated by donor. Includes handling charges. Price per Split Specimen test.	\$150.00	\$150.00	\$150.00	\$150.00

PRICING SCHEDULE

DRUG AND ALCOHOL TESTING SERVICE/COMPONENT DESCRIPTION		CLINIC COST			
		INITIAL TERM YEARS 1-5	OPTION YEAR 1	OPTION YEAR 2	OPTION YEAR 3
4.	Breath Alcohol Test (BAT): Price per test. Including confirmatory testing, as needed.	\$7.00+	\$7.75+	\$7.75+	\$7.75+
5.	Substance Abuse Professional (SAP) Services: SAP Services for each non-negative DOT test result. Priced per employee for the duration of the services required for the employee.	\$300.00+	\$330.00+	\$330.00+	\$330.00+
6.	Expert Witness including MRO, SAP or Certifying Scientist: As needed. Price per hour.	\$500.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++	\$550.00/hr min. 1 hour++
7.	Mobile services for Non-DOT TESTING: Urine collection and breath alcohol analysis. Pricing includes any same-day repeat collections, GC/MS and/or 6- Acetylmorphine confirmation testing, and any required MRO services. Price per test.	\$67.50+++	\$75.00+++	\$75.00+++	\$75.00+++
8.	Federal Motor Carrier Safety Administration (FMCSA) Drug and Alcohol Clearinghouse: Conducting Limited and Full Queries of the Clearinghouse. Price includes all associated verification of authorizations for Pre-Employment Queries, Limited Annual and Full Queries, as needed. Price per Query.	\$33.00/ query administration	\$33.00/ query administration	\$33.00/ query administration	\$33.00/ query administration

* Prices based on current manual processes and can decrease up to 9% with implementation of automation. ASAP is committed to work with LA County to implement if desired.

* Prices based on current panels and additional request for testing may incur laboratory fee at no markup. A change in Non-DOT panel components may result in an increase cost.

+ For Service #1, #2, #4, and #5 price listed is Contractor's flat rate. Additional fees for third-party Urine Collections, Breath Alcohol Collections, and SAP Services will be passed through to LA County without mark-up or premium.

++ MRO-A rate when needed for special projects and witness-testimony: \$100/hr with minimum 1 hour to apply for initial term years 1-5; \$125/hr with minimum 1 hour to apply for option years

+++ Mobile Service Fees include price per test and the following:

1. Minimum Service Fee of \$350.00 for up to 4 hours of collector time (maximum 8 collections can be conducted by a collector in 4 hours), per site, M-F 7 AM - 6 PM. Time starts when collector is dispatched.

2. Additional time will be billed in increments of 4 hours and 8 collections at a rate of \$350, per site, M-F 7 AM - 6 PM. Time starts when collector is dispatched.

3. After hours Mobile Services Fee of \$350.00 for up to 4 hours of collector time (maximum 8 collections can be conducted by a collector in 4 hours), per site, outside of regular business hours, weekends, and holidays. Time starts when collector is dispatched.

4. Mobile Service requests require a two-hour lead time. Requests with lead time less than two hours will be charged a premium fee of an additional \$250.00.

5. The Minimum Service Fee of \$350.00 will be charged in the case of No Shows or Cancellations within 15 minutes of the request.

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	11/29/2023		
BOARD MEETING DATE	12/19/2023		
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)	The Department of Children and Family Services (DCFS)		
SUBJECT	Request for Resolution for Delegated Authority to DCFS to Enter Into New License Agreements and Renew Existing Licenses		
PROGRAM	Not Applicable		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS	Not Applicable.		
COST & FUNDING	Total cost: N/A	Funding source: N/A	
	TERMS (if applicable): N/A		
PURPOSE OF REQUEST	DCFS requests your Board to adopt a resolution and delegate authority to the Director of DCFS to sign and execute agreements, which will combine operational agreements with licenses to use real state under one combined document.		
BACKGROUND (include internal/external issues that may exist including any related motions)	DCFS enters into a number of operational agreements with school districts, police, courts, hospitals/clinics and other organizations in the community to allow children's Social Workers and other DCF staff to provide services onsite for the benefit of children and families.		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how: Not applicable		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Child Protection. The recommendations will allow DCFS to combine the processing of its operating agreements with the associated gratis language in order to expedite the process of commencing on-site support services for the benefit of children and families.		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Vanessa Caputo (626) 691-1683 caputov@dcfs.lacounty.gov		



**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

510 S. Vermont Avenue, Los Angeles, California 90020
(213) 351-5602

BRANDON T. NICHOLS
Director

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

December 19, 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:

**REQUEST FOR RESOLUTION FOR DELEGATED AUTHORITY TO THE
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
TO ENTER INTO NEW OPERATIONAL AGREEMENTS AND RENEW
OPERATIONAL AGREEMENTS WITH LICENSES AT VARIOUS LOCATIONS
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This letter requests that the Board adopt a resolution and delegate authority to the Director of the Department of Children and Family Services (DCFS), or designee, to sign and execute agreements, which will combine operational agreements with licenses to use corresponding real estate under one combined document pursuant to Government Code section 25350.51, collectively referred to herein as "Operational Agreement(s) (OA/OAs)".

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed OAs 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. Delegate authority to the Director of DCFS, or designee, to execute OAs, and any necessary amendments, when the proposed OAs require DCFS staff to perform work at a specified location provided on a gratis basis by DCFS partner agencies, such as law enforcement, school districts, courts and healthcare facilities; or when the proposed OAs require certain non-County staff to perform work on DCFS-controlled space for the benefit of DCFS families. These OAs will have no County cost but may limit the liability of the partner agency. DCFS will obtain prior approval as to form from County Counsel before executing these OAs.

3. Adopt and instruct the Chair to sign the attached Authorizing Resolution (Resolution) delegating authority to the Director of the DCFS, or designee, to sign and execute proposed OAs.
4. Authorize and direct the Director of DCFS, or designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed OAs and to take actions necessary and appropriate to implement the terms of the proposed OAs including, without limitation, exercising early termination rights and/or any options to extend.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DCFS enters into a number of operational agreements with school districts, police stations, courts, hospitals/clinics and other organizations in the community to allow children's social workers and other DCFS staff to provide services onsite for the benefit of children and families. In addition, DCFS enters into OAs with certain non-profit entities for services, which require the non-profit entities to provide services on DCFS controlled real property. In both situations, the services cannot be performed without the use of specific real estate. Therefore, the real estate is provided on a gratis basis to accommodate the services. Typically, these agreements are limited to small work areas such as classrooms, small offices, cubicles, conference rooms and meeting rooms.

Historically, DCFS and the Chief Executive Office (CEO) Real Estate Division (RED) have collaborated to process and execute two separate but related agreements for each transaction – DCFS executes an OA describing the services to be performed and CEO RED executes a gratis permit/license allowing use of the real property. This process has required staff from DCFS, CEO RED and their respective County Counsels to coordinate the commencement and termination dates so the two different agreements are compatible.

In order to improve the efficiencies of County resources, CEO RED and DCFS seek to combine the OAs and gratis license agreements. Combining the agreements will allow DCFS to manage and implement their operation/service contracts and use of the associated real estate in those situations where the services cannot be performed without using the real estate. This will enable DCFS to efficiently implement services when a license to use real estate is needed.

The attached Resolution delegates authority to the Director of DCFS, or designee, to enter into OAs on a gratis basis, for a term not to exceed five-years.

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 recommended actions are also consistent with the Strategic Asset Management Goal to strengthen connections between service priorities and asset decisions and Key Objective No. 3 Optimize Real Estate Portfolio.

This recommendation supports the above goals and objective by allowing DCFS to combine the processing of its operating agreements with the associated gratis license language in order to become more efficient and expedite the process of commencing on-site support services for the benefit of children and families in partnership with the subject sites.

FISCAL IMPACT/FINANCING

The recommended actions have no financial impact to the County as they relate to the approval of gratis OAs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Government Code section 25350.51, the Board may, by ordinance or resolution, delegate to the purchasing agent or other appropriate county official, subject to any rules and regulations as it may impose, the delegated authority to lease real property for use by the County or to obtain the use of real property for the County by license for a term not to exceed five years and for a rental not to exceed \$10,000 per month and to amend real property leases or licenses for improvement or alterations, or both, with a total cost not to exceed \$10,000 provided that the amendment does not extend the term of the lease or license and that no more than two amendments, not to exceed \$10,000 each, are made within a 12-month period. Notice of intention to consummate such a lease shall be as required by Government Code Section 25350.51.

ENVIRONMENTAL DOCUMENTATION

This project is exempt from the 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 OAs, which involve the licensing 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)

DCFS and CEO RED believe that the proposed recommendations are in the best interest of the County by providing a mechanism to obtain necessary space in connection with OAs for the various DCFS requirements in a more efficient manner. DCFS will consummate these OAs only if, upon review, they are found individually, to meet the conditions specified above.

CONCLUSION

It is requested that the Executive Office of the Board return one certified copy of the Minute Order and an adopted stamped copy of this Board letter to Department of Children and Family Services at 510 S. Vermont Avenue, 14th Floor, Los Angeles, CA 90020.

Respectfully submitted,



BRANDON T. NICHOLS
Department of Children and Family Services Director

BTN:CMM
LTI:CP

Enclosures

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

<i>Current Active Locations</i>
SCHOOL DISTRICTS
El Rancho Unified – 9515 Haney St/9333 Loch Lomond Drive, Pico Rivera
Montebello Unified - 123 S. Montebello Dr, Montebello
Hacienda-La Puente Unified - 16303 E. Temple Ave (Workman High School) and 15616 E. Nelson Ave (aka 15959 Gale Ave) (La Puente High)
El Monte Union High School District - 1001 Durfee Ave, South El Monte
Westside Union School District - 6151 W Ave J8, Lancaster (Sundown Elementary) & 5632 W Ave L 8, Quartz Hill (Joe Walker Middle School)
Eastside Union School District - 3126 E Ave I, Lancaster (Cole Middle School)
Lancaster School District - 44333 27th St W, Lancaster (Amargosa Creek Middle School) & 753 E Ave K 2, Lancaster (New Vista Middle School)
Antelope Valley Union High School District (various)
East Whittier City School District - 14029 Mulberry Drive (Mulberry Elementary)
Los Angeles County Office of Education – 12830 Columbia Way, Downey
OTHERS
Stuart House - 1317 Fifteenth Street (fka 1336 Sixteenth Street), Santa Monica
Pomona Police Station - 490 West Mission Blvd., Pomona, CA 91766

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DELEGATING AUTHORITY TO ENTER INTO OPERATIONAL AGREEMENTS WITH A LICENSE FOR REAL PROPERTY FOR USE BY THE COUNTY TO THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES DIRECTOR OR DESIGNEE

A. WHEREAS, Government Code section 25350.51 authorizes a board of supervisors, by resolution, to delegate to the purchasing agent or other appropriate county official, subject to any rules and regulations as it may impose, the following:

(1) To lease real property for use by the county or to obtain the use of real property for the county by license for a term not to exceed five years and for a rental not to exceed \$10,000 per month; and

(2) To amend real property leases or licenses for improvements or alterations, or both, with a total cost not to exceed \$10,000, provided that the amendment does not extend the term of the lease or license and that no more than two amendments, not to exceed \$10,000 each, are made within a 12-month period.

B. WHEREAS, to exercise this authority, notice of intention to consummate the lease or license shall be posted in a public place for five working days prior to consummation of the lease or license, and the notice shall describe the property proposed to be leased or licensed, the terms of the lease or license, and any county officer authorized to execute the lease or license; and

C. WHEREAS, the Board of Supervisors of the County of Los Angeles (County) finds that delegating this authority to the Department of Children and Family Services (DCFS) Director, or his or her designee, in connection with entering into an operational agreement, which requires use of specified real estate area, will allow the County to increase efficiency of service by allowing the DCFS Director, or designee, to handle operational agreements with a gratis license, thereby reducing delays, reducing administrative costs, saving time on the agenda of the Board of Supervisors and affording more time for handling other public and County business;

NOW, THEREFORE, the Board of Supervisors of the County of Los Angeles hereby resolves as follows:

1. The DCFS Director, or his or her designee, is hereby authorized, pursuant to Government Code section 25350.51, to:

(a) In connection with an operational agreement, to obtain the use of real property for the DCFS by license for a term not to exceed the maximum term set forth in Government Code section 25350.51 (presently five years) and on a gratis basis, when the proposed licensing of real property is required in order for DCFS staff to perform work at a specified location and is provided on a gratis basis by DCFS partner agency, such as law enforcement, school districts, courts and healthcare facilities; or when the proposed license is required for certain non-County staff to perform work on DCFS-controlled space for the benefit of DCFS families; and

2. Notice of intention to consummate the operational agreement with license shall be posted in a public place for five working days prior to consummation of the operational agreement with license. The notice shall describe the property proposed to be licensed, the terms of the license, and any county officer authorized to execute the license.

3. Execution of any operational agreement with the license agreement or amendment thereto is subject to approval by the DCFS Director. Any operational agreement with the license agreement or amendment thereto to be entered into pursuant to this delegated authority is subject to prior review and approval by County Counsel as to legal form and compliance with this resolution and any other applicable rules and regulations.

The DCFS Director or his or her designee's authority as prescribed herein shall be up to the maximum term established by Government Code section 25350.51, as amended from time to time, on a gratis basis.

PASSED AND ADOPTED at a regular meeting of the Los Angeles County Board of Supervisors this _____ day of _____, 2023, by the following vote:

AYES: _____ NAYES: _____ ABSTENTIONS: _____ ABSENT: _____

The undersigned, Celia Zavala, Executive Officer of the Board of Supervisors of Los Angeles County, does hereby attest and certify that the foregoing is a true and full copy of a resolution of the governing body adopted at a duly convened meeting on the date above-mentioned, and that the resolution has not been altered, amended, or repealed.

ATTEST:

CELIA ZAVALA,
Executive Officer-Clerk
of the Board of Commissioners

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
David Beaudet, Senior Deputy County Counsel

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	11/29/2023							
BOARD MEETING DATE	12/19/2023							
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input checked="" 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)	Child Support Services (CSSD)							
SUBJECT	8-year lease renewal of 50,756 square feet of office space and 196 on-site parking spaces at 3179 West Temple Avenue, Pomona, CA 91768							
PROGRAM	Child Support Services							
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 current lease is set to expire January 21, 2024.							
COST & FUNDING	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Total cost: \$12,341,000</td> <td style="width: 50%;">Funding source: State and Federal and net County cost (NCC)</td> </tr> <tr> <td colspan="2">TERMS (if applicable): The proposed lease will have an annual cost of \$1,284,200 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.</td> </tr> <tr> <td colspan="2">Explanation: The rental costs will be funded 66 percent by State and Federal funds and 34 percent by net County cost (NCC) that is already included in CSSD's existing budget. CSSD will not be requesting additional NCC for this action.</td> </tr> </table>		Total cost: \$12,341,000	Funding source: State and Federal and net County cost (NCC)	TERMS (if applicable): The proposed lease will have an annual cost of \$1,284,200 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.		Explanation: The rental costs will be funded 66 percent by State and Federal funds and 34 percent by net County cost (NCC) that is already included in CSSD's existing budget. CSSD will not be requesting additional NCC for this action.	
Total cost: \$12,341,000	Funding source: State and Federal and net County cost (NCC)							
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Explanation: The rental costs will be funded 66 percent by State and Federal funds and 34 percent by net County cost (NCC) that is already included in CSSD's existing budget. CSSD will not be requesting additional NCC for this action.								
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide continued use of office space for CSSD.							
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has leased the subject location since January 2014. The facility adequately meets the office space and parking needs of CSSD.							
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"

December 19, 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:

**EIGHT-YEAR LEASE
CHILD SUPPORT SERVICES DEPARTMENT
3179 WEST TEMPLE AVENUE, POMONA
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed eight-year lease to renew an existing lease to provide the Child Support Services Department (CSSD) continued use of 50,756 square feet of office space and 196 on-site parking spaces for administrative and direct child support services.

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 Lincolnolia, LLC (Landlord), for approximately 50,756 square feet of office space and 196 on-site parking spaces located at 3179 West Temple Avenue, Pomona (Premises) to be occupied by CSSD. The estimated maximum first year base rental cost is \$1,400,900, but with a one-month rent abatement of \$116,700, will equal \$1,284,200. The estimated total proposed lease cost is \$12,341,000 over the eight-year term. The rental costs will be funded 66 percent by State and Federal funds and 34 percent by net County cost (NCC) that is already included in CSSD's existing budget. CSSD will not be requesting additional NCC for this action.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

CSSD has occupied the Premises since January 22, 2014. The Premises serves as a public contact office providing direct child support services in the enforcement of the financial responsibility of parents to support their children, which helps to improve the well-being of children and families. The Financial and Data Services Division, as well as staff from the Customer Contact Center, are located at the Premises.

The Premises currently house a total of 217 employees. Employees serve approximately 60 clients a day. Approximately 15 percent of the employees work full-time on-site in this direct public contact office. Approximately 85 percent of the employees telework on a part-time basis and are in the office most of each week and thus unable to share desk space. There are 18 employees working in the Customer Contact Center and since their schedules are staggered, they share desks, and they can telework. Co-working space is not a suitable option for this requirement.

The current lease expires January 21, 2024. This proposed lease will commence on January 22, 2024, allowing CSSD to continue occupancy for an additional eight years. The proposed lease will enable CSSD to remain at the Premises and avoid relocation costs, interruption of services, and higher rental rates. The location is centrally located, near the I-57 freeway, and has access to public transportation.

Implementation of Strategic Plan Goals

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

The proposed lease is also consistent with Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions; and Key Objective 4 – Guide Strategic Decision-Making.

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

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$1,400,900, which includes parking at no additional cost, but with a one-month rent abatement of \$116,700, will equal \$1,284,200. The aggregate cost associated with the proposed lease renewal over the entire term, including utilities, janitorial, parking and taxes, is \$12,341,000 as shown on Enclosure B-1. The proposed lease costs will be fully funded 66 percent by State and Federal Funds and 34 percent by NCC that is already included in CSSD's existing budget. CSSD will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year (FY) 2023-24 Rent Expense budget and will be billed back to CSSD. CSSD 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 addressed through the annual budget process for CSSD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will increase from \$26.36 per square foot, per year to \$27.60 per square foot, per year. Base rent is subject to fixed annual increases of 3 percent.
- The Landlord shall provide certain minor tenant improvements (TIs), at the Landlord's sole cost and expense, on a turn-key basis within 120 days of the commencement date. TIs will include a refreshing of the Premises with paint, carpet installation in certain areas, and a deep floor cleaning.
- The Landlord will install solar panels to reduce the building's energy consumption with an associated cost of approximately \$550,000 within 24 months of the commencement date and shall coordinate the installation with the County's project manager.
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- The proposed lease includes 196 on-site parking spaces in the base rent at no additional cost.
- A comparison of the existing lease and the proposed lease is shown in Enclosure B-2.

- An eight-year initial term with no renewal options to extend the lease.
- The County has the right to terminate the proposed lease early any time after five years, with 180 days' prior written notice to the Landlord.
- 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 be at 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 new term and rent will commence on January 22, 2024.

The Chief Executive Office conducted a market search for available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$31.20 and \$36 per square foot, per year. The base annual rental rate of \$27.60 per square foot, per year for the proposed lease renewal represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. The Pomona area does not have many spaces available, creating a tight market with very few larger blocks of available office space. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The Department of Public Works has inspected this facility and found it suitable for the County's occupancy. The required notification letter to the City of Pomona has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed lease and approved it as to form. The proposed lease 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 continue to provide a suitable location for CSSD, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

ENVIRONMENTAL DOCUMENTATION

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed lease, which involves the leasing of existing office space with minor 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 for this County requirement. CSSD concurs with the proposed lease and recommendations.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

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

Enclosures

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

**CHILD SUPPORT SERVICES DEPARTMENT
3179 W TEMPLE AVE., POMONA**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	Yes	No	N/A
A	Does lease consolidate administrative functions? ²			x
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions? ²			x
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 234 sq. ft. for the current staff of 217 which includes a public lobby and conference rooms.		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² 196 parking spots is a ratio of 3.86/1,000		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 attached as Enclosure C?	x		
G	Was build-to-suit or capital project considered? ²		X	
3.	<u>Portfolio Management</u>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?			x
D	Why was this program not co-located with other County departments?			x
	1. ____ The program clientele requires a "stand alone" facility.			
	2. <u>X</u> No suitable County occupied properties in project area.			
	3. <u>X</u> No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full-service lease? ²	X		
F	Has growth projection been considered in space request?	X		
G	¹ Has the 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-1

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS									
3179 West Temple Avenue, Pomona, CA Child Support Services Department									
Basic Lease Assumptions									
Leased Area (sq.ft.)	50,756								
	Monthly	Annual							
Rent (per sq. ft.) ⁽¹⁾	\$2.30	\$27.60							
Rent Amount (\$)	\$116,738.80								
Term (Month/Years)	96 months								
Annual Rent Adjustment	3%								
	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year	8 th Year	Total 8 Year Rental Costs
Annual Base Rent Costs ⁽¹⁾	\$ 1,400,866	\$ 1,442,892	\$ 1,486,178	\$ 1,530,764	\$ 1,576,687	\$ 1,623,987	\$ 1,672,707	\$ 1,722,888	\$ 12,457,000
Rent Abatement ⁽²⁾	\$ (116,739)								\$ (117,000)
Total Base Rent Paid to Landlord	\$ 1,284,127	\$ 1,442,892	\$ 1,486,178	\$ 1,530,764	\$ 1,576,687	\$ 1,623,987	\$ 1,672,707	\$ 1,722,888	\$ 12,341,000
Total Annual Lease Costs	\$ 1,284,127	\$ 1,442,892	\$ 1,486,178	\$ 1,530,764	\$ 1,576,687	\$ 1,623,987	\$ 1,672,707	\$ 1,722,888	\$ 12,341,000
Footnotes									
⁽¹⁾ The Base Rent is subject to fixed three percent (3%) increases per annum and includes 196 on-site parking spaces.									
⁽²⁾ The Landlord authorized a rent abatement for month one (1) of the Lease Term.									
*Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.									

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 3179 West Temple Avenue, Pomona	Proposed Lease: 3179 West Temple Avenue, Pomona	Change
Area (Square Feet)	50,756	50,756	None
Term (years)	10 years	8 years	-2 years
Annual Base Rent (Base rent includes <u>196</u> parking spaces)	\$1,337,700	\$1,400,900	+\$63,200 annually
Rent Abatement for the first month	None	\$116,800	\$116,800 for the first year
Total Annual Lease Costs payable to Landlord	\$1,337,700	\$1,284,200 for the first year	-\$53,500 for the first year
Rental rate adjustment	Annual CPI adjustments capped at 4 percent with 2.5% minimum.	Fixed annual increases of 3 percent.	Fixed annual increases of 3 percent.

**CHILD SUPPORT SERVICES DEPARTMENT
3179 WEST TEMPLE AVENUE, POMONA
SPACE SEARCH- WITHIN 5-MILE RADIUS**

LACO	Name	Address	Ownership Type	Gross Sq Ft	Vacant
A300	District Attorney – Pomona Intervalley Office Building	300 South Park Avenue Pomona 91766	Leased	16,7570	None
D602	DPSS Pomona WS District Office	2040 West Holt Avenue Pomona 91768	Owned	54,265	None
A052	DPSS - Pomona In-Home Supportive Service (IHSS)	360 East Mission Boulevard Pomona 91766	Leased	17,616	None
A036	Probation – Pomona Valley Area Office	1660 West Mission Boulevard Pomona 91766	Leased	21,680	None
A670	DCFS – Corporate Center	801 Corporate Center Drive Pomona 91768	Leased	49,414	None
4135	Brackett Field – Administration Building	1615 West McKinley Avenue La Verne 91750	Owned	9,393	None
X561	Parks Headquarters Building	120 Via Verde San Dimas 91773	Owned	2,646	None
0556	Sheriff Aero/Parks Bureau	1911 McKinley Avenue La Verne 91750	Leased	2,400	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Proposed Lease for CSSD at 3179 West Temple Avenue, Pomona – First District.

A. Establish Service Function Category – Child Support Services

B. Determination of the Service Area – The existing office space has been occupied since 2014. The proposed lease renewal will provide CSSD with continued use of 50,756 square feet of office space and 196 on-site parking spaces.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: This location meets the needs of CSSD and remains in an appropriate area.
- Need for proximity to existing County facilities: N/A
- 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., bus transportation.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available to meet all of CSSD's needs.
- Compatibility with local land use plans: The City of Pomona has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is \$12,341,000.

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 lease in the area is between \$31.20 and \$36 per square foot, per year. The base annual rental rate of \$27.60 per square foot, per year for the proposed lease renewal represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. The Pomona market does not have many spaces available, creating a tight market with very few larger blocks of available office space. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease will provide adequate and efficient office space for 217 employees 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
LINCOLNOLIA, LLC – Landlord**

**3179 WEST TEMPLE AVENUE
POMONA, 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

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2023 between LINCOLNOLIA, 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:	<u>Lincolnolia, LLC</u> <u>c/o Law Offices of David K. W. Chang</u> <u>1440 North Harbor Boulevard, Suite 900</u> <u>Fullerton, California 92835</u> Email: lincolnolia@gmail.com .
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 50,756 rentable square feet, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 3179 West Temple Avenue, Pomona, California, which is currently assessed by the County Assessor as APN 8719-002-021 (collectively, the "Property");
(e) Term:	Eight years, commencing on January 22, 2024 (the "Commencement Date"), and terminating at midnight on the day before the eighth annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein.
(f) Estimated Commencement Date:	January 22, 2024
(g) Irrevocable Offer Expiration Date: (see Section 33)	N/A
(h) Base Rent:	<p>\$116,738.80 per month* (i.e., \$2.30 per rentable square foot per month)</p> <p>\$ 1,400,865.60 per year (i.e., \$27.60 per rentable square foot per year)</p> <p>*Base rent shall be abated for the first month following the Commencement Date.</p> <p>Base rent is subject to 3% annual increases on each anniversary of the Commencement Date as forth in Section 5.2.</p>
(i) Early Termination (see Section 4.4)	Any time after five years upon one hundred eighty (180) days' prior written notice to Landlord
(j) Rentable Square Feet in the Premises:	50,756 rentable square feet
(k) Initial Departmental Use:	General office use for the Child Support Services Department, subject to Section 6.
(l) Parking Spaces:	<u>196</u> exclusive unreserved spaces
(m) Tenant's Hours of Operation:	7:00 a.m. to 7:00 p.m. Monday through Friday, and 9:00 a.m. to 2:00 p.m. on Saturday, except on holidays recognized by the County of Los Angeles
(n) Asbestos Report:	N/A

(o) Seismic Report	A report dated May 15, 2013 prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated October 2, 2023 prepared by Jing Zhao

2. **PREMISES**

2.1 Lease of Premises

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

2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement.

3. **COMMON AREAS**

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

4. **COMMENCEMENT AND EXPIRATION DATES**

4.1 Term

The term of this Lease shall be for a period of Eight years, commencing January 22, 2024, following approval of this Lease by the Board of Supervisors and full execution of the Lease by both parties, and ending 96 months thereafter.

4.2 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 one hundred eighty (180) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.3 Lease Expiration Notice

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

5. RENT

5.1 Base Rent

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

5.2 Base Rent Adjustment

From and after the first Anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be increased by three percent (3%) of the Base Rent payable in the immediately preceding month.

6. USES

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

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW

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

9. DAMAGE OR DESTRUCTION

9.1 Damage

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

9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. 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, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
 - 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 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.

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

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
 - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement;
 - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - viii. Light fixtures, bulbs, tubes and ballasts.
- (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 action within a reasonable period of time given the circumstances after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within 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.

- (b) [Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Chief Executive Office, may request that Landlord perform, supply and administer repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to

Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

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

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Elevators

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

(d) Water

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

(e) Janitorial

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

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour

per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. 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 provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

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

12. TAXES

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

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

13. LANDLORD ACCESS

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

14. TENANT DEFAULT

14.1 Default

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

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure, within said thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

14.2 Termination

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within 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 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 not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 Sale

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition,

Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

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

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

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

18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall

remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

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

18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

19. INDEMNIFICATION

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with the Tenant's repair, maintenance and other acts and omissions arising from and/or relating to the Tenant's use of the Premises.

20. INSURANCE

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

20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

20.2 General Insurance Provisions – Landlord Requirements

Without limiting the Landlord's indemnification of Tenant and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Landlord shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance

coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord pursuant to this Lease. The Tenant in no way warrants that the Required Insurance is sufficient to protect the Landlord for liabilities which may arise from or relate to this Lease.

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than 10 days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

Landlord also shall promptly notify Tenant of any third party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage available to Tenant. Any Landlord maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

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

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(l) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

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

- i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

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

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements

During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$250,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces 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. Landlord, at its sole expense,

shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

21.2 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the parking spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation), then Tenant may:

- (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter, or
- (b) deduct from the Base Rent thereafter accruing hereunder an amount each month equal to the Base Rent times the percentage of parking spaces not so provided times the number 1.5, but such deduction from Base Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%) of the Base Rent.

22. ENVIRONMENTAL MATTERS

22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently

existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2 Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of, or in connection with, the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than those caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

24.1 Landlord Obligations and Construction Schedule

Landlord, at Landlord's sole cost and expense, shall perform the work to the Premises listed in Exhibit I to this Lease ("Tenant Improvements and Deferred Maintenance") to Tenant's satisfaction. Landlord shall complete the Tenant Improvements and Deferred Maintenance in accordance with the construction schedule listed in Exhibit I ("Construction Schedule").

24.2 Code Compliance

The Premises shall meet all applicable City, County, State and Federal building codes, regulations and ordinances required for beneficial occupancy. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details**

pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the tenant improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site. Any work, including construction, that Landlord must undertake to obtain the necessary jurisdictional approvals for occupancy shall be at Landlord's sole cost and expense. Any work undertaken to meet applicable code requirements necessitated by Tenant's special requirements shall be at Landlord's sole cost and expense.

24.3 Completion

All work related to the Tenant Improvements shall be performed during non-business hours of Tenant. To the extent that such work cannot be completed during non-business hours, Landlord shall use its best efforts to perform the work in a manner so as to minimize any disruption of Tenant's use of the Premises.

24.4 Delay.

Completion may be delayed by:

- a. Acts or omissions of Tenant or its employees or agents (including any change orders requested by Tenant), or
- b. Any act of God which Landlord could not have reasonably foreseen and provided for, or
- c. Any strikes, boycotts or like obstructive acts by employees or labor organizations which Landlord cannot overcome with reasonable effort and which Landlord could not have reasonably foreseen and provided for, or
- d. Any war or declaration of a state of national emergency, or
- e. The imposition by government action or authority of restrictions upon the procurement of labor or materials necessary for the completion of the tenant improvements.

24.5 Change Requests

All Tenant-initiated and approved change requests shall not exceed a total cost of Five Thousand Dollars (\$5,000), and Landlord shall not be required to accept any particular change request if the total cost of prior Tenant-initiated change requests exceeds Five Thousand Dollars (\$5,000). The Chief Executive Officer or his/her designee is hereby authorized to approve change requests on behalf of Tenant. Tenant shall pay for change request costs in a lump sum. Landlord, or Landlord's contractor, shall submit to the Chief Executive Officer or his/her designee with each change request (a) the specific cost of the requested change; (b) the cumulative net total cost of all change requests previously approved; and (c) an estimate of the number of days by which construction time will be increased or shortened if the change request is approved. Each change request must be signed and dated by the Chief Executive Officer or his/her designee in order to be considered approved. Tenant shall have the right to audit the cost of the changes at any time after the Commencement Date. If Tenant requests a rent reduction due to its audit of these

costs, Tenant shall provide Landlord with a copy of the audit summary as part of its request.

24.6 Construction

Construction of the Tenant Improvements will be subject to the following terms and conditions:

a. Notice of Nonresponsibility. Landlord and its contractors and subcontractors shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

b. 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. 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.

c. 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.

25. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 30 days after the execution of this Lease.

26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. 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.

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 represents and warrants that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease. Tenant represents and warrants that it has not engaged any broker, finder, or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this lease, other than CBRE. Each party 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 shall be solely responsible for the payment of a brokerage commission to CBRE in connection with the easing to the County of Los Angeles pursuant to a separate 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 reply on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

32.2 Solicitation of Consideration

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through

an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease. Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

32.3 Landlord Assignment

- (a) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, as security for the Landlord's obligation to repay any monetary obligation, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages

sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section 32.3.
- (g) The provisions of this Section 32.3 shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns, whether so expressed or not.

32.4 Smoking in County Facilities.

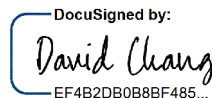
The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking

garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

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

LANDLORD:

LINCOLNOLIA, LLC a California limited liability company

DocuSigned by:

EF4B2DB0B8BF485...

By: _____

Name: David Chang

Its: Managing Member

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

Roberto Saldana

2023.10.05

12:04:19 -07'00'

EXHIBIT A

FLOOR PLAN OF PREMISES – FLOOR 1



EXHIBIT A

FLOOR PLAN OF PREMISES – FLOOR 2



EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated _____, 2023, between County of Los Angeles, a body corporate and politic ("Tenant"), and Lincolnolia, LLC, a California limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 3179 West Temple Avenue, Pomona ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Tenant currently occupies the Premises;
- 2) The Lease commenced on January 22, 2024 ("Commencement Date");
- 3) The Premises contain 50,756 rentable square feet of space; and
- 4) Base rent is \$\$116,738.80 for the first year and is subject to 3% percent adjustments thereafter pursuant to Section 5.2 of the Lease. Base rent shall be abated for the first month following the Commencement Date.

IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____, 2023.

Tenant:

COUNTY OF LOS ANGELES,
a body corporate and politic

Landlord:

Lincolnolia, LLC,
a California limited liability company

By:

Name Joyce Chang
Its Senior Manager
Real Estate Division

By:

Name David Chang
Its Managing Member

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Tenant's Hours of Operation established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Exclusive day porter service from 8:00.a.m. to 5:00 p.m. [if provided by contract]

B. WEEKLY

15. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
16. Window sills, ledges and wood paneling and molding dusted.

C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.
19. Upholstered furniture vacuumed, plastic and leather furniture wiped

- 20. Picture moldings and frames dusted.
- 21. Wall vents and ceiling vents vacuumed.
- 22. Carpet professionally spot cleaned as required to remove stains.
- 23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

- 24. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- 25. Wood furniture polished.
- 26. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- 27. HVAC units serviced for preventative maintenance purposes, all filters changed.

E. SEMI-ANNUALLY

- 28. Windows washed as required inside and outside but not less frequently than twice annually.
- 29. All painted wall and door surfaces washed and stains removed.
- 30. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

- 31. 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.
- 32. 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.
- 33. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

- 34. 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.
- 35. 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.

36. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
37. 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 _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: _____

To Borrower: _____

To Tenant: County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

TENANT: COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

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.) _____			

III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION		
2. Total Number of Ownership/Partners, Etc.: _____	Is your firm currently certified as a minority owned business firm by the:	
3. Provide the percentage of ownership in each	All Employee	Women
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

1. **Tenant Improvements.**

Landlord shall construct the following Tenant Improvements items within one hundred twenty (120) days of the Commencement Date:

- A. Repaint entire interior of Premises (excluding the mechanical rooms housing Tenant's computer servers and related equipment) in a color to be selected by Tenant and agreed upon by Landlord.
- B. Install carpet in two areas on the first and second floor, near both stairwells. Clean these carpeted areas on a regular basis (see Floor Plan items #2 and #3).
- C. Deep clean all flooring.

2. **Solar Panels.** Landlord, at Landlord's sole cost and expense, shall install solar panels to reduce the Building's energy consumption. The cost of said solar panels is approximately \$550,000. Landlord shall complete the solar panel installation within twenty-four (24) months of Commencement Date and shall coordinate the installation with the County's project manager.

3. **Property Maintenance Items.**

Landlord shall complete the following Property Maintenance Items D, E, H, and I within one hundred twenty (120) days of the Commencement Date. All other items shall be addressed immediately and on an ongoing basis.

- A. Repair broken tile by security guard (see Floor Plan item #1).
- B. Repair window sill on 2nd floor (see Floor Plan item #4).
- C. **Parking Lot Security.** Landlord, at Landlord's sole cost and expense, shall provide a security guard to patrol the parking lot on a regular basis in the evening hours.
- D. **Parking Lot Lighting.** Make existing parking lot lighting brighter to provide greater security in the evening hours.
- E. **Back Parking Lot Striping.** Repaint faded parking striping in the back parking lot.
- F. **Window and Floor Cleaning.** Clean windows and floors on a regular schedule.
- G. **Hot Water in Restrooms.** Make certain that hot water is consistently available in the restrooms.

- H. **Security Cameras.** Landlord, at Landlord's sole cost and expense, shall install security cameras to monitor the parking lot and building common areas.
- I. **Landscaping.** Landlord shall thin out the hedges in the parking lot to provide a more safe environment for employees.
- J. **Thermostats.** Designated County staff shall have access to adjust the temperature of the thermostats in the Premises.
- K. **Janitorial Supplies.** Janitorial supplies need to be restocked more regularly. Please provide the current schedule of restocking the janitorial supplies.

FLOOR PLAN – 1ST FLOOR



FLOOR PLAN – 2ND FLOOR



BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	11/29/2023			
BOARD MEETING DATE	12/19/2023			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input checked="" 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)	Mental Health			
SUBJECT	Ten-year lease for 41,040 square feet of office space and 70 on-site parking spaces at 5419 West Sunset Boulevard, Los Angeles, 90027			
PROGRAM	Hollywood 2.0 Mental Health Clinic			
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				
COST & FUNDING	<table border="1" style="width: 100%;"> <tr> <td>Total cost: \$38,331,000</td><td>Funding source: Fully funded by State and Federal Funds</td></tr> </table> <p>TERMS (if applicable): The proposed lease will have an annual cost of \$2,531,900 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 to cover the proposed rent for the first year of the proposed lease amendment 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 addressed through the annual budget process for DMH.</p>		Total cost: \$38,331,000	Funding source: Fully funded by State and Federal Funds
Total cost: \$38,331,000	Funding source: Fully funded by State and Federal Funds			
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide use of office space for DMH.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The proposed ten-year lease is for occupancy at the subject property for approximately 41,040 square feet of office space and 70 on-site parking spaces which will enable the Department to use the space for the Hollywood 2.0 Mental Health Clinic.			
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"

December 19, 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
DEPARTMENT OF MENTAL HEALTH
5419 WEST SUNSET BOULEVARD, LOS ANGELES
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed new ten-year lease for 41,040 square feet of office space, and 70 on-site parking spaces for the Department of Mental Health's (DMH) Hollywood 2.0 program.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with 5419 Sunset, LLC, a Delaware limited liability company (Landlord), for approximately 41,040 square feet of office space, and 70 on-site parking spaces located at 5419 West Sunset Boulevard, Los Angeles (Premises) to be occupied by DMH. The proposed lease is for a term of ten years. The estimated maximum first year base rental cost is \$2,437,800, but with a rent abatement of \$812,600, will equal \$1,625,200. The estimated total proposed lease cost including on-site parking, supplemental parking, TI allowance, and low-voltage costs, is \$38,331,000 over the ten-year term. The rental costs will be fully funded by State and Federal funds, which are already included in DMH's existing budget. DMH will not be requesting additional net County cost for this action.

3. Authorize the Chief Executive Officer, or her designee, to reimburse the Landlord up to \$6,156,000 for the County's Tenant Improvement (TI) contribution, amortized over ten years at 5.5 percent interest per annum for an amount not-to-exceed \$8,018,000. The County has the right to pay up to 50 percent of the TI contribution as a lump sum and amortize the remaining balance over ten years at 5.5 percent interest per annum.
4. Authorize the Director of DMH, or her designee, to contract with and direct MCM Integrated, 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 \$407,000 paid in a lump sum. The cost for the Low-Voltage Items is in addition to the rental costs and County's TI contribution payable to the Landlord.
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 proposed lease, including, without limitation, exercising any early termination rights.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On November 2, 2021, the Board approved the motion, "Initiating the Hollywood 2.0 Pilot Project", commonly referred to as Hollywood 2.0. Hollywood 2.0 was launched in July 2022, and through a community stakeholder process with those in the Hollywood community, DMH identified several key program components that will be implemented within the next five years to establish an integrated and comprehensive mental health ecosystem that focuses on community engagement, fulfillment, and purposeful living.

The proposed lease is for use by DMH as a mental health clinic for Hollywood 2.0. This location will incorporate a few programs currently located in multiple locations in Hollywood to a single site to implement Hollywood 2.0. It will facilitate the innovative treatment approach combining outpatient and intensive field services, in partnership with the community, that center around an individual's needs. The facility will house clinicians who provide direct services to the community, including case management, psychotherapy, and crisis intervention. The other existing locations will then be able to expand services and continue to offer its programs in the Hollywood area.

There will be 116 staff and clinicians at the facility and the program is anticipated to see approximately 100 clients per day onsite. DMH has implemented a telework schedule for certain tasks which can be completed offsite, such as telepsychology.

DMH selected the subject property due to its location within the Hollywood community, which has a high concentration of unhoused individuals with serious mental illness. In addition, the building is a standalone facility where DMH will operate as a single tenant, with an outdoor space and parking structure that will be for exclusive use by DMH. There are several bus routes and stops within five-hundred feet of the building and a Metro Rail station located one block north.

Implementation of Strategic Plan Goals

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

The proposed lease is also consistent with Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions, and Key Objective No. 1 – Guide Strategic Decision Making.

The proposed lease supports the above goals and objective by providing DMH with the necessary space to provide services in the Hollywood area.

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 \$2,437,800, with a rent abatement of \$812,600 will equal \$1,625,200. The aggregate cost associated with the proposed lease over the entire term, including on-site parking, supplemental parking, TI allowance, and low-voltage costs, is \$38,331,000 as shown on Enclosure B-1. The proposed lease costs will be fully funded by State and Federal funds, which are already included in DMH’s existing budget. DMH will not be requesting additional net County cost for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DMH. DMH has sufficient funding in its Fiscal Year 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 addressed 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:

- The annual rental rate will be \$59.40 per square foot, per year and is subject to annual increases based on the Consumer Price Index with a minimum of 2 percent per annum and capped at 4 percent per annum.
- Total TI costs are expected to be \$8,208,000. The Landlord will provide \$2,052,000 (\$50 per square foot) base TI allowance.
- The County will reimburse the Landlord up to \$6,156,000 (\$150 per square foot) as the County's TI contribution. The County is obligated to amortize a minimum of \$3,078,000 of that TI contribution. If the County chooses to amortize the full TI contribution over the ten-year lease term with interest at 5.5 percent, the total amortized amount shall not exceed \$8,018,000.
- The County will pay \$407,000 for the lump sum cost of the Low-Voltage Items.
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- The proposed lease provides 70 on-site parking spaces. The rate is \$1,500 per parking space annually. Landlord, at County's sole cost and expense, shall have the right to procure the necessary parking attendants to oversee the tandem parking serving the building if this cost does not exceed \$9,500 per month for such parking attendants. If costs exceed this amount, then the Landlord must obtain written approval from the County to procure such parking attendants.
- Upon request by the County, the Landlord will be obligated to secure an additional 25 supplemental parking spaces within proximity to the Premises, subject to availability. The County will be responsible for paying the posted parking rate of any supplemental parking as part of rent.
- A ten-year initial term with one option to extend the proposed lease for an additional five years with nine months' notice, at fair market rent. If all options are exercised, the total term of the proposed lease would be 15 years.
- The County has the right to terminate the proposed lease any time after the 8th anniversary after the commencement of the proposed lease, with 270 days' prior written notice subject to payment of a termination fee equal to the balance of the unamortized TI allowances and rent abatement, not-to-exceed \$1,966,643.

- 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 be at the base rent at the time of the proposed lease expiration and subject to the annual escalations of the proposed lease.
- 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 TIs 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. None of the responses received were suitable for DMH's needs due to lack of available space or parking. The CEO conducted a market search of available office space for lease, but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$65.40 and \$75.60 per square foot, per year. The base annual rental rate of \$59.40 per square foot, per year for the proposed lease represents a rate that is below the market range for the area. We recommend the Premises as the most suitable to meet the County's space requirements.

Co-working space is not a suitable option for DMH's program due to the high volume of clients who visit the facility each day for services.

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 has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed lease and has approved it as to form. The proposed lease is authorized by Government Code Section 25351, which allows the County to enter into leases and agreements for the leasing of buildings, as necessary, to carry out the work of the county government.

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

ENVIRONMENTAL DOCUMENTATION

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

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

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

Enclosures

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

**DEPARTMENT OF MENTAL HEALTH
5419 WEST SUNSET BOULEVARD, LOS ANGELES**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	Yes	No	N/A
A	Does lease consolidate administrative functions? ²	X		
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions? ²			X
D	Does this lease meet the guideline of 200 sq. ft of space per person? 354 sq. ft (based on 116 staff); Premises provides for 3 large group rooms, a large public lobby, shower rooms, a pharmacy, and medication storage rooms.		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² Parking ratio of 1.7/1,000 however, LL has agreed to allow tandem parking and will procure parking attendants, if needed. Additionally, if County requires an additional 25 parking spots, LL will be responsible to secure the supplemental parking, subject to availability.		X	
F	Does public parking and mass-transit exist to facilitate employee, client, and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>			
A	Is it a substantial net County cost (NCC) program?		X	
B	Is this a long-term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report enclosed as Enclosure C?			X
G	Was build-to-suit or capital project considered? ²			X
3.	<u>Portfolio Management</u>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?			X
D	Why was this program not co-located?			
	1. ____ The program clientele requires a "stand alone" facility.			
	2. <u>X</u> 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?				

**DEPARTMENT OF MENTAL HEALTH
SPACE SEARCH – 3 MILE RADIUS**

LACO	Name	Address	Ownership	Gross SQFT	Available
10108	Vermont Corridor - Site 1	510 S Vermont Ave Los Angeles 90020	Revenue- Leaseback	478877	None
X456	Highland Camrose Park - Bungalow A	2101 N Highland Ave Los Angeles 90068	Owned	842	None
X464	Highland Camrose Park - Bungalow M	2101 N Highland Ave Los Angeles 90068	Owned	1000	None
X458	Highland Camrose Park - Bungalow B	2101 N Highland Ave Los Angeles 90068	Owned	1000	None
X460	Highland Camrose Park – Bungalow G	2101 N Highland Ave Los Angeles 90068	Owned	1055	None
X459	Highland Camrose Park - Bungalow C	2101 N Highland Ave Los Angeles 90068	Owned	1000	None
X461	Highland Camrose Park - Bungalow H	2101 N Highland Ave Los Angeles 90068	Owned	1000	None
A137	Public Defender - Hollywood Office	6464 Sunset Blvd Los Angeles 90028	Leased	6000	None
A369	DCFS - Headquarters Annex	501 Shatto Pl Los Angeles 90020	Leased	17751	None
X550	Mental Health - Le Sage Complex Tower	550 S Vermont Ave Los Angeles 90020	Owned	171651	None
X317	Le Sage Complex 4 Story Building	3175 W 6th St. Los Angeles 90020	Owned	52230	None
A140	DMH - Hollywood FSP	947 Cole Ave Los Angeles 90038	Leased	6500	None
3972	John Anson Ford Amphitheatre - Special Events Office	2580 Cahuenga Blvd E Los Angeles 90068	Owned	965	None
X457	Highland Camrose - Bungalow D/Park Services Bur HQ	2101 N Highland Ave Los Angeles 90068	Owned	3101	None
0237	DCFS - Foster Care Medical Hub Program	4650 Sunset Blvd Los Angeles 90027	Gratis Use	78	None
A674	DMH - Hollywood Wellness Center	5000 W Sunset Blvd Los Angeles 90027	Leased	6921	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Lease for the Department of Mental Health – 5419 West Sunset Boulevard – First District.

A. Establish Service Function Category – DMH provides direct mental health services and substance abuse services to the at-risk populations in the community.

B. Determination of the Service Area – City of Hollywood as approved by the Mental Health Services Oversight and Accountability Commission

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Need for augmented services in Hollywood due to the large number of unhoused individuals with serious mental illness.
- Need for proximity to existing County facilities: N/A
- 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 such as Metro bus stops and a Metro Red Line station.
- 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 has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is \$38,331,000.

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 lease in the area is between \$65.40 and \$75.60 per square foot, per year. The base annual rental rate of \$59.40 per square foot, per year for the proposed lease represents a rate that is below 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 116 staff 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

5419 SUNSET, LLC – Landlord

5419 W SUNSET BOULEVARD

LOS ANGELES, 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

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2023 between 5419 SUNSET, LLC, a Delaware 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:	5419 SUNSET, LLC c/o Montana Avenue Capital Partners 11100 Santa Monica Blvd, Suite 270 Los Angeles, CA 90025 c/o Jeremy Rogers Email: jrogers@macpartnersllc.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	The entire property, including a two-story Building (as defined below) of approximately 41,040 rentable square feet, ("RSF").

(d) Building:	The Building located at 5419 West Sunset Blvd, Los Angeles, California, which is currently assessed by the County Assessor as APN 5544-022-053 (collectively, the "Property");
(e) Term:	Ten (10) years, commencing thirty (30) days after Substantial Completion and 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 (10th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination or extension 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 Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Estimated Commencement Date:	June 1, 2025
(g) Irrevocable Offer Expiration Date: (see Section 33)	January 1, 2024
(h) Base Rent: (see Section 5)	<p>The Base Rent shall be \$4.95 per RSF, (i.e., \$203,148.00 per month or \$2,437,776.00 per year).</p> <p>Base Rent shall be subject to increase as set forth in Section 5.3.</p> <p>Fifty percent (50%) of the Base Rent shall be abated for the first eight (8) months of the Term of the Lease following the Commencement Date.</p>
(i) Early Termination (see Section 4.4)	So long as Tenant is not in material default hereunder, Tenant shall have the one-time right to terminate any time after the 8th anniversary of the Commencement Date (the "Early Termination Date") by providing two hundred seventy (270) days prior written notice to Landlord, subject to the terms of Section 4.4.

(j) Intentionally Omitted	
(k) Initial Departmental Use:	Department of Mental Health, subject to Section 6.
(l) Parking Spaces:	70 parking spaces, including 42 tandem spaces, for the exclusive use of Tenant (1.71 parking spaces/1,000 RSF) at a monthly rate of \$125.00 per space which shall increase to \$131.20 per space following the 5th anniversary of the Commencement Date and at the request by Tenant, Landlord shall identify and provide up to 25 supplemental parking spaces located in close proximity to the Building as needed, subject to availability, at the posted parking rate for such supplemental parking spaces, subject to the terms of Section 21.
(m) Tenant's Hours of Operation:	7:30 a.m. to 6 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	A report dated August 8, 2023, prepared by Partners Engineering and Science, Inc., a licensed California Asbestos contractor.
(o) Seismic Report	A report dated December 14, 2020, prepared by Insight Structural Engineers.
(p) Disabled Access Survey	A report dated August 4, 2023, prepared by Partners Engineering and Science, Inc.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	\$2,052,000 (i.e., \$50 per rentable square foot of the Premises)
(b) Tenant's TI Contribution:	\$6,156,000 (i.e., \$150 per rentable square foot of the Premises)
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Fixed five and one-half percent (5.5%) per annum for the Term of this Lease.
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance	\$66,808.78 per month, ending on the Termination Date of the Original Term.

(e) Tenant's Work Letter Representative:	An assigned staff person of the Chief Executive Office-Real Estate Division
(f) Landlord's Work Letter Representative:	Steven Elson email: selson@macpartnersllc.com
(g) Landlord's Address for Work Letter Notices:	Montana Avenue Capital Partners 11100 Santa Monica Blvd, Suite 270 Los Angeles, CA 90025 c/o Steven Elson email: selson@macpartnersllc.com
(h) 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
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

2. PREMISES

2.1 Lease of Premises

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

2.2 Measurement of Premises

Tenant shall have the one-time right at any time prior to the Commencement Date to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.3-2018 GROSS AREA 1, as promulgated by the Building Owners and Management Association ("BOMA") International and the Building square foot calculations dated October 29, 2020. Should this measurement be less than the square footage stated above, then Tenant shall

have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurement, Landlord agrees there will be no increase made to the Base Rent if the measured square footage measured square footage exceeds the amount represented by Landlord.

3. INTENTIONALLY OMITTED

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; provided, however, Tenant shall accept the Tenant Improvements and the Premises in writing on or before the date which is thirty (30) days after the Tenant Improvements and the Premises are Substantially Complete in accordance with the following sentence. 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 for that portion of the Building that includes all of the Premises, or its equivalent; and
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease.

4.2 Termination Right For Delay of Commencement Date

If the Commencement Date has not occurred within one hundred twenty (120) days after the Estimated Commencement Date (i.e., September 29, 2025), subject to Tenant Delay(s) and/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 may thereafter, at any time before

the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

4.3 Early Entry

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. 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

So long as Tenant is not in material default hereunder, 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 two hundred and seventy (270) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee. In the event Tenant terminates this Lease pursuant to this section, Tenant shall reimburse the Landlord for the unamortized portion of the Base TI Allowance, Additional TI Allowance, and Rent Abatement on a straight-line no interest basis, which shall not exceed an amount equal to \$1,966,642.01 (Early Termination Fee).

4.5 Lease Expiration Notice

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

5. RENT

5.1 Base Rent

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

5.2 Rent Abatement

So long as Tenant is not in material default hereunder, fifty percent (50%) of the Base Rent for the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, and 8th months of the initial Term

shall be abated. Notwithstanding the above, in the event Tenant should be in material default and later cures such default, Tenant shall still be entitled to its Rent Abatement as provided herein.

5.3 Base Rent Adjustments

- (a) CPI. From and after the first (1st) anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.
- (b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.
- (c) Illustration of Formula. The formula for determining the new rent shall be as follows:
$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$
- (d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase greater than four percent (4%) per year nor less than two percent (2%) of the Base Rent payable in the month preceding the applicable adjustment.

6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes consistent with a general office use including public facing uses, 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. Tenant will be permitted to replace the initial tenant department operating in the Premises with any other County of Los Angeles Department or Division, excluding any public facing probational uses.

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 at least thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease (increased by CPI as provided in Section 5.3), plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW

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

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause (any such event, a "Casualty") rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such Casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by any such Casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within thirty (30) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such Casualty in less than two hundred and seventy (270) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten (10) 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 reasonable, actual out-of-pocket 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, on or prior to the Commencement Date:
 - i. The Premises and the Building (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) to comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
 - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;

- iii. The Premises and the Building to be free of the 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 *[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.

Tenant hereby acknowledges and agrees that Landlord recently had the Building inspected for applicable ADA standards by Partners Engineering and Science, Inc. referenced in that certain Disabled Access Survey which was provided to Tenant for review prior to the Effective Date. Landlord and Tenant will detail any of the work to be performed, if any, referenced in the Disabled Access Survey, in the Landlord's 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:
 - 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. intentionally omitted;
 - iv. exterior windows of the Building;
 - v. elevators serving the Building; and
 - vi. the planting along the perimeter of the Building and the landscaping.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:

- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of the Term);
 - 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 of the Term);
 - 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 pursuant to the terms of this Lease with respect to repair and/or maintenance, and if Landlord fails to commence 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, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where

there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten (10) business days after written notice, then Tenant shall be entitled to deduct from Base Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 15.

- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the Tenant's Chief Executive Office, may request that Landlord, at Tenant's expense, perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant's remedies found in 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. This Section shall not apply to Tenant Improvements as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

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

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operation 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.

(i) Landlord also shall provide HVAC services during hours other than Tenant's Hours of Operation ("After Hours HVAC"), subject to the following terms and conditions:

- (1) Landlord shall provide the After Hours HVAC if Tenant gives Landlord advance notice of its need for such service no later than 3:00 p.m. on Monday through Friday (except holidays referred to above) that Tenant requires the services, and no later than 5:00

p.m. on the last business day preceding the weekend or holiday that Tenant requires the service. In addition and notwithstanding the foregoing, Tenant may contact the Building manager or on-site Building engineer at any reasonable time to order After Hours HVAC, and Landlord shall, to the extent reasonably practicable, provide After Hours HVAC service as requested by Tenant, even if Tenant failed to give notice within the time periods specified above.

(2) Landlord will provide the After Hours HVAC at "Actual Cost", defined herein as the actual costs incurred by Landlord in providing any particular service (including Landlord's reasonable estimate of related administrative cost for the cost of such service (to the extent not duplicative of costs included in Operating Costs) and applicable depreciation related to the increased utilization of equipment used in providing the service). There shall be no start-up charges and minimum usage for After Hours HVAC service. The foregoing direct charges shall be payable by Tenant as Additional Rent. The rate for After Hours HVAC shall be Ninety Dollars (\$90.00) per hour for the Building, which Landlord and Tenant acknowledge is appropriate in accordance with the foregoing. Landlord shall be entitled to increase such charge from time to time, upon at least thirty (30) days prior written notice to Tenant, but only to reflect increases in the cost of labor, electricity, water and water treatment in connection therewith.

(b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) watts of electric current (connected load) per square foot of rentable square feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Elevators

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

(d) Water

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

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) nights per week, generally consistent with that furnished in comparable

office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in Exhibit D attached hereto.

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building and 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 provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

(h) Security

Landlord, at its sole cost and expense shall be responsible for providing Building security in the form of a random nightly drive-by patrol outside of Tenant's Hours of Operation. Tenant shall be responsible, at Tenant's sole cost and expense for providing security within its Premises (as needed).

11.2 Utilities. Landlord agrees to pay, at its sole cost, when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises 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) days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord

12. TAXES.

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

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

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only for the purpose of inspecting the Premises for

any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency and notify Tenant immediately thereafter.

14. TENANT DEFAULT

14.1 Default

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

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;
- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor law; and provided further that 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, as soon as possible.

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 including the right to recover damages based upon the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award, or for any shorter period of time specified in this Lease, exceeds the amount of such rental loss for the same period that Tenant proves could be reasonably avoided.

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, 21.3 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within) five (5) business

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 be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action (if not reimbursed by Landlord within ten (10) business 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);
- (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 seek to terminate this Lease as allowed under applicable California law.

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 create or allow to persist 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 and adverse disruption in Tenant's normal and customary business activities. 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.

15.4 Limitation on Liability

Notwithstanding anything to the contrary set forth in this Lease, Landlord, its managers, members, shareholders, partners, limited partners, general partners, officers, directors, contractors, agents and employees (collectively, "Landlord Parties") shall not be liable for any injury to Tenant's business or any consequential, punitive, special or exemplary damages, however occurring. Without limiting the foregoing, Landlord and the Landlord Parties shall not be liable

for any claims, losses, liabilities or damages (collectively, "Losses") to the personal property of Tenant or its employees, invitees, customers, agents or contractors for any cause, unless caused by gross negligence or intentional misconduct of Landlord Parties.

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

Tenant shall not assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent provided, however, not to be unreasonably withheld, conditioned, or delayed. No such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease.

16.2 Sale

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

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

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

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

all accrued and outstanding amounts).

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 Tenant may send a written "reminder" notice. If Landlord fails to respond in writing within five (5) days after receipt of such reminder notice, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

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

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

If any portion, but not all, of the Premises 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 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 so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

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

18.6 Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

19. INDEMNIFICATION

19.1 Landlord's Indemnity

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

19.2 Tenant's Indemnity

Tenant shall indemnify, defend and hold harmless Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from or connected with Tenant's repair, maintenance and other acts and omissions arising from and/or relating to Tenant's occupancy or use of the Premises.

20. INSURANCE

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

20.1 Waiver

Both the Tenant and Landlord each agree to release the other and waive their rights of recovery against the other for damage to their respective property arising from perils insured in the Causes-of-Loss Special Form (ISO form CP 10 30).

20.2 General Insurance Provisions – Landlord Requirements

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

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") satisfactory to Tenant, and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) has been given insured status under the Landlord's General Liability policy, shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than ten (10) days prior to Landlord's policy expiration dates. The Tenant reserves the right to obtain complete, certified copies of any required Landlord insurance policies at any time.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the

insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty-five thousand (\$25,000.00) dollars, and list any Tenant-required endorsement forms.

- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

Landlord also shall promptly notify Tenant of any third-party claim or suit filed against Landlord which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation for

non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the Tenant, upon which the Tenant may suspend or terminate this Lease.

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to the Property, shall be primary with respect to all other sources of coverage available to Tenant. Any Landlord maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage. Tenant's insurance policies shall be primary with respect to all of Tenant's operations (excluding any claims related to the Property), personal property, furniture, fixtures and equipment located within the Premises

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

(h) Deductibles and Self-Insured Retentions ("SIRs")

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

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(l) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the term of this Lease, Tenant shall maintain a program of insurance coverage as described below ("Tenant-Required Insurance"):

i. Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 3 million
Products/Completed Operations Aggregate:	\$ 2 million
Personal and Advertising Injury:	\$ 2 million
Each Occurrence:	\$ 2 million

Tenant, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request.

20.4 Landlord Requirements

During the term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 10 million
Products/Completed Operations Aggregate:	\$ 10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:

- i. Provide coverage for Tenant's property and any tenant improvements and betterments to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- ii. Be written for the full replacement cost of the Property, with a deductible no greater than \$500,000 or 5% of the Property value, whichever is less. Insurance proceeds shall be payable to the Landlord and Tenant, as their interests may appear.

21. PARKING

21.1 Tenant's Rights

All parking at the Building shall be for the exclusive use of Tenant, including the right to the number of parking spaces set forth in Section 1.1. Landlord, at Tenant's sole cost and expense, shall have right to procure on Tenant's behalf the necessary number of parking attendants for such tandem parking approved in writing by the Chief Executive Office in advance; provided, however, if the cost exceeds \$9,500.00 per month for such parking attendants then Landlord shall not procure such parking attendants without Tenant's prior written consent, which consent may be withheld in Tenant's sole and absolute discretion. In the event Tenant does not consent to the excess amount in accordance with the foregoing, then Landlord shall have no obligation to procure such parking attendants. 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. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each parking space set forth in Section 1.1, if applicable; provided, however, the foregoing does not apply to the Supplemental Parking.

21.2 Supplemental Parking

Landlord upon receiving Tenants written request, shall provide Tenant a survey of available parking spaces for rent, including the number of parking spaces

available, if they are tandem or non-tandem, the cost per parking space per month, the term of the agreement, cost of any parking attendant, and any other relevant information to Tenant's additional parking ("Supplemental Parking") which such Supplemental Parking shall be located within close proximity from the Building, but no more than one-half (1/2) mile from the Property, unless otherwise requested by Tenant. Subject to availability thereof and upon written authorization from Tenant's Chief Executive Office indicating the number of parking space and total amount authorized by Tenant, Landlord shall rent such Supplemental Parking spaces, not to exceed twenty-five (25) Supplemental Parking spaces upon receiving Tenant's written request to rent Supplemental Parking and the Tenant shall reimburse the Landlord the monthly costs of the Supplemental Parking as additional rent. Landlord shall have no liability for any failure of the Supplemental Parking to become or continue to be available during the Term of the Lease.

21.3 Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receives all of the parking spaces required in Section 21.1 above 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, ten (10%) percent or more of the parking spaces required in Section 21.1 above are not available to Tenant within fifteen (15) days after Landlord's receipt of written notice from Tenant, in addition to any rights of Tenant under Sections 9, 14 and 17 in the event of casualty or condemnation, 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 required in Section 21.1 above 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.

The foregoing Section 21.3 does not apply to Supplemental Parking.

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 or the Building, 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 or the Building.

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 or the Building or other violation of laws relating to Hazardous Materials other than those caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 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 impair the interest of Tenant hereunder. Each party hereby indemnifies and holds the other harmless from any liability or loss from any such lien it causes or allows to attach to its interest in this Lease or the Premises.

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto, within 30 days after the execution of this Lease.

26.3 Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all trade 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 have the right to have Landlord fabricate and install its signage at the Building in a location to be identified by Tenant, including Building Top, Eyebrow, Monument, and/or Suite signage as requested by Tenant subject to Landlord's approval which shall not be unreasonably withheld or delayed. Any signage costs shall be deducted from the

Tenant Improvement Allowance and shall conform with any and all applicable laws and ordinances applicable to Tenant.

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, subject to the terms and conditions of this Lease.

30. GENERAL

30.1 Headings

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

30.2 Successors and Assigns

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

30.3 Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield, Inc ("Tenant's Agent") and CBRE ("Landlord's Agent") and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. The terms of any commissions due shall be pursuant to a separate commission agreement by and among Landlord, Landlord's Agent and Tenant's Agent.

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." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.

- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage-backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, 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; provided, however, Landlord may furnish such information without Tenant's prior written consent to Landlord's financial, legal, accounting, real estate and space planning consultants as well as any prospective purchasers, mortgagees or lenders of the Property, respectively, or as otherwise required by law. 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, by its execution 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.

(a) Option Term. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1) option to renew this Lease for an additional period of five (5) years each ("Extension Term").

(b) Exercise of Option. Tenant must exercise its option to extend this Lease by:

(i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than nine (9) months, nor earlier than fifteen (15) months prior to the end of the Term, and

(ii) 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 Tenant fails to give such written notice to Landlord within thirty (30) days after the determination of Market Rental Value, Landlord will promptly provide written notice to Tenant that the Term shall not be extended (the "Option Expiration Notice") unless Tenant responds within ten (10) business days in writing electing to exercise its renewal option. If Tenant fails to notify Landlord of its election to exercise such renewal option within ten (10) business days after Landlord's delivery of the Option Expiration Notice, then this Lease will terminate as of the Termination Date without any further notice, act, or agreement, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after the Termination Date, subject, however, to the provisions that expressly survive termination of this Lease.

(c) Terms and Conditions of the Extension Term. The Extension Term shall be on all the terms and conditions of this Lease, except that the Base Rent during the Extension Term shall be equal to one hundred percent (100%) of Market Rental Value for the Premises as of the commencement of the Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, including, but not limited to the comparable rental rate, escalation, abatement, tenant improvements and any other tenant inducements then being offered to renewing tenants leasing space in the Hollywood sub-market without a minimum rental rate.

(d) 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 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.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent, 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, parking and quality to the Building. In determining the Market Rental Value, appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from new, non-expansion, non-renewal and non-equity tenants for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, 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), the extent of Tenant's liability under the Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent and/or no rent 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.

(f) 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 Licensed Broker 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.

(g) 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:

5419 SUNSET, LLC,
a Delaware limited liability company

By: CCM-MAC 5419 SUNSET, LLC
a Delaware limited liability company

By: MACP 5419 SUNSET, LLC
a California limited liability company, Its
Manager



By: _____
Name: Jeremy Rogers
Its: Manager

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

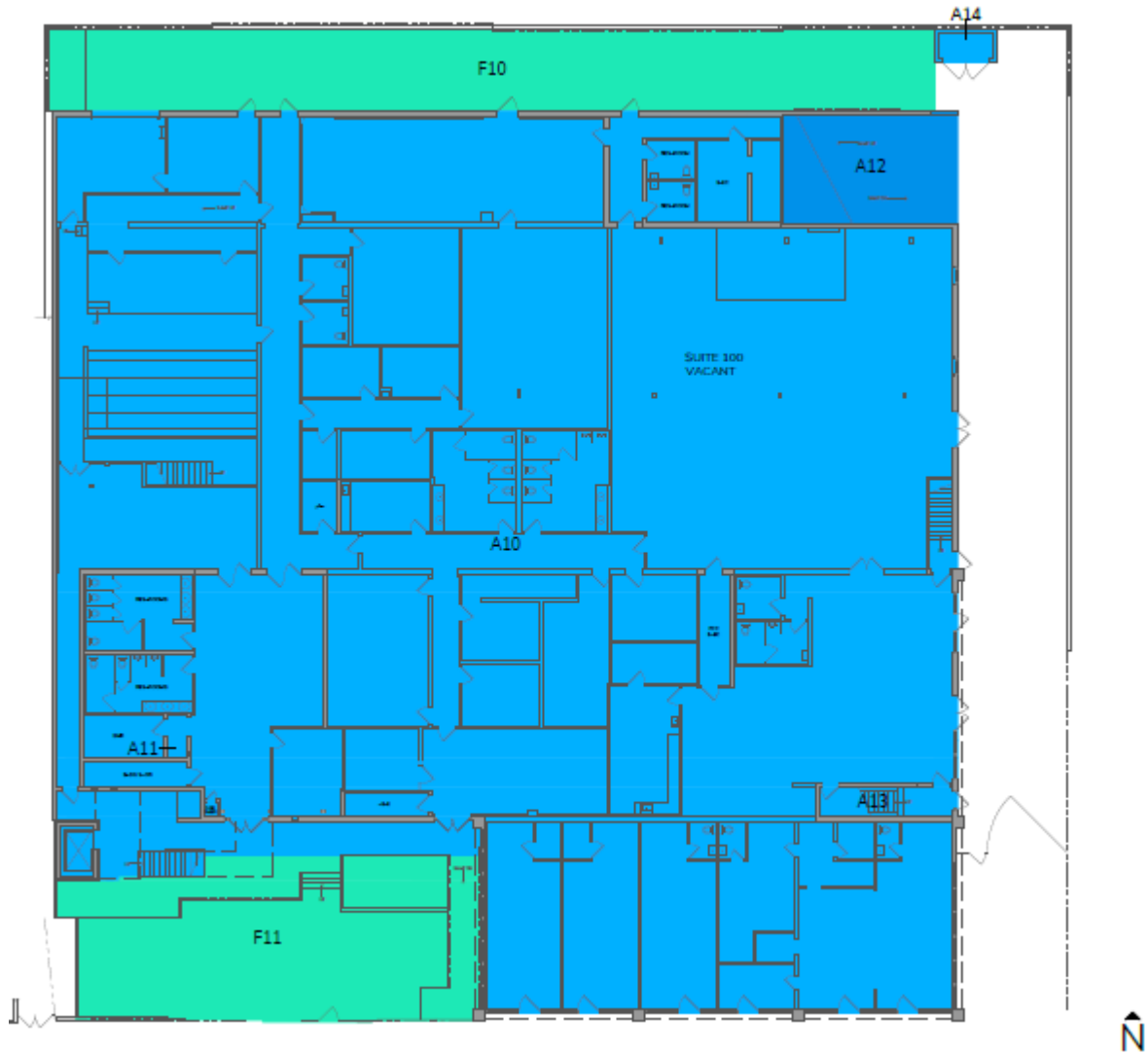
By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

EXHIBIT A
FLOOR PLAN OF PREMISES
FIRST FLOOR



SECOND FLOOR



EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain Lease Agreement ("Lease") dated _____, 2023, between County of Los Angeles, a body corporate and politic ("Tenant"), and 5419 Sunset, LLC, a Delaware limited liability company ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 5419 W. Sunset Blvd, Los Angeles, CA ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____;
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on _____ ("Commencement Date");
- 4) The Premises contain 41,040 rentable square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

- 5) Base Rent per month is _____.
- 6) The Base Index month is _____.
- 7) The Base Index is _____.
- 8) The first New Index month is _____.

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

Tenant:

COUNTY OF LOS ANGELES,
a body corporate and politic

Landlord:

5419 SUNSET, LLC,
a Delaware limited liability company

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. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable).
11. Graffiti expunged as needed within two working days after notice by Tenant.
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including paper supplies and soap.
14. Exclusive day porter service from 8:00 a.m. to 5:00 p.m. Monday through Friday.

B. WEEKLY

15. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
16. Window sills, ledges and wood paneling and molding dusted.

C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.
19. Upholstered furniture vacuumed, plastic and leather furniture wiped
20. Wall-mounted picture moldings and frames dusted.

21. Wall vents and ceiling vents vacuumed.
22. Carpet professionally spot cleaned as required to remove stains.
23. HVAC chiller water checked for bacteria; water conditioned as necessary.

D. QUARTERLY

24. Light fixtures cleaned and dusted, but not less frequently than quarterly.
25. Intentionally omitted.
26. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
27. Intentionally omitted.
28. HVAC units serviced for preventative maintenance purposes; all filters changed.

E. SEMI-ANNUALLY

29. Windows washed as required inside and outside but not less frequently than twice annually.
30. All painted wall and door surfaces washed and stains removed (as applicable).
31. All walls treated with vinyl covering washed and stains removed (as applicable).

F. ANNUALLY

1. 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.
2. 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.
3. Touch-up paint all interior painted surfaces in a color and finish to match existing (as-needed).
4. Intentionally omitted.
5. Intentionally omitted.
6. Intentionally omitted.

G. AS NEEDED

7. 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.

8. 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.
9. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.
10. 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 every three (3) months (four (4) times per year) 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.
40. Intentionally omitted.
41. Wood furniture dusted.

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 ATTORNMENMENT 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 ATTORNMENMENT AGREEMENT**

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT 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 Attorment Agreement ("Agreement") is entered into as of the ____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), 5419 SUNSET, LLC, a Delaware limited liability company, ("Borrower"), and [*Insert name of Lender*], ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-disturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not:

(a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease, including Borrower, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; or

(b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; or

(d) be obligated for any security deposit not actually delivered to Purchaser; or

(e) be bound by any modification or amendment of or to the Lease which materially increases Landlord's obligations under the Lease or materially decreases Tenant's obligation under the Lease, unless Lender has approved such modification or amendment in writing, which approval shall not be unreasonably withheld, conditioned or delayed.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender: _____

To Borrower: _____

To Tenant: County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

TENANT: COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

BORROWER: 5419 SUNSET, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____
 Lease Dated: _____
 Current Landlord: _____
 Located at: _____
 Premises: _____
 Commencement Date of Term: _____
 Expiration Date: _____
 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1. Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

 (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: _____.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. *(Categories listed below are based on those described in 49 CFR Section 23.5)*

I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____			3. Contact Person/Telephone Number: _____			
2. Address: _____						
			4. Total number of employees in the firm: _____			

5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____

2. Total Number of Ownership/Partners, Etc.: _____

III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION

3. Provide the percentage of ownership in each	All Employee	Women
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others		

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

Section D. OPTION TO PROVIDE REQUESTED INFORMATION

☐ 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 5419 Sunset, LLC a Delaware Limited Liability Company (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 ten (10) 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:

5419 SUNSET, LLC,
a Delaware limited liability company

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
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

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 lease in the area is between \$65.40 and \$75.60 per square foot, per year. The base annual rental rate of \$59.40 per square foot, per year for the proposed lease represents a rate that is below 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 116 staff and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

LANDLORD'S WORK LETTER

For

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

COUNTY OF LOS ANGELES, as Tenant

5419 SUNSET, LLC, as Landlord

5419 WEST SUNSET BOULEVARD, LOS ANGELES, CA

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated _____, 20____, executed concurrently herewith, by and between 5419 SUNSET, LLC, a Delaware 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> | \$8,208,000.00 (i.e., \$200.00 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | \$2,052,000.00 (i.e., \$50.00 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$6,156,000.00 (i.e., \$150.00 per rentable square foot of the Premises) |
| (b) <u>TI Amortization Rate and Change Authorization Amortization Rate:</u> | Fixed five and one-half percent (5.5%) per annum for the Term of the Lease.

Tenant shall be obligated to amortize a minimum of \$3,078,000.00 (i.e., \$75 per RSF of the Premises) of the Tenant's TI Contribution over the ten (10)-year Term of the Lease. Otherwise, Tenant shall reimburse Landlord for its used Tenant's TI Contribution in accordance with Section 6.3 herein. |
| (c) <u>Tenant's Work Letter Representative</u> | An assigned staff person of the Chief Executive Office-Real Estate Division |
| (d) <u>Landlord's Work Letter Representative</u> | Steven Elson, or an assigned staff person of the Landlord |
| (e) <u>Landlord's Address for Work Letter Notices</u> | Montana Avenue Capital Partners
11100 Santa Monica Blvd, Suite 270
Los Angeles, CA 90025
c/o Steve Elson
Email: selson@macpartnersllc.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

(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. 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 identify all noncompliant code related items utilizing an independent third-party expert at Landlord's sole cost and 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 to the extent required by applicable laws to allow the legal occupancy of the Premises, (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 (vi) 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 depicted in the Final Plans (as defined below). If Tenant's floor loading requirements depicted in the Final Plans exceeds the structural floor loading capacity of the Building, then all costs of increasing the floor loading shall be included as a Tenant Improvement Cost.

(d) Intentionally omitted.

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 or 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), but shall be deemed to be a delay caused by Landlord, and Landlord shall pay for any increased costs caused by such delay.

2.4 Survey. Where '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.

3. Selection of Architect. Landlord shall not proceed with any bid solicitation for architectural services until final space plan is furnished to the Landlord. Once Landlord receives the final space plan, Landlord shall promptly 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.

4. Selection of Contractor. The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to 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.

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, which shall include a space plan, and when available, low voltage and furniture plans and shall depict, 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 (which may be deducted from the Landlord's TI Allowance), 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. 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. 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.

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 fifteen (15) 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 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; provided, however, if Landlord revises the applicable plans or drawings in accordance with Tenant's details for such

rejection and this procedure is repeated more than twice, the same shall be a Tenant Delay, and subject to the provisions of Section 4.2 of the Lease, Termination Right For Delay of Commencement Date set forth in the Lease shall be extended one (1) day for each day until the applicable plans are accepted by Tenant. 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 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. 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 Tenant.

6. Landlord's TI Cost Summary and Payment of Total TI Costs.

6.1 Cost Summary. Within fifteen (15) 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 ten (10) 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 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. 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 Landlord'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 not 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.

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, 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 except for delays or costs arising from Tenant Delays, Force Majeure or Change Requests as defined below. 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.

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 which shall not exceed a period of ninety (90) days (the "Payment Conditions"). Such payment shall be made in equal monthly payments, amortized over the initial Term (Amortization Period) of the Lease at the TI Amortization Rate. Notwithstanding the foregoing, Tenant may elect, upon the later of (i) the Commencement Date or date which the Payment Conditions have been satisfied, to pay any portion of the used Tenant's TI Contribution in excess of Seventy-Five Dollars (\$75.00) per RSF of the Tenant's TI Contribution in a lump sum payment. However, if Tenant fails to timely and properly elect to do so, then such remaining balance shall be amortized over the Amortization Period, as provided herein. Any remaining amount of the Tenant's TI Contribution shall be paid by Tenant in equal monthly payments, amortized over the remaining term of the Lease at the TI Amortization Rate.

6.4 Base Rent Credit for Unused Portions of Landlord's TI Allowance. If the Total TI Costs are less than the Landlord's TI Allowance, then the amount of any unused portion of the Landlord's TI Allowance 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. 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 Improvements 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.

7.2 Permits. Landlord shall 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 shall obtain plan check approval prior to soliciting bids from contractors pursuant to Section 4 hereof.

7.3 Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within twenty-one (21) calendar days after Tenant's acceptance of the Contractor pursuant to Section 4 hereof. 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 (as defined below).

7.4 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 in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord shall cause the Contractor to provide a customary contractor's warranty 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 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 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.

7.5 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 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, as part of the cost of the Tenant Improvements, 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 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; provided, however, if the nature of such failure is such that the same cannot reasonably be completed within such 30-day period, Tenant shall not have the right to exercise such rights and remedies under the Lease including, without limitation, any self-help right, if Landlord shall within such period commence such punch-list item(s) and thereafter diligently prosecute the same to completion.

7.6 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 in accordance with the Lease and this Work Letter, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. 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"). 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. 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. Landlord 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, 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. Within seven (7) calendar days of the issuance of a Certificate of Occupancy for the Premises (or its legal equivalent allowing legal occupancy of the Premises and closing any required construction permits) or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall provide to 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 within ninety (90) days after the date of Tenant's Acceptance of the Premises. 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, provided that Landlord shall have the right to dispute such results in good faith. 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, if applicable, 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 as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 4.2 of the Lease, Termination Right For Delay of Commencement Date set forth in the Lease 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) If 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, such delays shall be referred to herein as "Force Majeure Delay(s)".

12.2 Limitations.

(a) Notice. No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, within forty-eight (48) hours of the event giving rise to such claim, 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. 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 \$1,000 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. If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if the Tenant Improvements have not been completed within one hundred twenty (120) calendar days following the Estimated Commencement Date (i.e., September 29, 2025), subject to extension for Tenant Delay(s) and/or Force Majeure Delays, then Tenant may, at its option:

13.1 Cancel the Lease upon thirty (30) calendar days' written notice to Landlord;
or

13.2 Upon 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.

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. 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 one (1) passenger elevator 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 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:

5419 SUNSET, LLC,
a Delaware limited liability company

By: CCM-MAC 5419 SUNSET, LLC
a Delaware limited liability company

By: MACP 5419 SUNSET, LLC
a California limited liability company, Its Manager

By: 
Name: Jeremy Rogers
Title: Manager
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

Landlord has constructed (or will construct) the Building to include the following and in coordination with Tenant's assigned CEO Project Manager:

(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, stubbed out to the face of the core wall at locations determined by Landlord;

(c) Refurbish (as needed) existing toilet rooms per code, including ADA approved gender-neutral restrooms on each floor per code, including but not limited to, necessary plumbing fixtures, toilets, lavatories, new toilet partitions, ceramic tile floors, counter tops, sinks, "touchless" faucets, soap dispensers, hand dryers, accessories, ceilings and lighting, with running hot and cold water pursuant to Tenant's occupancy use;

(d) intentionally omitted;

(e) Drywall or lath and plaster covering the exposed side of all exposed interior exposed side of all exterior building wall areas except at and under windows. Additionally, in the event Title 24 energy calculations require insulation be installed along the interior side of the exterior walls and ceiling under the roof top parking area of the Premises shall be installed by Landlord. Also included:

(f) public stairways;

(g) passenger and freight elevators in "good working" order, and renovate the interiors, if needed.

(h) parking facilities, including repair the driveway, ramp, and parking areas as needed, including a new slurry coat throughout asphalt and seal and maintain roofing material at rooftop parking, restripe the Tenant's employee and visitor parking areas in accordance with ADA code compliance, and ensure all lights in the parking area are in good working order.

(i) Landlord shall ensure that all lights in the roof top parking lot and ramp area are in good working order and comply with the Tenants outdoor lighting standards.

(j) Landlord shall (i) install plants along the perimeter of the building to the extent possible around existing conditions including any hardscaping/paving, unless Landlord could furnish potted planting sitting above any hardscaping/paving, (ii) install a green wall along the entire northern fence line with hedges, (or other practical alternatives) to create shade and privacy, and (iii) adjust irrigation at planters away from the windows, and properly maintain the landscaping with proper irrigation throughout the term of the lease, including any option periods.

(k) finished elevator lobby;

- (l) exterior plazas and landscaping;
- (m) intentionally omitted;
- (n) water bottle filling drinking fountains at the core;
- (o) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;
- (p) 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 conduit path (which may include floor coring if required) as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on the 1st floor and 2nd floor, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such conduit path 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);
- (q) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;
- (r) mechanical equipment installed on the roof and in accordance with structural loads requirements with ducted mechanical exhaust system into the Premises;
- (s) concrete floors ready for tenants 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;
- (t) intentionally omitted;
- (u) intentionally omitted;
- (v) primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment around each floor of the Premises;
- (w) Hot and cold air loops located within the Premises (as needed).
- (x) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;
- (y) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;
- (z) 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;
- (aa) drywall on any columns and sills in the Premises; and

(bb) 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;

(cc) ensure the roof and exterior windows are watertight. Landlord shall properly seal the rooftop parking area and restripe the parking spaces for Tenant's and visitor parking areas in compliance with ADA;

(dd) install ADA compliant water bottle filling stations (as needed) on each floor within the Premises including separately within the public lobby;

(ee) furnish an electric gated entrance with keycard access for vehicular access to the Building's parking area;

(ff) furnish a secure gate with pedestrian key card access at the entrance into the property. Design and placement of any controlled gates should be coordinated with Tenants assigned CEO Project Manager;

(gg) furnish onsite EV Charging stations for three percent (3%) of its parking allocation;

(hh) completed roof deck area per code;

(ii) make available data (internet) and telecommunication fiber connectivity within the Building. Tenant shall pay for such internet services within 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;
- (k) Fiber optic access;
- (l)
- (m) Concrete floors with troweled finish above Landlord's Base Building floor finish;
- (n) Any new (as opposed to existing) toilet rooms per code, including ADA approved gender-neutral restrooms on each floor per code, including but not limited to, necessary plumbing fixtures, toilets, lavatories, new toilet partitions, ceramic tile floors, counter tops, sinks, "touchless" faucets, soap dispensers, hand dryers, accessories, ceilings and lighting, with running hot and cold water pursuant to Tenant's occupancy use; and

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	\$