



**OPERATIONS CLUSTER
AGENDA REVIEW MEETING**

DATE: December 13, 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:

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**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 – John Leonard/Anthony Baker**
2. **INFORMATIONAL ITEM(S):**
 - A) Board Letter:
AUTHORIZE THE CHIEF EXECUTIVE OFFICE TO ENTER INTO CONTRACT WITH GEORGE HILLS COMPANY, INC., FOR CLAIMS ADMINISTRATION AND LITIGATION MANAGEMENT SUPPORT SERVICES
CEO/RM - Alex Rossi, Manager
 - B) Board Letter:
SERVICES CONTRACT - WATER RESOURCES CORE SERVICE AREA
AWARD OF SERVICES CONTRACT FOR ON-CALL OPERATIONS
TELEMETRY SYSTEM MAINTENANCE SERVICES FOR SEAWATER BARRIERS, SPREADING GROUNDS, AND RUBBER DAMS
DPW/CIO - Mark Pestrella, Director and
Patrick Anderson, Chief Information Officer

C) Board Letter:

APPROVAL TO UTILIZE FUNDS FROM THE COUNTY'S INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR THE DEVELOPMENT AND IMPLEMENTATION OF THE ANIMAL CARE AND CONTROL ONLINE VOUCHER APPLICATION AND APPROVAL OF AN APPROPRIATION ADJUSTMENT FISCAL YEAR 2023-24

DACC/CIO - Shakeel Qazi, Information Technology Manager I

D) Board Memo:

NOTICE OF INTENT TO EXTEND THE TERM OF AGREEMENT NUMBER 77676 WITH NETSMART TECHNOLOGIES, INC., FOR THE CONTINUED PROVISION OF THE INTEGRATED BEHAVIORAL HEALTH INFORMATION SYSTEM

DMH/CIO - Mark Cheng, Chief Information Officer

CoCo - Patrice Salseda, Senior Deputy County Counsel

3. **PRESENTATION/DISCUSSION ITEMS:**

None available.

4. **Public Comment**

(2 Minutes Each Speaker)

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

None available.

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	12/13/2023		
BOARD MEETING DATE	1/23/2024		
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)	Chief Executive Office		
SUBJECT	AUTHORIZE THE CHIEF EXECUTIVE OFFICE TO ENTER INTO CONTRACT WITH GEORGE HILLS COMPANY, INC., FOR CLAIMS ADMINISTRATION AND LITIGATION MANAGEMENT SUPPORT SERVICES		
PROGRAM			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS	N/A		
COST & FUNDING	Total cost: See Explanation below	Funding source: CEO Insurance Operating Budget	
	TERMS (if applicable): N/A		
	Explanation: The recommended contract is for a five-year initial term, with three additional, optional one-year extensions, for a total contract term of eight years. The initial term of the contract includes FYs 2024-25 through 2028-29, at a total cost of \$10,996,005.50; and, if exercised, option FY 2029-30 through 2031-32 at a total cost of \$8,006,719.50. The maximum Contract Sum, if all option years are exercised, is \$19,002,725.00. The initial term Contract Sum of \$10,996,005.50 is funded by the CEO Insurance Operating Budget. The CEO Insurance Operating Budget is funded by County departments that utilize these services. Costs for the first contract year will be included in the CEO FY 2024-25 budget. CEO will continue to allocate funding for this contract in future FYs.		
PURPOSE OF REQUEST	The County has utilized a TPA since 1983 to provide Claims Administration and Litigation Management Support Services for its automobile liability and general liability (ALGL) self-insurance program. The purpose of these recommendations is to replace an existing contract expiring 6/30/24. Approval of recommendation one will allow the County to contract with a TPA to continue providing critical ALGL services for CEO, County Counsel, and other County departments. Recommendation two will allow CEO to effectively manage the contract throughout its term. Recommendation three will allow CEO to increase the maximum contract sum by up to 15% of the annual contract amount in order to address unanticipated and emergency workload increases, and to ensure compliance with federal, State, or County regulations.		
BACKGROUND (include internal/external issues that may exist including any related motions)	CEO released an RFP on 3/29/23. A virtual mandatory proposer's conference was held on 4/20/23 and 4 proposals were received by 5/16/23 which were all determined to be in compliance. An evaluation committee evaluated the proposals and the one submitted by George Hills Company, Inc., was the highest ranked, and the most responsive and responsible proposal.		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Alex Rossi, Manager, CEO (213) 738-2154 ARossi@ceo.lacounty.gov		



COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

DRAFT

January 23, 2024

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:

**AUTHORIZE THE CHIEF EXECUTIVE OFFICE TO ENTER INTO CONTRACT WITH
GEORGE HILLS COMPANY, INC., FOR CLAIMS ADMINISTRATION AND LITIGATION
MANAGEMENT SUPPORT SERVICES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

This recommendation by the Chief Executive Office (CEO) seeks the Board of Supervisors' (Board) approval to award and execute a contract with George Hills Company, Inc. (George Hills) to provide Claims Administration and Litigation Management Support Services (CAALMS) for an initial term of five years, with three, one-year contract extension options for a maximum contract term of eight years.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Chief Executive Officer, or her designee, to execute contract AO-24-404, substantially similar to enclosed contract (Enclosure I), with third-party administrator (TPA) George Hills, to provide CAALMS for an initial term of five years, commencing July 1, 2024, through December 31, 2029, for a total contract sum of \$10,996,005.50.
2. Delegate authority to the Chief Executive Officer, or her designee, to: (i) execute amendments to exercise three, one-year contract extensions through December 31, 2032, effective upon amendment execution at the beginning of the applicable contract term, for a total of \$8,006,719.50, with a maximum Contract Sum, if all option years are exercised, of \$19,002,725.00; (ii) execute applicable amendments/change notices to the contract in order to make necessary changes, which affect the Statement of Work, to add/delete services, and/or revise the terms and conditions to align with Board policy changes and directives; and (iii) execute applicable contract amendments should the original contracting entity merge or be acquired by another entity, or otherwise have a change of entity, with all actions subject to review and approval as to form by County Counsel.



3. Delegate authority to the Chief Executive Officer, or her designee, to execute amendments to increase the annual Contract Sum by no more than 15 percent.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County of Los Angeles (County) has utilized a TPA since 1983 to provide CAALMS for its automobile liability and general liability (ALGL) self-insurance program.

The purpose of the recommendations above is to replace an existing contract expiring on June 30, 2024.

Approval of recommendation one will allow the County to contract with a TPA to continue providing critical ALGL services for the CEO, County Counsel, and other County departments.

Recommendation two will allow CEO to effectively manage the contract throughout its term.

Recommendation three will allow CEO to increase the maximum contract sum by up to 15 percent (15%) of the annual contract amount in order to address unanticipated and emergency workload increases, and to ensure compliance with federal, State, or County regulations, subject to review and approval as to form by County Counsel.

The contractor will play an integral role in controlling the County's liability costs through early investigation and accelerated resolution of incidents, claims, and lawsuits. Additional services include, but are not limited to, the following:

- Setting claim reserves and managing costs associated with ALGL claims;
- Achieving the most favorable litigation results through reduction and control of attorney fees, expert costs, and other litigation expenses;
- Determining the existence of subrogation potential; and
- Processing payments as directed by the County.

Implementation of Strategic Plan Goals

The recommended contract supports the County's Strategic Plan Goal III – Realize Tomorrow's Government Today, by maximizing the effectiveness of the County's processes and operations, and efficiently managing County resources to provide efficient TPA ALGL claims administration services.

FISCAL IMPACT/FINANCING

The recommended contract is for a five-year initial term, with three additional, optional one-year extensions, for a total contract term of eight years. The initial term of the contract includes Fiscal Years (FYs) 2024-25 through 2028-29, at a total cost of \$10,996,005.50; and, if exercised, option FYs 2029-30 through 2031-32 at a total cost of \$8,006,719.50. The maximum Contract Sum, if all option years are exercised, is \$19,002,725.00.

The initial term Contract Sum of \$10,996,005.50 is funded by the CEO's Insurance Operating Budget. The CEO's Insurance Operating Budget is funded by County departments that utilize these services. Costs for the first contract year will be included in the CEO FY 2024-25 budget. CEO will continue to allocate funding for this contract in future FYs.

FACTS AND PROVISION/LEGAL REQUIREMENTS

The County has express statutory authority under Government Code Section 31000.8 to enter into TPA contracts for workers' compensation, public liability, and employee health and welfare benefit claims against the County. Pursuant to this authority, Proposition A does not apply and therefore this contractor is not subject to the Living Wage Program (County Code Chapter 2.201). CEO has determined that the services under this contract do not impact Board Policy 5.030, "Low-Cost Labor Resources Program" because of the specialized nature of the work.

The recommended CAALMSS contract includes the County's terms and conditions in compliance with the Board's ordinances, policies, and programs. Additionally, the contract contains certain performance standards, with enforcement provisions including liquidated damages for substandard performance and/or non-performance.

CONTRACTING PROCESS

On March 29, 2023, CEO released a Request for Proposals (RFP) to solicit a proposer to provide CAALMSS. The solicitation was posted on the County's "Doing Business with Us" website (Enclosure II). A virtual mandatory proposer's conference was held on April 20, 2023, and was attended by representatives from six companies. Four proposals were received by the May 16, 2023 deadline, and all proposals were determined to be in compliance with the minimum requirements criteria and therefore qualified for further evaluation.

An evaluation committee comprised of representatives from the Departments of Public Works, Children and Family Services, and Public Social Services evaluated the proposals utilizing the County's Informed Averaging Scoring Methodology and in accordance with the evaluation process identified in the RFP. The proposal submitted by George Hills is certified as a Local Small Business Enterprise with the County and was the highest ranked, and the most responsive and responsible proposal. George Hills has 70 years of experience providing services similar to those required by CEO, including contracts with local cities and most California counties.

On August 17, 2023, debriefings were offered to all non-selected proposers and three companies requested and received debriefings. A non-selected proposer submitted a timely Notice of Intent to Request a Proposed Contractor Selection Review (PCSR). On August 29, 2023, the County entered into negotiations with George Hills and received a Letter of Intent on September 27, 2023. The non-selected proposer's evaluation documents, as well as the highest evaluated proposal and corresponding evaluation documents were released to the non-selected proposer on October 2, 2023. The non-selected proposer submitted their request for a PCSR, and the PCSR was conducted by a departmental reviewer, who determined the assertions to have no merit. The proposer subsequently requested a County Independent Review (CIR) for the same assertions and the CIR reviewer affirmed the findings of the previous review. County Counsel has approved the recommended contract, as to form.

A summary of Community Business Enterprise Program statistical information for the recommended vendor is enclosed (Enclosure III). On final analysis and consideration of award, a selection was made without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation, or disability.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these recommendations will enable the CEO to meet its strategic priorities through enhanced efficiency and security in the administration of County's self-funded liability program. Approval of the recommended contract will provide the CEO Risk Management Branch with increased versatility to respond and adapt to evolving risks with no lapse in service.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

FAD:JMN
STR:AR:OS:JT:sg

Enclosures

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



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

GEORGE HILLS COMPANY, INC.

FOR

**CLAIM ADMINISTRATION AND LITIGATION
MANAGEMENT SUPPORT SERVICES**

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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
GEORGE HILLS COMPANY, INC.
FOR
CLAIM ADMINISTRATION AND LITIGATION
MANAGEMENT SUPPORT SERVICES**

This Contract ("Contract") is entered into by and between the County of Los Angeles, (hereinafter "County") and George Hills Company, Inc., hereinafter referred to as "Contractor" or "Consultant").

RECITALS

WHEREAS, the County desires to contract for incident and claims administration, as well as litigation management support services and subrogation services related to property damage when certain requirements are met; and

WHEREAS, the County may contract with private businesses for incident and claim administration, as well as litigation management support services for local government and subrogation services related to fire damage of commercially local government occupied property when certain requirements are met; and

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

WHEREAS, such Contract is authorized pursuant to California Government Code Section 31000.8, and subject to the provisions of the Los Angeles County Charter; and

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

1 APPLICABLE DOCUMENTS

Exhibits A through I 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 Statement of Work Exhibits
A-1	Claims and Caseload Data Report
A-2	Risk Management Information Platform County of Los Angeles
A-3	Incident Reporting and Accident Review Guidelines
A-4	Subrogation Process
A-5	Accelerated Claims Settlement Program
A-6	Case Reserves
A-7	Contract Discrepancy Report
A-8	Performance Requirements Summary (PRS) Chart
A-9	County Counsel E-billing System
A-10	Structured Settlement Program Guidelines
Exhibit B	Pricing Schedule
Exhibit C	County's Administration
Exhibit D	Contractor's Administration
Exhibit E1	Contractor Acknowledgement and Confidentiality Agreement
Exhibit E2	Contractor Non-Employee Acknowledgment and Confidentiality Agreement
Exhibit F	Safely Surrendered Baby Law
Exhibit G	Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
Exhibit H	Information Security and Privacy Requirements
Exhibit I	Background Investigation Criteria and Certification

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 **Board of Supervisors (Board):** As used herein, "Board of Supervisors" shall mean the Board of Supervisors of the County of Los Angeles acting as governing body.
- 2.1.2 **CEO Risk Management:** As used herein, "CEO Risk Management" shall mean the organizational unit under the County's Chief Executive Office.
- 2.1.3 **Chief Executive Office (Department):** As used herein, "Chief Executive Office" shall mean the Chief Executive Office of the County of Los Angeles.
- 2.1.4 **Contract:** As used herein, "Contract" shall mean 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.
- 2.1.5 **Contractor:** As used herein, "Contractor" shall mean 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.
- 2.1.6 **Contractor Project Manager:** As used herein, "Contractor Project Manager" shall mean the person designated by the Contractor to administer the Contract operations under this Contract.
- 2.1.7 **County Contract Administrator (CCA):** As used herein, "County Contract Administrator" and "CCA" shall refer to the Assistant Chief Executive Officer in charge of the Chief Executive Office's Risk Management Branch or his/her designee. The CCA administers the Contract and directs certain parts of the County's self-insured Automobile and General Liability Claims Administration Program.

- 2.1.8 County Contract Project Monitor:** As used herein, “County Contract Project Manager” shall mean the 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:** As used herein, “County Project Director” shall mean the 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 County Project Manager:** As used herein, “County Project Manager” shall mean the person designated by County’s Project Director to manage the operations under this contract.
- 2.1.11 Indemnification/Hold Harmless Agreement:** As used herein, “Indemnification/Hold Harmless Agreement” shall mean a contractual agreement between County and vendors, subcontractors, or other third parties, which specifically addresses allocation of responsibility for losses or damages that may occur under the contract, including which party shall bear the obligation of defending against any third-party legal actions.
- 2.1.12 Subcontract:** As used herein, “Subcontract” shall mean an agreement by the Contractor to employ a subcontractor to provide services to fulfill this contract.
- 2.1.13 Subcontractor:** As used herein, “Subcontractor” shall mean any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor’s performance of this contract, at any tier, under oral or written agreement

3 WORK

- 3.1** Pursuant to the provisions of this Contract, the Contractor 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 July 1, 2024 after execution by Chief Executive Officer, as authorized by the 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 extensions commencing on July 1, 2029 through June 30, 2032, for a maximum total Contract term of eight years. Each such extension option may be exercised at the sole discretion of the CEO or his/her designee as authorized by the Board of Supervisors.
- 4.3** The County maintains a database that track/monitor Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.
- 4.4** Contractor must notify Chief Executive Office when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to Chief Executive Office at the address herein provided in Exhibit C (County's Administration).

5 CONTRACT SUM

5.1 Total Contract Sum

- 5.1.1** Contractor shall be paid on a fixed fee basis, as set forth in Exhibit B (Pricing Schedule). Payment for assumption and administration of all take-over claims shall be included in this fee. County will not make, and Contractor is not entitled to any additional payment for the assumption or administration of any take-over claim.
- 5.1.2** The Maximum Contract Sum of this Contract shall be \$10,996,005.50 for the Term of this Contract, any costs incurred to complete this project in excess of the Maximum Contract Sum will be borne by Contractor. If County does not Accept work under and in accordance with this Contract, no payment shall be due to Contractor for such work.

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 Chief Executive Office at the address herein provided in Exhibit C (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 Contractor must invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A (Statement of Work and SOW Exhibits) 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 Contractor's invoices must be priced in accordance with Exhibit B (Pricing Schedule) and contain the information set forth in Exhibit A (Statement of Work and SOW Exhibits) describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

5.5.3 Contractor must submit the monthly invoices to the County by the 15th calendar day of the month following the month of service to the following:

Attention: Alex Rossi, Manager or designee

Email: arossi@ceo.lacounty.gov

5.5.4 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.

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

5.6.1 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).

5.6.2 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.

5.6.3 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.

5.6.4 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 C (County's Administration). The County will notify the Contractor in writing of any change in the names or addresses shown.

6.2 County Contract Administrator (CCA)

The role of the County's Contract Administrator may include:

6.2.1 Administers the Contract and directs certain parts of the County's self-insured Automobile and General Liability Claims Administration Program.

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 Director

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

6.3.1 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

6.3.2 The County's Project Director 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 Project Manager

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

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

6.4.2 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.

6.4.3 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.

6.3.4 Meet as needed with Contractor's Claims Manager to review Claim administration and Litigation Management services, Contract performance issues, and other items of concern to the County.

6.5 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. County's Project Monitor will monitor the Contractor's performance in the daily operation of this Contract.

6.6 County Department Liaison

One or more persons designated by each County department to work with the CCA, Quality Assurance Evaluator, and Contractor to be responsible for the following:

- 6.6.1** Ensure that required department documents are provided to Contractor.
- 6.6.2** Discuss allegations, incidents, and lawsuits with Contractor as needed, including attendance at Roundtable Meetings.
- 6.6.3** Provide approval for settling claims and lawsuits for their department.
- 6.5.4** Provide input to CCA on Contractor's performance under the Contract.
- 6.7 County Furnished Items**
 - 6.7.1** The CCA will arrange for the release of all files and other documents from current contractor to selected Contractor prior to beginning work under the Contract.
 - 6.7.2** The CCA and County Counsel will provide orientation on the County's Automobile and General Liability Claims Administration program for Contractor's staff prior to Contractor beginning work under this Contract. Contractor will not be reimbursed for any expenses it incurs during the orientation.

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 D (Contractor's Administration). The Contractor will notify the County in writing of any change in the names or addresses shown.

7.2 Contractor's Project Manager

- 7.2.1** The Contractor's Project Manager is designated in Exhibit D (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.

- 7.4.1** Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility.

Contractor personnel may be asked by a County representative to leave a County facility if they do not have the proper County ID badge on their person and Contractor personnel must immediately comply with such request.

7.4.2 Contractor must notify the County within one business day when staff is terminated from working under this Contract. Contractor must retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

7.4.3 If County requests the removal of Contractor's staff, Contractor must retrieve and return an employee's County ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.

7.5 Background and Security Investigations

7.5.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, 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.

County will receive notification of results of utilizing the County of Los Angeles ORI **A1714** (Code assigned by DOJ). 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.

- 7.5.4** Contractor must adhere and certify compliance with the provisions included Exhibit I (Background Investigation Criteria and Certification), and must certify and sign). Contractor must notify County of Contractor's staff that undergo background investigation conducted by Live Scan fingerprinting under County of Los Angeles ORI **A1714** (Code assigned by DOJ).

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 claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.6 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 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 make any admission, in each case, on behalf of County without County's prior written approval.
- 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 E1 (Contractor Acknowledgement and Confidentiality Agreement).
- Contractor will cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit E2 (Contractor Non-Employee Acknowledgment and Confidentiality Agreement).

7.7 Contractor Project Office Location

Contractor shall have a Project Office that supports all contract activities, including contract administration. Contractor shall be fully responsible for maintaining the Project Office throughout the term of the Contract. County requires Contractor to have an administration office located within 75 miles of the County of Los Angeles Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, unless otherwise approved by County Project Director. It is preferred the Project Office be located within the County or an adjacent county.

8 STANDARD TERMS AND CONDITIONS

8.1 Amendments

The authority to execute Amendments varies between departments and types of contracts.

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 CEO 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 CEO or his/her designee.

8.1.3 The CEO or his/her designee, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4 (Term of Contract). The Contractor agrees that such extensions of time will not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract must be prepared and executed by the contractor and by CEO or his/her designee.

8.2 Assignment and Delegation/Mergers or Acquisitions

8.2.1 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 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 Contractor as it could pursue in the event of default by Contractor.

8.3 Authorization Warranty

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

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

8.5.1 Complaint Procedures

- 8.5.1.1** Within ten (10) 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, 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.
- 8.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) 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 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.

8.7 Compliance with Civil Rights Laws

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, 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) 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" 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 are 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 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 F (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 and evaluate 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.

8.15.2 The County will designate two (2) or more persons who will act as a Quality Assurance Evaluators (QAEs) for the County on all services, requirements, and deliverables pertinent to the Contract, and monitor the Contractor's procedures using procedures that may be necessary to ascertain that the Contractor is in compliance with this Contract. County will inform the Contractor of the names, addresses, and telephone numbers of the QAEs in writing, at the time this Contract is effective, and at any time thereafter a change of QAE is made. The QAEs and the CCA may be the same persons. The QAE is not authorized to make any changes in the terms and conditions of this Contract, nor to obligate the County in any way whatsoever.

8.16 Damage to County Facilities, Buildings or Grounds

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

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

8.17 Employment Eligibility Verification

8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State

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

8.21 Governing Law, Jurisdiction, and Venue

This Contract 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 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 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. 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 liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

- 8.24.1** Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor 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 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 must be provided to County not less than ten (10) days after receipt of Renewal Certificates by Contractor from insurance carrier. The County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies.
- 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.

8.24.2.5 Certificates and copies of any required endorsements must be sent to:

County of Los Angeles – Chief Executive Office
Risk Management Branch, Claims Administration Insurance
Endorsement: Claim Administration and Litigation
Management Support Services, Contract No.: AO-24-404
Attention: Contracts and Procurement Division
Email: contractinsurance@ceo.lacounty.gov

8.24.2.6 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 Contractor. Contractor also must promptly notify County of any third-party claim or suit filed against Contractor or any of its subcontractors which arises from or relates to this Contract and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.3 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) must be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status 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 County with, or Contractor's insurance policies must contain a provision that 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 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 Contractor is provided such notice to allow for 30 days advance notice. In the event that Contractor is provide less than thirty (30) days' notice by any carrier, Contractor will provide written notice to County of any cancellation or policy change within five (5) business days or receipt of such notice from an insurer. Contractor shall use all reasonable effort to remedy any cause of such cancellation notice or will find replacement insurance meeting the requirements of this agreement and shall provide County with written notice that such cancellation has been rescinded or shall provide a new Certificate of Insurance evidencing that replacement insurance, prior to the date of the pending cancellation was to become effective, such that no lapse in the required insurance shall occur. 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 Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue contractor reimbursement.

8.24.6 Insurer Financial Ratings

Coverage 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 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 Contractor's own policies or must provide 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 Contractor as additional insureds on the subcontractor's General Liability policy. Contractor must obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies will not obligate the County to pay any portion of any Contractor deductible or SIR. Contractor agrees to be solely responsible for the payment of any and all deductibles or SIRs arising out of any policy Contractor has purchased or maintained in connection with this Contract. Contractor will not, under any circumstances seek contribution from the County to the payment of any deductible or SIR, and all related claims investigation, administration, and defense expenses.

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 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 Professional Liability-Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it must maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25.4.2 Crime Coverage

A Fidelity Bond or Crime Insurance policy with limits of not less than \$10 Million per occurrence. Such coverage must protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents must be named as an Additional Insured and Loss Payee as its interests may appear. This insurance must include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and must not contain a requirement for an arrest and/or conviction.

8.25.4.3 Cyber Liability Insurance

The Contractor must secure and maintain cyber liability insurance coverage with limits of \$10 Million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor 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.

8.26 Liquidated Damages

8.26.1 If, in the judgment of the Department Head, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, 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 Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, 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 Department Head, 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 Exhibit A-8 (Performance Requirements Summary (PRS)) Chart of Exhibit A (Statement of Work) 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 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 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 one (1) business day, 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 CEO, or his/her designee will resolve it.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

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

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 F (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 CEO, or his/her designee 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** 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 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. 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. 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.

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, 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.

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 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 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 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** 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:

County of Los Angeles – Chief Executive Office
Risk Management Branch, Claims Administration Insurance
Endorsement: Claim Administration and Litigation
Management Support Services, Contract No.: AO-24-404
Attention: Contracts and Procurement Division
Email: contractinsurance@ceo.lacounty.gov

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 ten (10) days after the notice is sent.
- 8.42.2** After receipt of a notice of termination and except as otherwise directed by the County, the Contractor must:
- 8.42.2.1** Stop work under this Contract on the date and to the extent specified in such notice, and
 - 8.42.2.2** Complete performance of such part of the work as 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 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. Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor 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** 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 the County of any breach of any provision of this Contract will constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract 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 County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

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

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

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

8.53 Time Off for Voting

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 subcontractors 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 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.

8.56 Compliance with the County Policy of Equity

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.

8.57 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.

8.58 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. Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, 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 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 and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on 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 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 Contractor and 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 related to transactions and code sets, privacy, and security.

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 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. 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 Data Destruction

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

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

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

Vendor 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 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.

9.4 Local Small Business Enterprise (LSBE) Preference Program

9.4.1 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](#).

9.4.2 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.

9.4.3 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.

9.4.4 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:

9.4.4.1 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;

9.4.4.2 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

9.4.4.3 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.

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 Chief Executive Officer, or designee, of the Chief Executive Office, the day and year first above written.

COUNTY OF LOS ANGELES

CONTRACTOR:

GEORGE HILLS COMPANY, INC.

By _____

FESIA A. DAVENPORT
Chief Executive Officer

By _____

JOHN CHAQUICA
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By Jason C. Carnevale
Jason C. Carnevale
Deputy County Counsel

**CONTRACT FOR
CLAIMS ADMINISTRATION AND LITIGATION MANAGEMENT SUPPORT SERVICES**

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STATEMENT OF WORK

CLAIM ADMINISTRATION AND LITIGATION MANAGEMENT SUPPORT SERVICES

1.0 SCOPE OF WORK

The Contractor shall provide incident and claim administration, as well as litigation management support services for the County. The Contractor shall also provide subrogation services related to the damage of County property. The incident and claim administration and litigation management support services shall include automobile, social services, employment, and general liability matters. Pending claims and incidents total approximately 2,058. The Contractor shall administer approximately 1,947 new claims and manage approximately 324 new lawsuits each fiscal year. Refer to Technical Exhibits to the Statement of Work, Exhibit A-1, Claims and Caseload Data Report.

Contractor shall provide these services in accordance with the standards set forth below:

- 1.1 Certain County Counsel information, processes, and protocols related to County's litigation management.
- 1.2 Certain CEO standards required under this Contract.
- 1.3 Those specific standards and requirements specified in the Contract.
- 1.4 To the extent a specific standard or requirement is not set forth in this Contract, those standards and requirements set forth in the California statutes, codes, regulations, or other governing statutes and regulations, including any amendments to these statutes and regulations during the term of the Contract.
- 1.5 To the extent a specific standard or requirement is not set forth in this Contract or the governing statutes and regulations, the specific standard or requirement set forth in the Change Notice executed by the County Contract Administrators and Contractor.
- 1.6 Confidentiality
The services performed and the documents produced pursuant to this Contract are done at the direction of County Counsel. For the purposes of this Contract, the Chief Executive Officer, Chief Executive Office Risk Management Branch, and the Contractor act as agents of County Counsel. Contractor shall have access to relevant County records, departments, and staff to perform the services and responsibilities outlined in this Contract and Statement of Work. All such information will be information acquired in confidence by a public employee in the course of his/her duties and not open, or officially disclosed, to the public within the meaning of California Evidence Code Section 1040. All records, communications, determinations, and reports made in the performance of the services in this Contract and Statement of Work are generated at the direction of County Counsel and shall be considered attorney work product and attorney-client privilege and subject to the appropriate claims of privilege therein.

The confidentiality of all records and materials collected and used by Contractor shall be preserved consistent with the terms of this Contract and Statement of Work and upon termination or expiration of this Contract shall be delivered to the Office of the County Counsel for confidential retention in the manner and for the timeframes required by law for confidential records of the County Counsel.

- 1.7 This contract and Statement of Work shall be interpreted in accordance with the delegated authority conferred to County Counsel and authority of the Chief Executive Office as set forth in the County Charter, State statutes, and County Code.

2.0 ADDITION AND/OR DELETION OF PROCEDURES AND TASKS

- 2.1 The County will have the right to change work procedures and add or delete specific tasks when it is in the best interest of the County to do so.
- 2.2 All changes must be made in accordance with Subparagraph 8.1 (Amendments and Change Orders) of the Contract.

3.0 DEFINITIONS

Definitions specific to this Statement of Work (Exhibit A) are listed in Paragraph 2.0 (Definitions), of the RFP Sample Contract (Appendix A).

- 3.1 **Ad-Hoc Report(s):** As used herein, "Ad-Hoc Report(s)" shall mean those report(s) generated at the request of the County on an informal and improvised basis. Contractor may be required to provide such reports only on an expedited basis at the request of the County Contract Administrator (CCA), County Counsel, or the departmental liaison.
- 3.2 **Allegation:** As used herein, "Allegation" shall mean an assertion, claim **declaration** or statement of a party to an event(s) which merits investigation, administration, and/or management by Contractor, as determined by Contractor or County.
- 3.3 **Allocated Expenses:** As used herein, "Allocated Expenses" shall mean all expenses including Contract Law Firm fees and excluding Contractor services fees incurred in connection with the investigation, adjustment, settlement **negotiations** or defense of claims or lawsuits. These expenses include; but are not limited to, process service, expert witness fees, surveillance, consultant fees, appraisal fees, forensic services, jury and court costs, court reporter fees, transcription costs, and other costs necessary to effectively defend the County, and any other expenses specifically authorized by the County. Allocated expenses are not included in the flat fees paid to Contractor.
- 3.4 **Catastrophic Loss:** As used herein, "Catastrophic Loss" shall mean an occurrence of multiple claims, incidents, lawsuits against the County as the result of a single peril. This may include first and third-party liability

occurrences and will be directed by County Counsel and/or the County Contract Administrator.

- 3.5 Case Budget:** As used herein, “Case Budget” shall mean the projected fees and costs for each phase in the defense of a lawsuit, including staffing levels, hourly rates, estimated hours and fees for partners, associates and paralegals, as well as expenses and costs, such as deposition costs and expert fees.
- 3.6 Caseload:** As used herein, a “Caseload” shall mean the number of individual claims, accelerated claims, incidents, or lawsuits open and assigned to an individual examiner of the Contractor.
- 3.7 Case Evaluation Plan:** As used herein, “Case Evaluation Plan” shall mean a detailed recommendation of case strategy, including motions to be filed, discovery, legal research, and experts required to defend an action.
- 3.8 Chief Executive Officer (CEO):** As used herein, “Chief Executive Officer” and “CEO” shall mean the Chief Executive Officer of the County of Los Angeles.
- 3.9 Claim:** As used herein, “Claim” shall mean each document submitted by a third-party(ies) in accordance with statutory requirements which alleges personal injury, real or personal property losses, damages, and/or other losses sustained due to the acts or omissions of the County, its employees, officers, or agents.
- 3.10 Claims Specialist:** As used herein, “Claims Specialist” shall mean an employee of Contractor who manages Files arising from incidents, claims and lawsuits, and manages the legal defense of lawsuits.
- 3.11 Commercial Annuity:** As used herein, “Commercial Annuity” shall mean a contract purchased from an insurance company that provides deferred payments to a recipient.
- 3.12 Companion Case File(s):** As used herein, “Companion File(s)” shall mean a File for a separate County department/facility which arises from the same incident, series of incidents, claim, or lawsuit as another File.
- 3.13 Concurrence:** As used herein, “Concurrence” shall mean an agreement with a particular course of action settlement.
- 3.14 Contract Law Firm:** As used herein, “Contract Law Firm” shall mean law firms which have contracted with the County to provide legal representation services.
- 3.15 Contract Law Firm Fees:** As used herein, “Contract Law Firm Fees” shall mean fees charged by Contract Law Firms for legal services provided on County-assigned claims and lawsuits.
- 3.16 Contract Start Date:** As used herein, “Contract Start Date” shall mean the date that Contractor begins work under this contract.
- 3.17 Corrective Action Plan:** As used herein, “Corrective Action Plan” shall mean the County department’s response to an incident, claim, or lawsuit, which addresses the root cause of the occurrence of the event and

implements solutions designed to prevent reoccurrence of a same or similar event.

- 3.18 County Counsel:** As used herein, "County Counsel" shall mean the officer or his/her designee appointed by the Board of Supervisors, as mandated and authorized by the County Charter, State statutes, and County Code, who provides advice and legal representation to the Board, County departments, special districts, and other public agencies.
- 3.19 County Counsel Supervising Attorney:** As used herein, "County Counsel Supervising Attorney" shall refer to the County Counsel attorney overseeing a specific litigated case or claim.
- 3.20 County's Financial System:** As used herein, the "County's Financial System" shall mean the County's Auditor-Controller's e-CAPS Accounting and Purchasing System for disbursing warrants to pay for authorized indemnity, legal defense fees, and Allocated Expenses associated with cases assigned to Contractor. Under normal payment processes, all payments can only be issued to payees that have been added and approved in the e-CAPS Financial System, governed by vendor management rules as set forth by the Auditor-Controller.
- 3.21 County Risk Manager:** As used herein, "County Risk Manager" shall mean the Assistant Chief Executive Officer in charge of the Chief Executive Office's Risk Management Branch, or authorized designee.
- 3.22 County Risk Management:** As used herein, "County Risk Management" shall mean the County's Chief Executive Office Risk Management Branch.
- 3.23 Damage(s):** As used herein, "Damage(s)" shall mean claimed compensation or indemnity resulting from the loss of, detriment or injury to a person, property, or rights.
- 3.24 Day(s):** As used herein, "Days" shall mean calendar day(s) unless otherwise specified.
- 3.25 Early Investigation:** As used herein, "Early Investigation" shall mean Contractor-initiated activity resulting from the decision to set up a File, or the immediate recognition of extraordinary case circumstances. Such activities shall include, but not be limited to, immediate contact with those employees, witnesses, and other individuals having any involvement in, or knowledge about an incident.
- 3.26 Electronic File:** As used herein, "Electronic File" shall mean a file on the County's risk management and/or County Counsel's databases related to the investigation, administration, management, and audit of incidents, claims, subrogation activities, and lawsuits.
- 3.27 Expense Reserve:** As used herein, "Expense Reserve" shall mean an estimate of attorney fees and costs (such as expert fees, deposition charges, and travel expenses) to be expended during the life of the case through trial. This reserve is established by County Counsel.
- 3.28 Factor(s) for Settlement:** As used herein, "Factor(s) for Settlement" shall mean the specific act or omission, breach of a duty of care, or statutory

violation committed by County, its officers, employees, or agents with the course and scope of their employment, and which is alleged to be a cause of claimant's/plaintiff's injuries.

- 3.29 File:** As used herein, "File" shall mean a repository established by the Contractor that contains documents related to the investigation, administration, management, and audit of incidents, claims, subrogation activities, and lawsuits. Note: As the County will be converting to an upgraded Risk Management Information Platform (RMIP), all instances of File, as used herein, will be superseded by Electronic File, defined below, once the new RMIP becomes available and specific direction is given by the Contract Administrator.
- 3.30 File Receipt Date:** As used herein, "File Receipt Date" shall mean the date Contractor receives a claim, lawsuit, or an incident report that alleges or asserts County liability.
- 3.31 Fiscal Year:** As used herein, "Fiscal Year" shall mean the twelve (12) month period beginning July 1st and ending the following June 30th.
- 3.32 Hardcopy File:** As used herein, "Hardcopy File" shall mean a paper copy of documents related the investigation, administration, management, and audit of incidents, claims, subrogation activities, and lawsuits. Note: As the County will be converting to an upgraded Risk Management Information Platform (RMIP), all instances of File, as used herein, will be superseded by Electronic File, defined below, once the new RMIP becomes available and specific direction is given by the Contract Administrator and County Counsel.
- 3.33 Indemnity Reserves:** As used herein, "Indemnity Reserves" shall mean an estimate of the amount that a judge or reasonable jury would award the plaintiff if the matter proceeded to trial, plus attorney fees, if recoverable by plaintiff. This amount is established by County Counsel in litigated cases.
- 3.34 Incident:** As used herein, "Incident" shall mean an occurrence in which an individual may have sustained personal injury, bodily injury, real or personal property damage, or other losses arising from or connected with the acts or omissions of the County, its employees, officers, agents, or any dangerous condition but does not result in a claim as Government Code, Govt. Code §§810 *et seq.*
- 3.35 Incident Report/Event Notification:** As used herein, "Incident Report/Event Notification" shall mean a written, electronic, or telephonic report from County to Contractor regarding an incident.
- 3.36 Investigation:** As used herein, "Investigation" shall mean the process of determining the facts, evaluating liability, assessing damages, and obtaining and preserving evidence.
- 3.37 Lawsuit or Litigated Case:** As used herein, "Lawsuit" or "Litigated Case" shall mean a legal action filed in a civil court by a third party(ies) in accordance with statutory requirements which alleges personal injury, real or personal property damage, or other losses sustained due to the acts or omissions of the County, its employees, officers, or agents.

- 3.38 Litigation Cost Manager (LCM):** As used herein, “Litigation Cost Manager” and “LCM” shall mean the designated attorney in the Office of the County Counsel who develops and assists in the implementation of strategies to monitor and control attorney fees and costs, expert costs, and other litigation expenses with the goal of achieving the most favorable litigation results at the most affordable cost.
- 3.39 Litigation Management:** As used herein, “Litigation Management” shall mean the process of investigating, evaluating, resolving, managing, monitoring, and reporting on all litigated cases, as well as supervising the County’s Contract Law Firms.
- 3.40 Litigation Monitoring Team:** As used herein, “Litigation Monitoring Team” shall mean the division within the Office of the County Counsel assigned to supervise Contractor and the processing of Claims presented against the County.
- 3.41 Quality Assurance Evaluator (QAE):** As used herein, “Quality Assurance Evaluator” and/or “QAE” shall mean the CCA or designee responsible for monitoring the Contractor’s performance, advising, and training the Contractor’s staff on the County’s systems and procedures.
- 3.42 Quality Assurance Monitoring Plan (QAMP):** As used herein, “Quality Assurance Monitoring Plan” and “QAMP” shall mean the methods used by the County to evaluate the Contractor’s performance.
- 3.43 Quality Control Plan:** As used herein, “Quality Control Plan” shall mean the methods and procedures used by Contractor to assure that the quality of the services provided meets County requirements in areas that include timeliness, accuracy, completeness, consistency and conformity.
- 3.44 Random Sample:** As used herein, “Random Sample” shall mean the sampling method in which each service output has an equal chance of being selected.
- 3.45 Reserve:** As used herein, “Reserve” shall mean the realistic estimate of the final amount that will be paid on a claim or lawsuit. There are two kinds of estimates established in every claim and lawsuit – Indemnity Reserves and Expense Reserves.
- 3.46 Risk Management Information Platform (RMIP):** As used herein, “Risk Management Information Platform” and/or “RMIP” shall mean the County’s current risk management and claims administrative matter management information system and ad-hoc reporting capabilities. The specifications of the current Risk Management Information Platform (Exhibit A-2), is provided in the Statement of Work (Exhibit A), attached hereto.
- 3.47 Roundtable Meetings:** As used herein, “Roundtable Meetings” shall mean meetings that are chaired by County Counsel to discuss issues related to specific litigated cases. Such meetings shall include participation by the Contractor, Contract Law Firm members, County department/facility representatives, and CEO Risk Management Branch staff.

- 3.48 Severe Injury:** As used herein, “Severe Injury” shall mean injury sustained by a third party that could result in significant indemnity and legal costs to the County. Such injury may include, but is not limited to, brain damage, spinal cord injury, total or partial loss of a limb, loss, or impairment of sensory or reproductive organs, burns, substantial disfigurement, and death.
- 3.49 Social Services:** As used herein, “Social Services” shall refer to a claim or litigated case related to the provision or denial of public services or social services benefits including, but not limited to, litigation arising from injuries to children placed in foster care by the County’s Department of Children and Family Services.
- 3.50 Statement of Work:** As used herein, “Statement of Work” shall mean the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the contract services.
- 3.51 Structured Settlement:** As used herein, “Structured Settlement” shall mean any settlement in which a portion of the payment or the entire payment to a plaintiff is deferred to the future.
- 3.52 Tail Claim:** As used herein, “Tail Claim” shall mean an open claim or a legitimate and properly closed claim which subsequently must be re-opened for a period for adjusting services. Costs of assuming tail claims are included in the Fixed Rates.
- 3.53 Timeline:** As used herein, “Timeline” shall mean a comprehensive and succinct written chronology that sets forth the facts of the case as they occur. Timelines are initiated by Contractor and are updated by Contract Law Firm members.
- 3.54 User Complaint Report:** As used herein, “User Complaint Report” shall mean the report submitted by an individual or group that specifies discrepancies or problems with Contractor’s performance. Contractor may be required to respond to such report.

4.0 SPECIFIC WORK REQUIREMENTS: PRE-LITIGATION AND LITIGATION MANAGEMENT SERVICES

4.1 Incident Reporting

The Incident Reporting services rendered under this contract shall be performed at the direction of County Counsel and/or CEO Risk Management. The requirements set forth in this section shall apply to all incidents involving all County departments, except where noted.

4.1.1 Incidents will be submitted to the Contractor electronically using the RMIP Platform.

4.1.2 The Contractor shall promptly review all incident reports made by the County to determine if:

- A. A case file should be created based on guideline contained

in Incident Reporting and Accident Review Guidelines (Exhibit A-3);

- B. Subrogation action should be undertaken based on the guidelines contained in Subrogation Process (Exhibit A-4);
- C. The matter should be handled as an "incident only" because of no liability against County or the facts are such that documentation is necessary to preserve information should a claim or liability be established at a later date; or
- D. The matter should be referred for immediate field investigation and handled as an accelerated claim settlement based on guidelines contained in Accelerated Claims Settlement Program (Exhibit A-5).

4.1.3 Incident Reports inputted into the RMIP shall include online incident reporting by County staff.

- A. Not all County staff will have access to the RMIP, so the Contractor must be able to receive incident reports by telephone or email and input into the RMIP.

4.1.4 Upon receiving notice of an Incident, the Contractor shall:

- A. Investigate an incident that involves a severe injury within twenty-four (24) hours after the Contractor is notified of the incident. The contractor shall advise the CCA or designee, the Assistant County Counsel or designee for the Litigation Monitoring Team of any severe injury within 5 days. Within ninety (90) calendar days, the investigation should be substantially completed and the CCA shall be advised of actions taken.
- B. Contact claimants for incident or claims involving minor injury or property damage for which the County is liable to verify injury/damage amount and determine if an expedited resolution should be initiated under the Accelerated Claims Settlement Program, Exhibit A-5.

4.2 Claims Administration

All Claims administration services rendered under this contract shall be performed at the direction of the County Counsel on behalf of the County of Los Angeles. The CCA administers the procedural aspects of claims administration; is the QAE. The requirements set forth in this section shall apply to all Claims involving all County departments, except where noted.

Contractor shall be notified of Claims through the County's risk management claims information platform, electronic mail ("e-mail"), facsimile ("fax"), or United States Postal Service ("mail"). Only Claims

presented to the Executive Office of Board in accordance with the California Government Code are considered properly presented against the County.

4.2.1 Contractor shall open a Claim File within twenty-four (24) business hours of a claim receipt. In addition, if an investigation has not been previously initiated, Contractor will conduct an investigation within the parameters outlined below:

- A. Create an electronic claim file in RMIP if one does not already exist by the end of the next business day.
- B. The claim file shall be regularly updated with any and all developments as they occur, including but not limited to, the death of claimant(s)/irreparable harm or injury to claimant(s) real and/or personal property losses, significant dates, the existence and pursuit of an Indemnification/Hold Harmless agreement and insurance policies, the results of any investigations, including the results of the Contractor's Early Investigation, or other investigation and the Contractor's evaluation of damages and liability exposure, and any settlement offers.
- C. Review the Claim for compliance with the requisites of Government Code Section 910, related to such matters as sufficiency, completeness, and timeliness. If the Claim fails to comply with any of the statutory requirements, Contractor shall send an appropriate notice.
- D. Initiate an investigation if the Claim meets the requisites of Government Code Sections 910 et seq. All investigations shall be conducted at the request and direction of County Counsel and may be in consultation with CEO Risk Management, and require the Contractor to take all appropriate steps, which may include, but will not be limited to, the following:
 - 1) Review all involved County departments' internal investigation reports, relevant policies, procedures, and personnel records; and accident or injury reports generated by the County or third-party entities, including, but not limited to, police reports and Department of Motor Vehicles records; coroner's reports, and all other reports and documents related to the underlying incident. If the Contractor is unsuccessful in securing necessary documents within (14) calendar days of the initial request through the department/facility's usual process, Contractor shall notify the department's Risk Management Coordinator/Liaison and send a copy of the notification to County Counsel and CEO Risk Management Branch.

- 2) Obtain videotape, audio tape, and oral and/or written statements from all involved parties and witnesses.
 - i. Contactor shall not perform an on-scene inspection in the case of an Employment or Social Services matter, unless specifically directed by County Counsel.
- 3) Perform on on-scene inspection, except in the case of an incident, claim, or lawsuit involving a Sheriff's Department automobile collision:
 - i. The Contractor shall coordinate with the Sheriff Department's Risk Management – Civil Litigation Unit to assess the reasonableness and appropriateness of damages and repair or replacement costs and evaluate the County's potential liability exposure. Contactor shall not conduct an on-scene investigation of an accident that involves a Sheriff's Department vehicle.
 - ii. Contactor shall not perform an on-scene inspection in the case of an Employment or Social Services matter, unless specifically directed by County Counsel.
- 4) Secure evidence and take and preserve color photographs individually or on a compact disc or other electronic storage device.
- 5) Assess the appropriateness and reasonableness of claimed property damages and repair or replacement costs.
- 6) Assess physical injuries, including evaluating medical treatment and expenses.
- 7) Initiate investigations of events that involve death or serious injury (life-threatening or having the potential to cause immediate and irreparable harm) within twenty-four (24) hours of the Contractor being notified of the events. In extraordinary circumstances, Contractor shall initiate Early Investigations immediately upon being notified of the event. The investigations must be completed within ninety (90) calendar days.
- 8) Initiate and complete investigations of events that involve non-serious (minor) injury and property damage with thirty (30) calendar days of the Contractor being notified of the events. Contractor must contact the potential claimants to verify damage/injury amount and to determine if an expedited resolution should be initiated under the County's Accelerated Claims Settlement Program.

Contractor's investigation must be consistent with the severity and value of the occurrence and the loss incurred.

- 9) Identify indemnification/hold harmless agreements and insurance policies which may be favorable to the County; and
- 10) Advise County Counsel, CEO Risk Management Branch, and the involved department/facility of actions needed to resolve the pending matter including recommendations to settle or deny.

E. Rapid Response Claims:

Contractor shall provide a property adjuster to be on call 24/7 for response to calls from the Department of Public Works (DPW) for the handling of emergency sewer backup cases. Contractor's duties shall include the following:

- 1) Contractor shall contact the claimant immediately and, if deemed appropriate, contractor should immediately inspect the area.
- 2) Contractor shall meet with the claimant in order to explain the claims process and will provide claimant with a Claim for Damages form for immediate filing with the Board of Supervisors. Contractor will also provide claimant with an inventory form for completion.
- 3) Contractor shall inspect, photograph, and document the damages. Contractor shall contact DPW via e-mail to notify them of the status of the claim.
- 4) Set indemnity file reserves within 10 days (changed to 15 days in another part of new SOW).
- 5) Evaluate and pursue indemnification/hold harmless agreements.
- 6) Evaluate County's liability and assess damages.
- 7) Contractor shall monitor the remediation process and will secure the bill from the remediator for services rendered on behalf of the claimant.
- 8) Contractor shall secure a bill from the hygienist, if appropriate, once environmental sampling clearance has been secured.
- 9) Contractor shall educate claimant on the remediation and restoration process.
- 10) Contractor shall submit an advanced payment request to County for all emergency services prior

to settlement of the claim.

- 11) Contractor shall prepare settlement letter and release to include all amounts paid, the amount adjusted for personal property damages, additional living expenses, and the rebuild estimates which were approved by Contractor, less any applicable depreciation.
 - 12) Resolve claim after a detailed and thorough evaluation is completed. Either deny or seek concurrence to settle.
 - 13) Close file. Contractor shall scan and attach all supporting bills, report, photos, payment request, and settlement letters to RMIP.
- F. Set indemnity, claim file reserves within ten (10) calendar days of receiving the claim.
- G. Evaluate and, if appropriate, pursue indemnification/hold harmless agreements in accordance with Subparagraph 4.4 of this Statement of Work.
- H. Evaluate the County's liability exposure and assess the injured party's damages.
- I. Resolve the claim once a detailed and thorough evaluation of the facts, issues, documents, and all evidence has been completed.
- 1) If there is no liability or liability is unlikely, Contractor shall provide timely, written notification to the claimant that his/her claim is denied in accordance with Government Code Section 913, or
 - 2) If liability is likely, Contractor may obtain concurrence from the involved County department/facility and negotiate a reasonable settlement with the claimant in accordance with Subparagraph 5.2.1 of this Statement of Work where such settlement is in the County's best interest.
- J. Close the electronic claim file in the County's risk management claims information platform once a denial letter or settlement check has been issued. Contractor shall ensure that all documents related to the claim are attached to the electronic file.

4.2.2 Response to Claims:

In addition to investigating the facts upon which the claims are based, Contractor shall, at County Counsel's direction and on behalf of the County, take all necessary and appropriate action to protect the County's rights under the Government Claims Act, Government Code, Sections 810-996.6. Such action shall include, but not limited to the following actions:

- A. Return as untimely all claims that were not filed within the statutory time requirements.
- B. Reject claims on or before the date a rejection is required or permitted by law, if, in the exercise of reasonably prudent judgment and after a review of all pertinent information, there is no basis of liability against the County or its employees.
- C. Reject claims by operation of law after reasonable efforts to obtain necessary additional information to clarify or substantiate issues of liability or damage from the claimant or departments are unsuccessful on or after the date on which the claim is statutorily deemed rejected by operation of law. If departments fail to respond to Contractor's request for additional information within thirty (30) calendar days of the initial request, Contractor shall notify County Counsel and CEO Risk Management Branch.
- D. Send a notice of insufficiency within 20 days of the date claim presented for any claims not submitted in accordance with statutory requirements. Contractor shall deny all claims where claimant fails to remedy the noted insufficiencies.
- E. Deny all Applications for Leave to Present a Late Claim, unless it appears the application meets the requirements of Government Code, Sections 911.4 and 911.6. In these instances, Contractor shall advise County Counsel and obtain written approval to accept the application from the Litigation Monitoring Team's claims and lawsuits County Counsel Supervising Attorney, or their designee.
- F. Forward any Petition for an order relieving the petitioner from Government Code section 945.4, pursuant to Government Code Section 946.6, to the Litigation Monitoring Team's claims and lawsuit County Counsel Supervising Attorney or his/her designee. Contractor shall assist the assigned County Counsel Supervising Attorney and Contact Law Firm in opposing the Petition.
- G. Notify County Counsel Supervising Attorney of any written settlement demands in excess of \$100,000 immediately.
- H. Notwithstanding the above, Contractor shall exercise reasonably prudent judgment and consult County Counsel when a claim presents facts and circumstances that require deviation from the procedures above to protect the County's best interests.

4.2.3 Reserves:

Contractor shall establish, update, and maintain Claim reserves.

- A. Set initial Indemnity Reserves within 10 (ten) days of the date the Claim is received by the Contractor. Refer to Technical

Exhibits to Statement of Work, (Exhibit A-6) Case Reserves.

- B. Review and update reserves on pending Claims until the Claims are resolved. Reserves should be updated based on Claim developments, as warranted and reviewed for necessary adjustments no less than every ninety (90) days.
- C. Establish necessary management controls to ensure periodic review and maintenance of Claim File Reserves.
- D. Provide the bases and supporting data upon which the Contractor has determined reserve amounts, upon request by County.

4.2.4 Settlements:

Claims shall be settled at the direction of County Counsel after concurrence from the involved County department(s) and/or CEO Risk Management Branch. County Counsel may approve, deny, or modify, in whole or in part, the proposed amount, type, and/or manner of settlement at any time prior to acceptance of the settlement by the claimant and/or his attorney or legal representative. As part of any settlement, Contractor shall obtain all necessary releases from the claimant or his attorney or legal representative.

4.2.4.1 Settlements \$10,000 and Under:

The Contractor shall have the authority to settle claims for \$10,000 or less per claimant, if such settlement is deemed by the Contractor to be in the County's best interest. The Contractor must seek concurrence from the involved County department before settling a claim. However, should the department be non-responsive (within five working days) the Contractor shall seek assistance from County Counsel.

Where there are multiple claimants arising out of a single Incident, Contractor shall confer with County Counsel prior to settling any and all claims arising from that single Incident.

4.2.4.2 Proposed Settlements Over \$10,000:

Contractor shall have the authority to recommend the settlement of claims for any amount over \$10,000, subject to the following conditions:

- A. Contractor shall obtain prior approval from the County Counsel Supervising Attorney or his/her designee before negotiating a settlement for an amount over \$10,000. Contractor shall prepare a brief memorandum and forward it to the Assistant County Counsel or designee for

Litigation Monitoring Team which oversees claims and lawsuit intake, the involved department, and CEO Risk Management Branch. The memorandum shall outline:

1. The Contractor's evaluation of the legal theories of liability, including each reason/factor upon which the proposed settlement is based; and
 2. An accurate, thorough, but brief recitation of the facts of the case and damages incurred.
- B. Contractor shall negotiate a settlement that is in the best interest of the County after receiving approval of the proposed settlement from the Litigation Monitoring Team, claims and lawsuit County Counsel Supervising Attorney, or his/her designee, and after conferring with the involved department and CEO Risk Management Branch.
- C. Contractor shall prepare a memorandum of settlement within ten (10) business days of reaching a settlement with the claimant or his/her attorney or representative. The memorandum shall contain the following:
1. A fixed dollar settlement amount and the terms and conditions of the settlement;
 2. A thorough, but brief recitation of the facts of the case and damages incurred, and the legal theories upon which liability is based, including each reason/factor for settlement;
 3. A statement certifying that the Contractor obtained the approval of the involved County department; and
 4. A status of the claim.
- D. Contractor shall forward the memorandum of settlement to the Litigation Monitoring Team's claims and lawsuit County Counsel Supervising Attorney or his/her designee and CEO Risk Management Branch for final settlement approval.
- E. In the discretion of and at the direction of

the County Counsel Supervising Attorney, in coordination with the Assistant Chief Executive Officer of CEO Risk Management, Contractor shall be prepared to attend the Claims Board and/or Board of Supervisors meeting to respond to any inquiries related to the settlement, including, but not limited to, inquiries regarding County liability, potential damages, and costs.

- F. Contractor shall prepare and surrender to the claimant a check draft for the agreed upon settlement amount once Contractor receives approval from the Litigation Monitoring Team claims and lawsuit County Counsel Supervising Attorney or his/her designee and CEO Risk Management Branch and all appropriate releases are signed.
- G. Contractor shall follow-up with the claimant to ensure claimant and/or his attorney or representative carries out the terms of the settlement agreement.
- H. Contractor shall prepare a closing report after the settlement agreement has been executed, the settlement check draft has been issued, and expenses have been paid.

4.2.4.3 Structured Settlements:

Contractor shall ensure that all structured settlements contain a fixed dollar amount. Under the general supervision of the CEO Risk Management Branch, the Contractor will purchase annuity policies for the payment of structured settlements. The annuity premium will be considered a settlement cost to be paid from the **County's Financial System**. Structured settlement shall be subject to County approval.

4.2.5 Use of Contract Law Firm:

If Contractor believes that the use of a Contracts Law Firm is required in the handling of a claim, Contractor shall communicate this recommendation to the Litigation Monitoring Team's claims and lawsuit, County Counsel Supervising Attorney, or the designee who will then make a determination, in consultation with the affected Assistant County Counsel. County Counsel will retain and assign the Contract Law Firm.

Invoices submitted by such Contract Law Firm will be reviewed and approved pursuant to the requirements set forth in Subparagraph 4.3.7. After approval of the billing invoices, Contractor shall forward them to the appropriate County Counsel Attorney for approval.

4.2.6 Closing Report

The Contractor shall scan and attach all documents and photographs in its possession to the appropriate Incident or Claim file in the County's riskmanagement claims information platform and forward all physical evidence to the Litigation Monitoring Team's claims and lawsuit County Counsel Supervising Attorney or his/her designee within five (5) business days of receiving notice by County Counsel that a Lawsuit has been filed related to an Incident or Claim administered by the Contractor. Contractor shall also prepare a closing report which summarizes all information in the incident or claim file, analyzes the facts, documents, witness statements, physical evidence, and County liability exposure and provides a settlement recommendation, along with the Contractor's reason(s) for the recommendation. This report shall be prepared regardless of whether the Incident or Claim is still under investigation by the Contractor at the time the Lawsuit is filed.

4.3 Litigation Management

All litigation management services rendered pursuant to this contract will be performed at the direction of County Counsel on behalf of the County of Los Angeles. Policies and procedures for all aspects of litigation management shall be governed by County Counsel's protocols.

- 4.3.1 The Contractor shall (if it has not been previously done so) scan and attach all documents and photographs in its possession to the appropriate Incident or claim file in the County's risk management claims information platform and forward all physical evidence to the General Litigation Division's claims and lawsuit County Counsel Supervising Attorney or his/her designee within five (5) business days of receiving notice by County Counsel that a Lawsuit has been filed related to an Incident or Claim administered by the Contractor. Contractor shall also prepare a closing report which summarizes all information in the Incident or Claim file, analyzes the facts, documents, witness statements, physical evidence, and County liability exposure, and provides a settlement recommendation, along with the Contractor's reason(s) for the recommendation. This report shall be prepared regardless of whether the Incident or Claim is still under investigation by the Contractor at the time the lawsuit is filed.

- 4.3.2 County Counsel may assign all litigated matters directly to a Contract Law Firm. At the time of assignment, County Counsel will provide the Contract Law Firm with the appropriate direction, including but limited to, a Case Evaluation Plan (CEP) and Case Budget template. County Counsel will also set all reserves and advise the Contract Law Firm of these reserves. The Contractor will receive a copy of the assignment letter sent to the Contract Law Firm.
- 4.3.3 Following the assignment of each case, the Contractor shall obtain the completed CEP and Case Budget forms from the assigned Contract Law Firm in the time requirements prescribed by County Counsel's protocols. Contractor shall ensure that the Contract Law Firm attaches the CEP and Case Budget to the e-billing system. The Contractor shall also review and approve each CEP and Case Budget as to both form and content and ensure that they are thorough and complete. Specifically, the Contractor shall ensure that each CEP provides a detailed recommendation of case strategy, including motions to be filed, proposed discovery, necessary legal research, and the identity and/or type of consultant and expert witnesses required to defend against the action. Contractor shall also ensure that the Case Budget provides a reasonable projection of all fees and costs associated with the defense of the lawsuit through trial, including a breakdown of the fees for each phase and associated task of litigation, staffing levels, hourly rates, and the estimated number of hours and related amount of fees for each partner, associate and paralegal assigned to the case, as well as all associated expenses, such as deposition costs and expert fees.

After a thorough review of the CEP and Case Budget, the Contractor shall either approve and forward them to the County Counsel Supervising Attorney indicated in the assignment letter, or, if unacceptable, return the items to the Contract Law Firm for modification and resubmission to the Contractor. After the County Counsel Supervising Attorney approves a Case Budget, the Contractor shall make any necessary adjustments to the reserves for indemnity and fees and costs in the appropriate fields of the County's matter management databases so that they are consistent with those included in the approved, initial Case Budget, or any Amended Case Budget.

- 4.3.4 In the event that no Claim was filed prior to the filing of the lawsuit, or a Claim was filed, and no investigation was conducted, the Contractor shall conduct an investigation of the allegations contained in the lawsuit as directed by County Counsel and in conformance with Subparagraph 4.2 E of this Statement of Work. During the pendency of the lawsuit, the Contractor shall conduct any additional investigation regarding

the lawsuit as directed by County Counsel or the Contract Law Firm assigned to the case. Such further investigation may include, but will not be limited to, obtaining medical records, witness statements, investigation reports and other items.

- 4.3.5 Contractor shall serve as a liaison between the County departments involved in each lawsuit and the Contract Law Firm(s) assigned to the case by County Counsel. At the direction of County Counsel, the Contractor shall assist the Contract Law Firm(s) with obtaining all necessary documents and physical evidence related to the lawsuit from the appropriate personnel of the involved County department. The Contractor shall identify the persons, including County personnel, who have, or may have, knowledge related to the lawsuit and provide the names of such persons to the County Counsel Supervising Attorney and the Contract Law Firm assigned to the case.
- 4.3.6 Contractor shall ensure that, as directed by County Counsel, all appropriate case information is entered into the County's risk management claims information platform as soon as it becomes available, and that such information is promptly updated as changes occur. By way of example, such information includes, but is not limited to, the trial date, the trial judge, current case status, pre-trial dismissal date, settlement date and amount, trial result, appeal date and appellate result, and the case closed date and basis for the closure.
- 4.3.7 In compliance with the County Counsel billing requirements, the Contractor shall review, approve and pay all billing invoices issued by the Contract Law Firms. Contractor shall review the billing invoices for accuracy, appropriateness of work and expense charges, and reasonableness. The Contractor shall ensure that the amount of any fee is in proportion to the value of the services rendered and that the services were necessary. The Contractor shall also verify that any time charged was actually worked and that no statements containing "flat rates" or "standard time charges" are approved. The Contractor shall not approve any billing invoice which contains blocked billing, improper staffing, non-specific work, overhead charged as work, unbudgeted charges, or charges exceeding the Case Budget. Contractor shall ensure that the charges contained in all billing invoices are in compliance with, and within the budgeted amounts of, the Case Budget, including both phases and tasks. Contractor shall only approve for payment those "reimbursable expenses" which are accurate, appropriate, and reasonable, and shall not reimburse for any expenses which are designated as "overhead" in the billing requirements. If the Contractor determines that the billing invoice is unacceptable for any reason, the invoice shall be returned to the Contract

Law Firm, along with an explanation as to the reason(s) for rejection, for modification and resubmission.

4.3.7.1 The Contractor, at the direction of the Litigation Cost Manager or other County Counsel personnel, shall prepare an analysis that discusses the factual and procedural details as they relate to attorney fees and costs charged to a specified litigated case. The analysis shall include an explanation, by case phase, of the attorney fees and costs expended on the case and any savings achieved by Contractor as compared to the amount billed by the Contract Law Firm. If the fees and costs exceeded the initial budgeted amount, the Contractor shall explain, by case phase, the budget overrun. The Litigation Cost Manager or designee will notify the CEO Risk Management Branch when such analysis is required or requested.

The Contractor shall use the electronic billing component of County Counsel's matter management databases to process and approve all billing invoices. The Contractor shall monitor the billing invoices and confirm that the County Counsel Supervising Attorney has either rejected or approved the billing invoice within fifteen (15) calendar days of its receipt. At the end of the fifteen (15) day period, the Contractor shall notify both the Supervising Attorney and the Supervising Attorney's Assistant County Counsel that the billing invoice has not been approved or rejected. If the Supervising Attorney has neither approved nor rejected the forwarded billing invoice within thirty (30) days of its receipt, the Contractor shall notify the Supervising Attorney's Senior Assistant County Counsel and/or County Counsel Litigation Cost Manager that no action has been taken by the County Counsel Supervising Attorney on that billing invoice.

4.3.8 Roundtable meetings will be scheduled by County Counsel. County Counsel reserves the right to schedule, cancel, or waive any and all roundtable meetings. The roundtable meetings will be chaired by the County Counsel Supervising Attorney or an Assistant County Counsel with attendance by CEO Risk Management Branch staff, the involved County Department's representative(s), the Contractor, and Contract Law Firm members. Roundtable meetings will be scheduled either every four (4) months, or six (6) months, or as necessary. Approximately, 120 Roundtable Meetings will be scheduled every four months. Approximately, 180 Roundtable Meetings will be scheduled every six months. Approximately 365 will be scheduled as necessary. The Contractor shall

participate in the roundtable process as follows:

- A. Discuss all aspects of the case, including facts, law and motion practice, key documents, potential witnesses, selection of experts, tactical decisions, settlement recommendations, and trial strategies;
- B. Present all financial aspects of the case, including the amounts spent and budgeted for fees and costs, compliance with Case Budgets, budget projections, reasons for budget overruns, recommendations for amended budgets, and methods of controlling and/or reducing fees and costs;
- C. Take detailed notes of the occurrences at the Roundtable Meetings and provide a summary of the notes to the County Counsel Supervising Attorney no more than three (3) days after the roundtable; and
- D. After each Roundtable Meeting, enter a comprehensive but concise case status on the County Counsel's matter management databases. The case status should include all significant developments occurring since the previous Roundtable Meeting and all significant dates for hearings on motions, settlement conferences, mediations, and trial dates. All significant dates should also be entered in the proper section or field of the County's matter management databases.

The Contractor shall monitor the Contract Law Firms assigned to each case to ensure compliance with County Counsel's protocols and billing requirements.

- 4.3.9 In the discretion and at the request of the County Counsel Supervising Attorney, the Contractor shall attend any Ad-Hoc meeting convened to discuss any aspect of a litigated matter. These meetings shall be convened, when necessary, as determined by the County Counsel Supervising Attorney.
- 4.3.10 The Contractor shall obtain from the Contract Law Firm a number of reports. The Contractor shall review each report to ensure that it is appropriate as to form and content. All these reports are confidential attorney-client or attorney work product, and the Contractor shall ensure that they are protected accordingly. These reports shall include:
 - A. Trial Counsel Report (TCR) – A written report which must be submitted by the Contract Law Firm no later than ten (10) calendar days before each Roundtable Meeting. As appropriate for the subject matter and nature of each case, the TCR should include, but is not limited to, a statement of facts, the procedural status of the case, a legal analysis of the case, a discussion of damages and injuries, the

settlement status of the case, the estimated adverse verdict range, the Case Budget, fees and costs expended to date and any proposed additional actions to be taken. The Contractor shall ensure that the TCR is timely submitted by the Contract Law Firm and that it adequately addresses the appropriate areas for each particular case.

- B. Significant Development Report (SDR) – written reports which are submitted by the Contract Law Firm and address any significant actions or developments as they occur between Roundtable Meetings and the submission of TCRs. By way of example, a significant development may be the addition of a new party to the action, a ruling on a motion, new case strategy, significant deposition testimony, discovery of a critical document, the scheduling of a mediation or settlement conference, or a change in venue or trial judge. An SDR may be submitted by the Contract Law Firm at any time. Following receipt of an SDR, the Contractor shall enter a summary of the SDR in the status field of the County's matter management databases and attach it to the databases.
- C. Daily Trial Reports – Contract Law Firms provide daily trial reports which are required to be submitted to the County Counsel Supervising Attorney and the Contractor at the end of each court day, but no later than 8:00 a.m. the following morning. The reports include a brief summary of the day's testimony, any significant developments or rulings, any settlement demands or discussions and a brief description of what is anticipated to occur the next court day. Contractor shall ensure that such reports are timely submitted.

- 4.3.11 If the Contractor determines that a member of a Contract Law Firm assigned to a lawsuit fails to comply with any protocols or billing requirements, the Contractor shall immediately notify both the Contract Law Firm and the County Counsel Supervising Attorney of such failure and recommend a course of action to remedy the failure. The Contractor shall immediately report any concern regarding the manner in which a member of a Contract

Law Firm is handling the defense of a lawsuit directly to the County Counsel Supervising Attorney.

- 4.3.12 Contractor shall attend all mediations and settlement conferences. Prior to attending a mediation or settlement conference, Contractor shall communicate with the County Counsel Supervising Attorney in order to discuss settlement strategy and authorized amounts.

- 4.3.13 Initial reserves in all litigated matters will be established and

entered into the County Counsel's matter management databases by County Counsel. These reserves are:

- A. Indemnity Reserves: An estimate of the amount that a judge or reasonable jury would award the plaintiff if the matter proceeded to trial, plus attorney fees, if recoverable by plaintiff.
- B. Expense Reserve: An estimate of attorney fees and costs (such as expert fees, deposition charges, and travel expenses) to be expended during the life of the case through trial.

Contractor shall ensure that any Case Budget submitted by the Contract Law Firm conforms to the reserve initially set by County Counsel. In the event that the reserves differ, the Contractor shall advise the assigned Contract Law Firm that any deviation from the initial budgeted reserves established by County Counsel must be explained in the Case Budget. Following the approval by the County Counsel Supervising Attorney of any Case Budget, the Contractor shall make any necessary adjustments to the reserves for both indemnity and fees and costs in the County's matter management databases to ensure that they are consistent with those included in the most recent Case Budget or Amended Case Budget. The Contractor shall ensure that the reserves in the County's matter management databases accurately reflect the reserves as established in the most recent Case Budget and Amended Case Budget. When necessary, the Contractor shall enter the reserve amount for both indemnity and fees and costs as reflected in the most recent Case Budget or Amended Case Budget in the County Counsel's matter management databases.

- 4.3.14 Within three (3) days of receiving a request for case closure from the County Counsel Supervising Attorney, the Contractor shall close a litigated matter on the County Counsel's matter management databases in accordance with applicable protocols. Such closure shall not relieve the Contractor of reviewing and approving all outstanding billing invoices received after the closure.

4.3.15 Court Appearances

Where County Counsel is ordered to appear in Court, Contractor shall:

- A. Inform the County Counsel Supervising Attorney in charge of the litigation of the date and location of the appearance within seventy-two (72) hours of Contractor becoming aware of the court order, and

- B. Brief the County Counsel Supervising Attorney on the facts and circumstances of the order for the purpose of identifying and anticipating the problems and issues that may be addressed at the scheduled court appearance.

4.3.16 Board Appearances

In the discretion of and at the direction of the County Counsel Supervising Attorney, in coordination with the Assistant Chief Executive Officer of Risk Management, Contractor shall be prepared to attend the Claims Board and/or Board of Supervisors meeting to respond to any inquiries related to a litigated case, including, but not limited to, inquiries regarding settlements, County liability, potential damages, and costs.

4.3.17 Settlements

Once a settlement has been approved by the County of Los Angeles Claims Board or the Board of Supervisors, Contractor shall:

- A. Prepare and surrender to the plaintiff a check draft for the agreed upon settlement amount;
- B. Follow-up with the assigned Contract Law Firm to ensure plaintiff and/or his attorney or representative carries out the terms of the settlement agreement;
- C. Prepare a closing report after the settlement agreements have been executed, the settlement check draft has been issued, and expenses have been paid; and
- D. Advise County Counsel on a quarterly basis, or as requested, of all settlements for which the Contractor prepared a settlement check draft or for which the County approved a settlement totaling \$20,000 or more.

4.3.18 Structured Settlements

Contractor shall ensure that all structured settlements contain a fixed dollar amount. Under the general supervision of CEO Risk Management Branch, the Contractor shall purchase annuity policies for the payment of structured settlements. The annuity premium will be considered a settlement cost to be paid from the County Financial System. Structured settlement shall be subject to County approval.

4.3.19 Liens and Encumbrances

Contractor shall identify, verify, and report to CEO Risk Management Branch and the County Counsel Supervising Attorney the existence of all liens and encumbrances against a proposed settlement and assert all appropriate defenses to any such liens and encumbrances. Contractor

shall negotiate such liens and encumbrances and ensure that the liens and encumbrances are satisfied, or will be satisfied, either by plaintiff/claimant, outside third parties, through a compromise and release by the lien holder, or by the stated terms and conditions of the proposed settlement.

4.4 Insurance Policies and Indemnification/Hold Harmless Agreements

Contractor shall identify and evaluate indemnification/hold harmless agreements which may provide indemnification for the County by other parties.

- 4.4.1 Contractor shall investigate the existence of any related indemnification/hold harmless agreements which might provide the County with indemnification rights regarding an incident, claim, or lawsuit.
- 4.4.2 As soon as practicable, but in no event more than ten (10) days of determining that the agreement is enforceable, Contractor shall tender the defense and indemnification of the County to the appropriate indemnitor(s). Contractor shall make reasonable efforts to obtain a timely response to the tender.
- 4.4.3 If the Contractor tenders the matter during the claim phase and the indemnitor(s) refuses or fails to respond to the Contractor's demand for indemnification within thirty (30) calendar days of the request, Contractor shall notify the claims and lawsuit intake County Counsel Supervising Attorney and CEO Risk Management.
- 4.4.4 During the pendency of a lawsuit, the Contractor shall notify the County Counsel Supervising Attorney prior to tendering the defense or demanding the indemnification of the County, and shall obtain the consent of the County Counsel Supervising Attorney before making such a demand. If the indemnitor refuses to accept the tender or fails to respond within thirty (30) calendar days of the Contractor's initial written demand, Contractor shall notify the County Counsel Supervising Attorney, CEO Risk Management and the assigned Contract Law Firm within two (2) business days of the third party's refusal or the expiration of the response period.
- 4.4.5 If the indemnitor rejects or fails to timely respond to an indemnification demand in either the claim or litigation phase, the Contractor's notice shall include:
 - 4.4.5.1 A letter detailing the steps the Contractor took to tender the matter to the third-party;
 - 4.4.5.2 Copies of all tender letters; and
 - 4.4.5.3 Contractor's recommended course of action.

The Contractor shall make additional efforts to tender the defense and indemnification of the County as directed by County Counsel. Such efforts may include but are not limited to drafting and sending additional tender letters and/or responsive letters, make follow up contact telephonically and filing a claim with the indemnitor's insurance company (where the County is not already an additional or primary insured).

4.5 Closing Documentation

After completion of all activity in the file, the Contractor shall scan and attach all unscanned documents and photographs in its possession to the appropriate Claim file in RMIP. Contractor shall also prepare a closing report in the RMIP summarizing the information in the claim file through conclusion.

4.6 Subrogation

Contractor shall provide the following services as provided in Exhibit A-4:

- 4.6.1 Contractor shall be responsible for the identification, evaluation, administration, resolution, collection, and deposit with the County of all monies recovered.
- 4.6.2 Provide experienced and qualified staff and support personnel for the subrogation determined to be covered as a result of investigation.
- 4.6.3 Develop and implement procedures to comply with County policy and criteria for identifying incidents and liability claims for subrogation recovery.
- 4.6.4 Develop, maintain, and comply with a procedures manual to ensure subrogation is conducted in a timely and cost-effective manner and subrogation recoveries are maximized, including instances when the County can also pursue workers' compensation subrogation.
- 4.6.5 Obtain information and documents (i.e., incident, police, medical, and other reports, repair estimates, claim status) relevant to subrogation efforts.
- 4.6.6 Conduct subrogation, including preparing correspondence to effect collection, collecting payments from the responsible party/insurance company and crediting files when a subrogation recovery is received.
- 4.6.7 Maintain and provide statistical and financial reports on subrogation conducted, recoveries received, and the costs of subrogation services, as required by the County.
- 4.6.8 Submit subrogation requests to County Counsel when it is cost effective or it is to the County's benefit to litigate. Provide reports on litigation efforts and costs as required by the County.
- 4.6.9 Advise and work with County personnel to resolve operational

difficulties.

5.0 MANDATORY REPORTS

5.1 Contractor shall electronically prepare:

- 5.1.1 Cost Management Report – The Contractor shall provide quarterly reports to the Litigation Cost Manager to facilitate the analysis and monitoring of legal expenses. The quarterly reports shall include: 1) a list of all lawsuits managed by the Contractor ; 2) a list of all lawsuits managed by the Contractor that were dismissed; 3) a list of all lawsuits that were approved for settlement by the County during the quarter for more than \$20,000 and settlements of \$20,000 or less paid in the quarter; 4) trials and writs concluded for which a verdict of court decision was rendered, and 5) cases for which an appellate decision was rendered. The information shall be provided on an Excel spreadsheet at the conclusion of each quarter.
- 5.1.2 Trial Calendar Report – On the 15th day of every month, the Contractor shall submit a report which lists all lawsuits scheduled (pending) for trial in the following month. The report shall indicate the case name, County database number, priority level, trial date, judge/court, type of action, legal fees, costs expended to date, County department, the Contract Law Firm, and the plaintiff attorney. In a separate section, the report shall also list the disposition of all cases set for trial in the preceding month. This report will contain the same information as is in the “pending” trial report, together with additional information related to the disposition of the case set for trial, such as the trial result, settlement amount, reason for dismissal, or that the case was continued.
- 5.1.3 Management Summary Reports – These reports will summarize financial, claims, legal defense-related risk management activities, as requested by the County Contract Administrator, to be used to monitor Contract costs and service performance. Such reports shall include, but not be limited to, the Claims Filed and Closed Report, which shows the list of open and closed claims, name of claimant, County department, cause of loss, date reported, date claim filed, litigation status, indemnity, expense payments, outstanding indemnity, expense reserves, and total incurred costs to date.
- 5.1.4 Financial Administration Reports – These reports list reserve amounts, indemnity payments, allocated expenses, and other expenditures on an individual and cumulative total basis. This information must be available on an accrual and cash payment basis, and categorized by fund, budget unit, department, and automobile or general liability. These reports will be used to perform monthly reconciliations and enable cash flow.

- 5.1.5 Ad Hoc Reports – The Contractor may be required to provide other reports on an ad hoc basis. Ad hoc reports are those reports generated at the request of the County on an informal and improvised basis. Contractor will be required to provide such reports on an expedited basis at the request of the CCA or the Litigation Cost Manager or his/her designee. The Litigation Cost Manager or his/her designee will notify the CEO Risk Management Branch when County Counsel requires/requests such reports.
- 5.2 The Contractor shall obtain from the Contract Law Firm a number of reports. The Contractor shall review each report to ensure that it is appropriate as to form and content. All these reports are confidential attorney-client or attorney work product, and the Contractor shall ensure they are protected accordingly. These reports shall include:
- 5.2.1 Trial Counsel Report (TCR) – A written report which must be submitted by the Contract Law Firm no later than ten (10) calendar days before each Roundtable Meeting. As appropriate for the subject matter and nature of each case, the TCR should include, but is not limited to, a statement of facts, the procedural status of the case, a legal analysis of the case, a discussion of damages and injuries, the settlement status of the case, the estimated adverse verdict range, the Case Budget, fees and costs expended to date and any proposed additional actions to be taken. The Contractor shall ensure that the TCR is timely submitted by the Contract Law Firm and that it adequately addresses the appropriate areas for each particular case.
- 5.2.2 Significant Development Report (SDR) – written reports which are submitted by the Contract Law Firm and address any significant actions or developments as they occur between Roundtable Meetings and the submission of TCRs. By way of example, a significant development may be the addition of a new party to the action, a ruling on a motion, new case strategy, significant deposition testimony, discovery of a critical document, the scheduling of a mediation or settlement conference, or a change in venue or trial judge. An SDR may be submitted by the Contract Law Firm at any time. Following receipt of an SDR, the Contractor shall enter a summary of the SDR in the status field of the County's matter management databases and attach it to the databases.
- 5.2.3 Daily Trial Reports – Contract Law Firms provide daily trial reports which are required to be submitted to the County Counsel Supervising Attorney and the Contractor at the end of each court day, but no later than 8:00 a.m. the following morning. The reports include a brief summary of the day's testimony, any significant developments or rulings, any settlement demands or discussions and a brief description of what is anticipated to occur the next court day. The Contractor shall ensure that such reports are timely submitted.

6.0 QUALITY CONTROL PLAN

The Contractor shall establish, maintain, and utilize a Quality Control Plan to ensure that the requirements of this contract are met. The Plan shall be provided to and approved by the CCA or designee not later than ten (10) business days before services under this Contract are rendered. The Plan shall be effective on the date of implementation and be updated and re-submitted to the CCA for approval as changes occur. The Plan shall include, but not be limited to:

- 6.1 Method for ensuring financial transactions, services, deliverables, and requirements defined in this contract are provided at or above the level of quality agreed upon by the County and the Contractor.
- 6.2 Method for identifying and preventing deficiencies in the quality of service provided under this contract before the level of performance becomes unacceptable.
- 6.3 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

7.0 CONTRACTOR COMPLIANCES

As part of the County's quality assurance for this Contract, County may use an outside claim auditing service to review Contractor's performance. Such audits may occur on a quarterly, semi-annual, or annual basis, and involve a detailed review of a random number of files.

7.1 Meetings:

Contractor is required to attend scheduled meetings on a regular basis as deemed necessary by the CCA and/or County Counsel. Such meetings shall be to review Contractor's performance and County's monitoring functions, and to discuss methods and procedures to maintain or improve effectiveness of services. Failure to attend will cause an assessment of five hundred dollars (\$500).

7.2 Contract Discrepancy Report (Technical Exhibits to the Statement of Work, Exhibit A-7):

7.2.1 Verbal notification of a Contract discrepancy will be made to the CCA 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.

7.2.2 The CCA will determine whether a formal Contract Discrepancy Report will be issued. In no event should the County's failure to give notice of a contract discrepancy be interpreted to mean that the County waives its right to the Contractor's full compliance with any and all terms and conditions of this contract. The Contractor Claims Manager or designee shall resolve the contract discrepancy within a time period agreed upon by the CCA and the Contractor. Written notification of the contract discrepancy will either be hand delivered or sent by certified mail to the Claims

Manager who will sign for receipt.

- 7.2.3 Upon receipt of the written notice of contract discrepancy, the Contractor is required to respond via telephone and in writing to the CCA within five (5) work days. The Contractor shall respond to the CCA or designee by either acknowledging the reported discrepancy(ies) or presenting contrary evidence. A plan to correct all of the deficiencies identified in the written notice shall be submitted to the CCA or designee within ten (10) business days of receipt of the notification by the Contractor. If the Contractor disputes the contract discrepancy, the CCA will evaluate the Contractor's explanation and determine what further action, if any, should be taken. Failure on the part of the Contractor to perform at the level required by this contract shall constitute a material breach of this contract and subject to the contract being terminated or fees of this contract being reduced.

7.3 Fraud Investigation:

The CCA or designee will evaluate the internal controls established by Contractor to protect against fraudulent activity, incorrect or improper claims processing, inappropriate settlement and/or disbursement, and any other illegal activity related to the services provided under the contract.

7.4 County Observations:

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

8.0 CONTRACTOR'S RESPONSIBILITIES

Contractor shall provide all staff, facilities, materials, in-house information systems, and equipment necessary to provide required services, except as specified in Subparagraph 8.3 above.

Contractor shall provide sufficient management support and staffing to affect an orderly transition. The Contractor shall pay any and all expenses involved in transferring case files to the Contractor at the beginning of the Contract.

In the event of prior termination or expiration of the Contract, Contractor shall cooperate with the County to provide for the transition to whatever service replacement method County determines to be in its best interest.

8.1 Personnel – General:

- 8.1.1 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 as authorized in this Exhibit A (Statement of Work).

8.2 Claims Manager:

8.2.1 Contractor shall provide a full-time Claims Manager or designated alternate. County must have access to the Claims Manager during all hours, 365 days per year. Contractor shall provide a telephone number where the Claims Manager may be reached on a twenty-four (24) hour perday basis.

8.2.2 Claims Manager shall be exclusively dedicated to the daily administration and supervision of Contractor's activities under this Contract.

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

Claims Manager shall have a minimum of ten (10) years of automobile liability/general liability claims work experience, with a minimum of five (5)years public entity claims work experience.

8.3 Information Platform Manager:

8.3.1 Information Platform Manager shall ensure that Contractor's staff is trained in the use of the County's risk management claims information platforms and Contractor's Local Area Network (LAN).

8.3.2 Information Platform Manager shall ensure that Contractor's staff is trained to process and provide ad hoc report requests from the CCA, County Counsel and Department Liaisons.

8.3.3 Information Platform Manager shall ensure that Contractor's staff is trained to run regular reports and distribute them timely to County departments or personnel as directed by the CCA.

9.0 CONTRACTOR CLAIMS STAFF

Contractor shall provide claims staff, dedicated solely to administer and manage incidents, claims and lawsuits filed against County. To avoid any potential conflict of interest, these staff shall not administer or manage any incidents, claims, or lawsuits on behalf of any client other than the County. Failure to comply with this requirement shall constitute a material breach of Contract, upon which County may immediately terminate or suspend the Contract.

Contractor's staff shall include Supervising Claims Specialists, Automobile Liability Claims Specialists, General Liability Claims Specialists, Property Damage Claims Specialist, support staff, and a subrogation unit. Contractor shall determine the number of staff required to provide services as specified herein.

9.1 Supervising Claims Specialist:

9.1.1 Have a minimum of five (5) years automobile liability/general liabilityclaims experience.

9.1.2 Review and approve all file reserves and settlements.

9.1.3 Oversee the claim administration and Contract Law Firm

management efforts of claims staff.

9.1.4 Shall not maintain any case load.

9.2 Claims Specialist:

9.2.1 Have a minimum of three (3) years claims work experience.

9.2.2 Administer incidents and claims and manage lawsuits.

9.2.3 Attend settlement conferences and meetings as directed by the Supervising Claims Specialist.

9.3 Support Staff:

Contractor shall provide qualified and experienced clerical and other support staff to provide services necessitated by this contract which may include but not limited to:

9.3.1 Daily pick-up and deliveries between CEO Risk Management Branch, County Counsel and Contractor.

9.3.2 Scanning of paper materials into the RMIP.

9.3.3 Match and distribute mail to appropriate claims personnel within twenty-four (24) hours of receipt by Contractor.

9.3.4 Process and mail correspondence, forms, and legal notices within forty-eight (48) hours of assignment or receipt.

9.3.5 Enter incident reports not already entered into County's matter management databases and other risk management information platforms within twenty-four (24) hours after receipt by Contractor.

9.4 Materials and Equipment:

Contractor shall purchase all materials and equipment needed to provide the services required under this Contract. This may include, but not be limited to, ISO services, asset checking services, computer equipment and video conferencing capabilities. Contractor shall use materials and equipment that are safe for the environment and safe for use by its employees.

9.5 Workspace:

Contractor shall provide adequate workspace including access to all County-related files and other information, e-mail and telephone services, and free parking for one County monitor, as necessary for required program auditing or monitoring.

9.6 Training:

9.6.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees. Periodic mandatory training may be provided by CEO Risk Management and/or County Counsel.

9.6.2 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.

9.7 Incident, Claim, Subrogation, and Litigation Management Services Procedures Manual:

Within ninety (90) days of this contract being awarded, the Contractor shall develop and maintain a procedures manual that the Contractor will use to guide its administration of incidents, claims, subrogation, and litigation activities under this contract. The procedures contained in the manual must be consistent with the County's Incident Reporting and Accident Review Guidelines (Technical Exhibits to the Statement of Work, Exhibit A-3) and County Counsel's litigation protocols and be approved by the CEO Risk Management Branch and County Counsel. The manual shall include the internal procedures and standards for:

- A. Receiving and reporting incidents, claims, subrogation actions, and lawsuits between the Contractor and the County;
- B. Monitoring, reviewing, auditing, and approving Contract Law Firm Fees and allocated expenses;
- C. Processing indemnity judgment and settlement payments;
- D. Monitoring, documenting, and auditing financial transactions;
- E. Completing and submitting required reports to the County;
- F. Submitting memoranda of settlements and requesting settlement authority from CEO Risk Management Branch, County Counsel, and County Departments, and
- G. Identifying, quantifying, and incorporating risk management/loss prevention issues and training into the administration of incidents/claims/lawsuits.

The Contractor shall periodically review the procedures with the CCA and County Counsel to ensure the services provided are in compliance with this contract and meet or exceed sound incident and claim administration, lawsuit management, and subrogation practices. The Contractor will implement improvements as needed to increase productivity and to enhance the quality of the services provided.

9.8 Business Continuity Plan:

Contractor shall provide a written Business Continuity Plan that describes a structured and integrated process that ensures the uninterrupted provision of services following an event which could interrupt Contractor's operations.

The Plan shall include, but not be limited to, the following information:

- A. Description of critical services and business processes.
- B. Contractor policies and procedures to assure continued business following an event.

- C. Name, address, telephone, facsimile contact and other information for alternative business processes and location following an event.
- D. Contractor shall provide County with annual Business Continuity Plan updates.

10.0 HOURS/DAY OF WORK

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. Contractor shall provide the services required by this Contract, Monday through Friday, between the hours 8:00 a.m. through 5:00 p.m., except for County-recognized holidays, County will provide Contractor a list of County-recognized holidays. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday by at least one employee who can respond to inquiries and complaints that may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. The Contractor shall answer calls received by the answering service by the next business day.

11.0 FINANCIAL AND RELATED ADMINISTRATIVE SERVICES MANAGEMENT

11.1 County Audits of TPA Financials and Performance:

Contractor's staff shall fully cooperate with all County audits. Financial, performance, and related audits may be performed by the CCA or designee, and may be conducted by outside auditing services at County's sole discretion. Such audits shall be scheduled at a frequency determined by the County.

11.2 Information Management (SOW Exhibit A-2, **Risk Management Information Platform County of Los Angeles**):

The Contractor shall use RMIP for services required under this Contract. Contractor shall secure prior to the Effective Date of this Contract and maintain during the course of the Contract program information system that is compatible with County Counsel's matter management databases, RMIP, or any County successor information system.

Any information system functions include, but are not limited to, claims and matter management, vendor management necessary for transmitting/interfacing payment information, payment and payment approvals, and ad hoc reports.

11.2.1 Equipment (See SOW Exhibit A-2 for specifications)

11.2.2 Minimum Workstation Configurations:

The TPA Contractor shall maintain and/or upgrade their PC configurations, software and hardware to keep up with industry standards and for compatibility with the County's RMIP to ensure access is proper, functional and secure, or as directed by County.

<u>Processor:</u>	3.0 Ghz or higher
<u>Memory:</u>	
Minimum	3 GB

Recommended Internal Storage: 8 GB
At least 10 GB available disk space
Operating System: Windows 10

Web Browser: Google Chrome (Current Version)

Recommended Trusted Sites Settings for Google Chrome:

1. Click Start > Search or the Cortana search icon located in the Windows taskbar.
2. Enter Internet Options in the search box and open it when found.
3. Click the Security tab.
4. Select Trusted Sites.
5. Click the Sites button.
6. Uncheck Require server verification (https:) for all sites in this zone.
7. Type *.ventivclient.com
8. Click Add.

Other Software:

- Microsoft Office 365 (Word and Excel)
- Microsoft Authenticator Mobile (Single Sign-On Multi-FactorAuthentication)
- Adobe Acrobat Pro

11.2.3 Systems Data Maintenance:

Contractor shall, on a daily basis, accurately input, update, and maintain all data fields on the County's information systems for all matters administered by Contractor. The Contractor shall provide a Local AreaNetwork (LAN) that must be connected to County's Wide AreaNetwork (WAN) via a secured VPN Tunnel. Contractor shall be responsible for any and all costs associated with the transition to and implementation of any County successor system.

11.2.4 County System Training

County will furnish necessary systems instructional material and security information and will provide initial system training to Contractor's staff. County will provide follow-up training to Contractor's key information system staff. These key information staff shall provide training as needed to Contractor's staff.

11.3 Education Programs:

Continuing Education for TPA Staff – Contractor shall provide ongoing claims administration training to its staff to ensure they are knowledgeable about the latest developments in liability risk management and claims administration practices.

In-service education shall be an established program for Contractor with emphasis placed upon incident evaluation, new employee orientation, employment-related liability, establishment and adjustment of reserves, claims investigation, and other significant related issues.

11.4 Administrative Services:

11.4.1 Physical Security

Contractor shall be responsible for safeguarding all County property provided for Contractor's use. At the close of each workday, cases, files, supplies, equipment, and computer access shall be secured.

11.4.2 Employee Records

Contractor shall keep current and accurate records of all its employees providing services under this Contract. Such records shall include Contractor Employee Acknowledgment and Confidentiality Agreement, date of employment, current address, telephone number, current salary, and licenses, if required.

11.4.3 Record Retention

All Records of incidents, claims, and files shall be retained for five (5) years after they are closed. No files shall be destroyed without the written consent of the CCA. Contractor shall be responsible for the storage of all retained files at its own cost.

11.4.4 Other County Contractors and Vendors

County has contracts with a number of private businesses and firms to provide services related to claims management. Contractor shall utilize these services of only those firms approved by County and shall use a rotational system for making the assignments, unless otherwise instructed by the CCA or County Counsel.

11.4.5 Email

Contractor shall comply with the Chief Executive Office's email protocol dealing with content and confidentiality when using email for County information.

12.0 PERFORMANCE REQUIREMENTS SUMMARY

A Performance Requirements Summary (PRS) chart, Exhibit A-8 of Technical Exhibits to the Statement of Work, listing required services that will be monitored by the County during the term of this Contract, is an important monitoring tool for the County. The chart should include:

12.1 Reference section of the contract.

12.2 List of required services.

12.3 Indicate method of monitoring.

12.4 Indicate the deductions/fees to be assessed for each service that is not satisfactory.

All listings of services used in the Performance Requirements Summary (PRS) are intended to be completely consistent with the Contract and the Statement of Work, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond what is defined in the Contract and the Statement of Work. In any case of apparent inconsistency between services as stated in the Contract, Statement of Work, and this PRS, the meaning apparent in the Contract and the Statement of Work 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 Statement of Work, that apparent service will be null and void and place no requirement on Contract.

PRICING SCHEDULE

TERM	ANNUAL FIXED FEE	TOTAL CONTRACT SUM
07/01/2024 – 06/30/2025	\$1,990,000.00	\$1,990,000.00
07/01/2025 – 06/30/2026	\$2,089,500.00	\$4,079,500.00
07/01/2026 – 06/30/2027	\$2,193,975.00	\$6,273,475.00
07/01/2027 – 06/30/2028	\$2,303,673.00	\$8,577,148.00
07/01/2028 – 06/30/2029	\$2,418,857.50	\$10,996,005.50
Total Base (Initial) Terms	\$10,996,005.50	
OPTIONAL EXTENSION TERM	ANNUAL FIXED FEE	TOTAL CONTRACT SUM
07/01/2029 – 06/30/2030	\$2,539,800.00	\$13,535,805.50
07/01/2030 – 06/30/2031	\$2,666,790.00	\$16,202,595.50
07/01/2031 – 06/30/2032	\$2,800,129.50	\$19,002,725.00
Total Extension Terms	\$8,006,719.50	

In the event of a sudden or unexpected increase of claims that requires additional claims examiners, the County may elect to increase the annual base fee up to 15%. This fee increase will apply to the year in the contract term in which the increase of claims occurred and will be at the sole discretion and in a manner determined by the County.

COUNTY'S ADMINISTRATION**CONTRACT NO. AO-24-404****COUNTY CONTRACT ADMINISTRATOR (CCA):**

Name: STEVE T. ROBLES

Title: ASSISTANT, CEO AND/OR COUNTY RISK MANAGER

Address: COUNTY OF LOS ANGELES - HALL OF RECORDS
320 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Telephone: (213) 351 – 5346

E-Mail Address: srobles@ceo.lacounty.gov

COUNTY PROJECT DIRECTOR:

Name: ALEX ROSSI

Title: MANAGER, CEO

Address: COUNTY OF LOS ANGELES - HALL OF RECORDS
320 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Telephone: (213) 738 – 2154

E-Mail Address: arossi@ceo.lacounty.gov

COUNTY PROJECT MANAGER:

Name: OLGA SVITLYNETS

Title: CHIEF PROGRAM SPECIALIST

Address: COUNTY OF LOS ANGELES - HALL OF RECORDS
320 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Telephone: (213) 351 – 6628

E-Mail Address: osvitlynets@ceo.lacounty.gov

COUNTY CONTRACT PROJECT MONITOR:

Name: JUNE TAI

Title: PROGRAM SPECIALIST IV

Address: COUNTY OF LOS ANGELES - HALL OF RECORDS
320 WEST TEMPLE STREET, LOS ANGELES, CALIFORNIA 90012

Telephone: (213) 639 – 6368

E-Mail Address: jtai@ceo.lacounty.gov

CONTRACTOR'S NAME: George Hills Company, Inc.

CONTRACT NO: AO-24-404

CONTRACTOR'S PROJECT MANAGER:

Name: Chris Shaffer
Title: Chief Operating Officer
Address: 30401 Agoura Road Suite, 120 Agoura Hills, California 91301
Telephone: _____
E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: John Chaquica
Title: Chief Executive Officer
Address: 30401 Agoura Road Suite, 120 Agoura Hills, California 91301
Telephone: _____
E-Mail Address: _____

Name: _____
Title: _____
Address: 30401 Agoura Road Suite, 120 Agoura Hills, California 91301
Telephone: _____
E-Mail Address: _____

Notices to Contractor shall be sent to the following:

Name: John Chaquica
Title: Chief Executive Officer
Address: 30401 Agoura Road Suite, 120 Agoura Hills, California 91301
Telephone: _____
E-Mail Address: _____

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME: George Hills Company, Inc. Contract No.: AO-24-404

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

SIGNATURE: _____

DATE: _____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

Contractor Name George Hills Company, Inc. Contract No.: AO-24-404

Non-Employee Name _____

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE: _____

DATE: _____

PRINTED NAME: _____

POSITION: _____

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.



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:

You can call the hotline 24 hours a day, 7 days a week and anonymously speak with a counselor about your options or have your questions answered.

1.877.222.9723 or BabySafeLA.org

English, Spanish and 140 other languages spoken.

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

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

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

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

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

Therefore, the parties agree as follows:

1. DEFINITIONS

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

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

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

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

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

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

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

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

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

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

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

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

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

- 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
- 5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
 - 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
 - (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-

permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **HIPAA Compliance Officer at: Hall of Records, County of Los Angeles, Chief Executive Office, Risk Management Branch-Office of Privacy, 320 W. Temple Street, 7th Floor, Los Angeles, California 90012, PRIVACY@ceo.lacounty.gov**, that includes, to the extent possible:

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

- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

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

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.

6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more

Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

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

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

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

9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528

9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

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

10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.

11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information

by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

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

- 13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.
- 13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

- 14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.
- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

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

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.

- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or

Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.

- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.

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

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 shall prevail unless stated otherwise.

1. DEFINITIONS

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

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c. **County Information:** all Data and Information belonging to the County.
- d. **Data:** 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 shall maintain a company-wide Information Security Program designed to evaluate Risks to the Confidentiality, Availability, and Integrity of the County Information covered under this Contract.

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

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

The Contractor's Information Security Program shall:

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

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

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

The Contractor's Privacy Program shall include:

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

3. PROPERTY RIGHTS TO COUNTY INFORMATION

All County Information is deemed property of the County, and the County shall retain exclusive rights and ownership thereto. County Information shall not be used by the Contractor for any purpose other than as required under this Contract, nor shall such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by the Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. The Contractor may assert no lien on or right to withhold from the County, any County Information it receives from, receives addressed to, or stores on behalf of, the County. Notwithstanding the foregoing, the Contractor may aggregate, compile, and use County Information in order to improve, develop or enhance the System Software and/or other services offered, or to be offered, by the Contractor, provided that (i) no County Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to the County, and (ii) such Data or Information cannot be associated or matched with the identity of an individual alone, or linkable to a specific individual. The Contractor specifically consents to the County's access to such County Information held, stored, or maintained on any and all devices Contractor 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 shall collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING COUNTY INFORMATION AND DATA

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

6. CONFIDENTIALITY

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".
- b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor shall notify the County's contract administrator 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 shall not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.
- d. **Individual Requests.** The Contractor shall acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. The Contractor shall have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven (7) calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor shall 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 shall 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 shall not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

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

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

Contractor shall require all employees, agents, and volunteers to abide by the requirements in this Exhibits J1 and J2 (Background Investigation Criteria and Background Investigation Certification, respectively), as set forth in the Contract, and sign an appropriate written Confidentiality/non-disclosure agreement with the Contractor.

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

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

- f) **Privacy:** The Contractor's Privacy Policies and procedures as described in Section 2b. Privacy Program.

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

8. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit shall also apply to all Subcontractors and third parties. The Contractor or third party shall be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this 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 shall be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

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

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

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

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

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

10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

Contractor shall 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 shall (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 shall 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 shall provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor shall return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.
- b. **Method of Destruction.** The Contractor shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing 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 shall: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

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

13. ACCESS CONTROL

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

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

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

14. SECURITY AND PRIVACY INCIDENTS

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

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within twenty-four (24) hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone.

County Chief Information Security Officer and Chief Privacy Officer email

CISO-CPO_Notify@lacounty.gov

Chief Information Security Officer:

Jeffrey Aguila, 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:

Name: To Be Determined

Departmental Information Security Officer
Address
City, State Zip
Telephone
Email address

- b. Include the following Information in all notices:
 - i. The date and time of discovery of the Incident,
 - ii. The approximate date and time of the Incident,
 - iii. A description of the type of County Information involved in the reported Incident, and
 - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
 - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor shall provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.
- d. 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 shall be (i) liable for all damages and fines, (ii) responsible for all corrective action, and (iii) responsible for all notifications arising from an Incident involving 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 shall 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 shall periodically conduct audits, assessments, testing of the system of controls, and testing of Information Security and privacy procedures, including penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at Contractor's sole cost and expense through either (i) an internal independent audit function, (ii) a nationally recognized, external, independent auditor, or (iii) another independent auditor approved by the County.

The Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. The Contractor shall 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 shall promptly provide the County with copies of the same upon the County's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section shall 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, shall 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 shall complete a questionnaire regarding Contractor's Information Security and/or program. The County shall pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case the Contractor shall bear all costs of the audit; and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract.

Such audit shall be conducted during the Contractor's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise

unreasonably and adversely affect the Contractor's normal business operations. The County's request for the audit will specify the scope and areas (e.g., Administrative, Physical, and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor shall cooperate with the County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access shall extend to any regulators with oversight of the County. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

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

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

Contractor shall secure and maintain cyber liability insurance coverage with limits of at least **\$10 Million** per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor shall add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, shall not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

18. PRIVACY AND SECURITY INDEMNIFICATION

In addition to the indemnification provisions in the Contract, the Contractor agrees to indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, agents, 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 shall have the right to participate in any such defense at its sole cost and expense, except that in the event contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

ADDENDUM B: CONTRACTOR HARDWARE CONNECTING TO COUNTY SYSTEMS

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

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

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

BACKGROUND INVESTIGATION CRITERIA AND CERTIFICATION

This Exhibit is attached to and forms a part of Contract for Claims Administration And Litigation Management Support Services, dated as of the Effective Date (together with all exhibits, attachments, and schedules thereto, all as amended from time to time, the "Contract"), between the County of Los Angeles ("County") and George Hills Company, Inc. ("Contractor").

Contractor must complete and submit this Exhibit prior to Contractor's staff beginning work under the Contract and no less than frequently annually thereafter.

All background investigations must be conducted by Live Scan fingerprinting. The background investigations must provide County notification by using the County of Los Angeles ORI A1714 (Code assigned by DOJ), when the Contractor's staff conducts a background investigation prior to beginning work or receives a subsequent criminal conviction.

The suitability of Contractor staff working under the Contract having been convicted of criminal acts and/or who have successfully completed probation or parole must be evaluated by Contractor for compliance with this Exhibit J and Contractor, taking into consideration the type of work the Contractor's staff will be performing under the Contract and acting in accordance with standards that are consistent with the Contract and market practices for its industry, must determine that such staff are suitable for performing work under the Contract. Contractor's staff will be required to truthfully and fully disclose criminal conviction(s) to Contractor, unless such conviction(s) have been disclosed via the background investigation completed by Contractor's third-party vendor. If Contractor's staff fail to disclose a criminal conviction, Contractor must be permitted to remove such staff from performing work under the Contract regardless of work performance, subject to the discretion of the County.

Due to the fact that legal terms by which criminal acts may be described differ among jurisdictions, the following includes but is not limited to a list of criminal convictions that may be considered in evaluating suitability to work on the Contract.

I. ACCEPTABLE TO WORK ON CONTRACT

- Disturbing the Peace
- Drunk Driving (Acceptable with a valid driver license)
- Gambling
- Petty Theft as a Juvenile
- Possession of Marijuana
- Reckless Driving (Acceptable with a valid driver license)
- Trespassing

II. ACCEPTABLE TO WORK ON CONTRACT AFTER STIPULATED TIME (INCLUDING SIMILAR CONVICTIONS AND “ATTEMPT”, “ACCESSORY”, AND “CONSPIRACY” TO COMMIT ANY OF THE CRIMES LISTED BELOW)

• Assault and Battery	One Year
• Malicious Mischief	One Year
• Prostitution	One Year
• Petty Theft	Five Years
• Receiving Stolen Property	Five Years
• Shoplifting	Five Years
• Manslaughter	Five Years
• Possession of Narcotics and/or Dangerous Drugs	Five Years

III. DETERMINATION AFTER INVESTIGATION

- Bad Checks
- Indecent Exposure
- Lewd Conduct
- Possession and/or Sales of Dangerous Weapons
- Threats of Violence
- Other Criminal Acts

IV. NOT ACCEPTABLE TO WORK ON CONTRACT (INCLUDING SIMILAR CONVICTIONS AND “ATTEMPT”, “ACCESSORY”, AND “CONSPIRACY” TO COMMIT ANY OF THE CRIMES LISTED BELOW.)

- Blackmail
- Bribery
- Burglary
- Crimes Against Children and Elders
- Embezzlement, Including Theft of Public Funds
- Extortion
- Falsification of Financial Statements and/or Public Records
- Forgery
- Grand Theft
- Murder
- Rape, including Sexual Battery
- Robbery
- Sale of narcotics and/or dangerous drugs (Includes Intent to Sell)
- Criminal fraud

The undersigned, being an authorized officer of Contractor, certifies to County the following:

County has evaluated the results of the background investigations of all Contractor's staff performing work under the Contract for compliance with this Exhibit , and Contractor, taking into consideration the type of work the Contractor's staff will be performing under the Contract and acting accordance with standards that are consistent with the Contract and market practices for its industry, must determine that such staff are suitable for performing work under the Contract. Contractor's staff will be required to truthfully and fully disclose criminal conviction(s) to Contractor, unless such conviction(s) have been disclosed via the background investigation completed by Contractor's third-party vendor. If Contractor's staff fail to disclose a criminal conviction, Contractor must be permitted to remove such staff from performing work under the Contract regardless of work performance.

Under penalty of perjury, I certify the foregoing to be true and correct as of the date set forth below.

Print Name



Title

Signature

Date

ISD POSTING CONFIRMATION
RFP# RMB 2022-01
MEDICAL MALPRACTICE SERVICES

LA County Solicitations
camisvr.co.la.ca.us/LACoBids/AwardLookUp/AwardBidDetail
RAS-Analyst User G...
date
Eventbrite - Discov...


Los Angeles County Solicitations


Home / Closed & Award Solicitations / Detail

Solicitation Information

Solicitation Number:	RFP#RMB202201		
Title:	Request for Proposals for Medical Malpractice and Hospital Liability Claims Administration and Legal Defense Management Services		
Department:	Chief Executive Office		
Bid Type:	Service	Bid Amount:	N/A
Commodity:	INSURANCE - MALPRACTICE, MEDICAL		
Description:	Contractor shall provide incident and claim administration, as well as litigation management support services for the County of Lo... More		
Open Day:	2/7/2022	Closed Date:	3/14/2022 10:00:00 AM
Contact Name:	Kashari S. Jones	Contact Phone:	(213) 974-2459
Contact Email:	kjones@ceo.lacounty.gov		
Notice of Intent to Award (0):	Click here to view notice intent to award list.		
Solicitation Award (0):	Click here to view award list.		
Last Changed On:	2/7/2022 9:15:09 PM		
Attachment File (1):	Click here to download attachment files.		

COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION

TITLE		REFERENCE				
1	FIRM INFORMATION	The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.				
Total Number of Employees in California:						
Total Number of Employees (including owners):						
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:						
Race/Ethnic Composition		Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed		
		Male	Female	Male	Female	
Black/African American						
Hispanic/Latino				%	%	
Asian or Pacific Islander				%	%	
American Indian				%	%	
Filipino				%	%	
White				%	%	
				%	%	
2	CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES	If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following.				
Agency Name		Minority	Women	Disadvantaged	Disabled Veteran	Other (Specify)

Proposer further acknowledges that if any false, misleading, incomplete, or deceptively unresponsive statements in connection with this proposal are made, the proposal may be rejected. The evaluation and determination in this area shall be at the Director's sole judgment and his/her judgment shall be final.

REQUIRED FORMS - EXHIBIT 1

PROPOSER'S ORGANIZATION QUESTIONNAIRE/AFFIDAVIT AND CBE INFORMATION

PROPOSER NAME:	COUNTY VENDOR NUMBER:
ADDRESS:	
TELEPHONE NUMBER:	E-MAIL:
INTERNAL REVENUE SERVICE EMPLOYER IDENTIFICATION NUMBER:	CALIFORNIA BUSINESS LICENSE NUMBER:

1	Select the options that best define your firm's business structure: <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Specify)	If Corporation or Limited Liability Company (LLC): Legal Name (as stated in Articles of Incorporation): _____ State of Incorporation: _____ Year of Incorporation: _____ If Limited Partnership or a Sole Proprietorship: Name of proprietor or managing partner: _____ If other: Specify business structure name: _____
	Is your firm doing business under one or more DBA's? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	Is your firm wholly/majority owned by, or a subsidiary of another firm? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, indicate name of Parent Firm and State of Incorporation. Name of Parent Firm: _____ State of Incorporation or registration of parent firm: _____
2		
3		

4	<p>Has your firm done business under other names within last five (5) years?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If yes, indicate any other names and the year of name change.</p> <p>Name(s):</p> <p>Year(s) of Name Change</p>
5	<p>List names of all joint ventures, partners, subcontractors, or others having any right or interest in this contract or the proceeds thereof. If not applicable, state "NONE".</p>	<p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p>
6	<p>Is your firm involved in any pending acquisition or mergers?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If yes, please provide additional information regarding the pending merger.</p>
7	<p>List all names and contact information of all individuals legally authorized to commit the Proposer.</p>	

REQUIRED FORMS - EXHIBIT 2

MINIMUM REQUIREMENTS

Proposer acknowledges and certifies that it meets and will comply with the Proposer's Minimum Qualifications indicated below and as stated in Paragraph 3.0, of this Request for Proposal.

No.	Minimum Requirements (M/R)	Complies with M/R	
		Yes	No
3.1.1	Proposer must demonstrate that they have a minimum of five (5) years' experience within the last seven (7) years, providing medical malpractice and hospital liability claims administration and litigation management services similar to the services identified in Appendix B (Statement of Work). Public sector claims administration experience is desirable, but not mandatory.		
3.1.2	Proposer must possess a valid Insurance Adjuster license issued by the State of California.		
3.1.3	Proposer must possess business license(s) in accordance with the appropriate local jurisdiction's licensing requirements or agree to comply with all such requirements no later than three (3) months after the effective date of this Contract		
3.1.4	Proposer must attend Mandatory Virtual Proposers Conference		
3.2	Proposer does not have unresolved questioned cost, as identified by the Auditor-Controller, in an amount over \$100,000.00, that are confirmed to be disallowed costs by the County department, and remain unpaid for a period of six months or more from the date of disallowance, unless such disallowed costs are the subject of current good faith negotiations to resolve the disallowed costs, in the opinion of the County.		

REQUIRED FORMS - EXHIBIT 3

PROPOSER'S LIST OF REFERENCES

Proposer's Name: George Hills

Provide a comprehensive reference list for the same or similar scope of services that were provided by the Proposer. It is the Proposer's responsibility to ensure accuracy of the information provided below. (Use additional pages if required.)

1. PUBLIC AGENCIES (All contracts with other governmental agencies including the County of Los Angeles must be listed)

SERVICE TYPE: <u>Liability Claims Management Services</u> NO. OF YEARS: <u>4 years</u> PERF. SERVICES: <u>4 years</u> CONTRACT AMT: <u>\$500,000 / year</u> AGENCY/DEPT: <u>Los Angeles Unified School District (LAUSD)</u> CONTACT: <u>Bob Reider</u> TELEPHONE: <u>(213) 241-0329</u> E-MAIL: <u>robert.reider@lausd.net</u>	SERVICE TYPE: <u>Medical Malpractice Claims Administration</u> NO. OF YEARS PERF. SERVICES: <u>25 years</u> CONTRACT AMT: <u>\$175,000 / year</u> AGENCY/DEPT: <u>Riverside County</u> CONTACT: <u>Lari Camarra</u> TELEPHONE: <u>(951) 955-3532</u> E-MAIL: <u>lcamarra@rivco.org</u>
SERVICE TYPE: <u>Medical Malpractice Claims Administration</u> NO. OF YEARS PERF. SERVICES: <u>25 years</u> CONTRACT AMT: <u>\$175,000/ year</u> AGENCY/DEPT: <u>County of San Luis Obispo</u> CONTACT: <u>Mike Taylor</u> TELEPHONE: <u>(805) 781-5906</u> E-MAIL: <u>mtaylor@co.slo.ca.us</u>	SERVICE TYPE: <u>Medical Malpractice + Liability Claims Admin</u> NO. OF YEARS PERF. SERVICES: <u>8 years</u> CONTRACT AMT: <u>\$200,000 / year</u> AGENCY/DEPT: <u>San Joaquin County</u> CONTACT: <u>Kristen Hegge</u> TELEPHONE: <u>(209) 468-2989</u> E-MAIL: <u>khegge@sjgov.org</u>
SERVICE TYPE: <u>Medical Malpractice + Liability Claims Admin</u> NO. OF YEARS PERF. SERVICES: <u>30 years</u> CONTRACT AMT: <u>\$700,000 / year</u> AGENCY/DEPT: <u>County of Alameda</u> CONTACT: <u>Kristen Hegge</u> TELEPHONE: <u>(209) 468-2989</u> E-MAIL: <u>khegge@sjgov.org</u>	SERVICE TYPE: <u>Medical Malpractice + Liability Claims Admin</u> NO. OF YEARS PERF. SERVICES: <u>39 years</u> CONTRACT AMT: <u>\$750,000 / year</u> AGENCY/DEPT: <u>County of Sacramento</u> CONTACT: <u>Paul Hight</u> TELEPHONE: <u>(916) 876-5019</u> E-MAIL: <u>hightp@sacounty.net</u>
SERVICE TYPE: <u>Medical Malpractice + Liability Claims Admin</u> NO. OF YEARS PERF. SERVICES: <u>30 years</u> CONTRACT AMT: <u>\$250,000 / year</u> AGENCY/DEPT: <u>PRISM</u> CONTACT: <u>Mike Pott</u> TELEPHONE: <u>(916) 850-7300</u> E-MAIL: <u>mpott@csac-eia.org</u>	

Medical Malpractice + Liability Claims Admin

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	12/13/2023		
BOARD MEETING DATE	1/9/2024		
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)	Public Works		
SUBJECT	Award of services contract for on-call operations telemetry system maintenance services for seawater barriers, spreading grounds, and rubber dams		
PROGRAM			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS	The current contract has been extended for a maximum of 6 months with a final expiration date of February 13, 2024; however, it will expire upon award and execution of this contract. The award of this contract will continue the current services by the recommended contractor, which is the current contractor providing these services.		
COST & FUNDING	<table border="1"> <tr> <td>Total cost: \$3,643,057</td><td>Funding source: Internal Service Fund (B04 - Services and Supplies) Fiscal Year 2023-24. Reimbursed by the Flood Control District Fund (B07 - Services and Supplies).</td></tr> </table>	Total cost: \$3,643,057	Funding source: Internal Service Fund (B04 - Services and Supplies) Fiscal Year 2023-24. Reimbursed by the Flood Control District Fund (B07 - Services and Supplies).
Total cost: \$3,643,057	Funding source: Internal Service Fund (B04 - Services and Supplies) Fiscal Year 2023-24. Reimbursed by the Flood Control District Fund (B07 - Services and Supplies).		
	TERMS (if applicable): This contract will be for an initial period of 1 year with three 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential contract term of 54 months.		
	Explanation: N/A.		
PURPOSE OF REQUEST	Public Works is seeking Board approval to award a services contract for on-call operations telemetry system maintenance services for seawater barriers, spreading grounds, and rubber dams throughout the County of Los Angeles.		
BACKGROUND (include internal/external issues that may exist including any related motions)	This services contract augments Public Works' ability to perform preventative maintenance on the SBTS, SGTS, and SCRDS. This will ensure Public Works can optimize the amount of groundwater recharge at the water conservation facilities. A majority of the 10 million residents of Los Angeles County depend on this groundwater that provides up to 35 percent of the drinking water supply.		
EQUITY INDEX OR LENS WAS UTILIZED	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: On every contract solicitation, Public Works notifies over 25,000 subscribers in our "Do Business with Public Works" website. Public Works also notifies all Small Businesses registered with the Department of Economic Opportunity and advertise in regional and small newspapers in each Supervisorial Districts. Public Works follows Federal contracting laws where applicable, State laws, Public Contract Code and all Board contracting policies.		
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: These recommendations support Board Priority No. 7 Sustainability. These telemetry maintenance services for the seawater barrier telemetry system, spreading grounds telemetry system, and stormwater capture rubber dams' system telemetry facilities will ensure maximum performance of the facilities and will allow for more effective and efficient water conservation efforts.		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Patrick Anderson, Chief Information Officer, (626) 458-4117, cell (626) 476-4563, panderson@pw.lacounty.gov Mark Pestrella, (626) 458-4012, mpestrella@pw.lacounty.gov		

January 9, 2024

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

Dear Supervisors:

**SERVICES CONTRACT
WATER RESOURCES CORE SERVICE AREA
AWARD OF SERVICES CONTRACT FOR
ON-CALL OPERATIONS TELEMETRY SYSTEM MAINTENANCE SERVICES FOR
SEAWATER BARRIERS, SPREADING GROUNDS, AND RUBBER DAMS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

CIO RECOMMENDATION: APPROVE (X)

SUBJECT

Public Works is seeking Board approval to award a services contract to Leed Electric, Inc., a Local Small Business Enterprise, for on-call operations telemetry system maintenance services for seawater barriers, spreading grounds, and rubber dams throughout the County of Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the contract work is categorically exempt from the provisions of the California Environmental Quality Act for the reasons stated in this Board letter and in the record of the project.
2. Award the contract to Leed Electric, Inc., a Local Small Business Enterprise, for on-call operations telemetry system maintenance services for seawater barriers, spreading grounds, and rubber dams. This contract will be for a term of 1 year with three 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential contract term of 54 months and a maximum potential contract sum of \$3,643,057.
3. Delegate authority to the Director of Public Works or his designee to execute the contract; to renew the contract for each additional renewal option and

extension period if, in the opinion of the Director of Public Works or his designee, Leed Electric, Inc., has successfully performed during the previous contract period, and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if it is in the best interest of the County to do so.

4. Delegate authority to the Director of Public Works or his designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum, which is included in the maximum potential contract sum for unforeseen additional work within the scope of the contract if required, and to adjust the annual contract sum for each option year over the term of the contract to allow for an annual cost-of-living adjustment in accordance with County policy and the terms of the contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will award a services contract to Leed Electric, Inc., to provide on-call and intermittent preventative maintenance and inspection services for the seawater barrier telemetry system (SBTS), spreading grounds telemetry system (SGTS), and stormwater capture rubber dams system telemetry facilities (SCRDS) to ensure maximum performance of the facilities located throughout the County of Los Angeles. This services contract augments Public Works' ability to perform preventative maintenance on the SBTS, SGTS, and SCRDS. This will ensure Public Works can optimize the amount of groundwater recharge at the water conservation facilities. A majority of the 10 million residents of Los Angeles County depend on this groundwater that provides up to 35 percent of the drinking water supply.

The current contract has been extended for a maximum of 6 months with a final expiration date of February 13, 2024; however, it will expire upon award and execution of this contract. The award of this contract will continue the current services by the recommended contractor, which is the current contractor providing these services.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Strategy II.3, Make Environmental Sustainability our Daily Reality, Objective II.3.1, Improve Water Quality, Reduce Water Consumption, and Increase Water Supplies; and Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2, Manage and Maximize County Assets, by contracting with the contractor that has the

specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The annual cost is \$735,971 plus 10 percent of the annual contract sum for additional work within the scope of the contract and cost-of-living adjustment in accordance with the contract. The contract's initial term is for 1 year and includes three 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential contract term of 54 months with an estimated maximum potential contract sum of \$3,643,057. This amount is based on the annual unit prices and hourly rates quoted by the contractor and our estimated annual utilization of the contractor's services. The County may also authorize an extension of time to the contract's maximum potential term, not to exceed 180 days, with no additional funding. Adjustments will be made to the annual contracts sum for each option year over the term of the contracts to allow for an annual cost-of-living adjustment in accordance with County policy and the terms of the contracts.

Funding for these services is included in the Internal Service Fund (B04 - Services and Supplies) Fiscal Year 2023-24 Budget, which will be reimbursed by the Flood Control District Fund (B07 - Services and Supplies). Funds to finance the contract's optional years and 10 percent additional funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractor, Leed Electric, Inc., is located in Santa Fe Springs, California. This services contract will commence on January 23, 2024, or upon the Board's approval and final execution, whichever occurs last, for a period of 1 year. With the Board's delegated authority, Public Works may renew the contract for three 1-year renewal options and a month-to-month extension up to 6 months for a maximum potential total contract term of 54 months. The County may also authorize an extension of time to the contract's maximum potential term, not to exceed 180 days, with no additional funding.

County Counsel has reviewed the contract as to form (Enclosure A). The recommended contract with Leed Electric, Inc., was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements.

A standard services contract has been used that contains terms and conditions in compliance with the Board's ordinances, policies, and programs. Enclosure B reflects the proposer's utilization participation and community business enterprise program information. Data regarding the proposer's minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, sex, or color.

Public Works has evaluated and determined that the Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203, is not applicable to this contractor due to contractor's Collective Bargaining Agreement that expressly supersedes all provisions of the program.

Public Works has evaluated and determined that the contracted services is required on an on-call and intermittent basis; therefore, Proposition A (County Code Chapter 2.121) and the Living Wage Program (County Code Chapter 2.201) do not apply to this contract. In addition, the contractor understands and agrees that the contracted work involves public works as defined by Section 1720 of the California Labor Code. The contractor represents and warrants that they will perform the contracted work in full compliance with the applicable provisions of the Labor Code relating to payment of prevailing wages.

The contract includes a cost-of-living adjustment provision, which is in accordance with Board Policy 5.070, Multi-Year Services Contract Cost-of-Living Adjustments.

In compliance with Board Policy 6.020, Chief Information Office Board Letter Approval, the Chief Information Office has reviewed the Information Technology components of this request and recommends approval. The Chief Information Office Analysis is enclosed (Enclosure C).

ENVIRONMENTAL DOCUMENTATION

These services are categorically exempt from the provisions of the California Environmental Quality Act. These services are within a class of projects that has been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15301 of the California Environmental Quality Act and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G.

In addition, based on the proposed project records, these services will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, and damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that they may cause a substantial

adverse change in the significance of a historical resource that would make the exemption inapplicable.

CONTRACTING PROCESS

On March 21, 2023, a notice of the Request for Proposals (RFP) was placed on the County's "Doing Business with Los Angeles County" website (Enclosure D), "Do Business with Public Works" website, and Twitter. In addition, advertisements were placed in the *Los Angeles Daily Journal*, *Los Angeles Sentinel*, *La Opinión*, *The Daily Breeze*, *The Signal (Santa Clarita)*, *World Journal*, *Watts Times*, *The Malibu Times*, *Press Telegram*, and *Pasadena Star News*. Also, Public Works informed 1,389 Local Small Business Enterprises, 152 Disabled Veteran Business Enterprises, 151 Social Enterprises, 671 Community Business Enterprises, 72 independent contractors, various business development centers, and municipalities about this business opportunity.

On May 1, 2023, one proposal was received. The proposal was evaluated by an evaluation committee consisting of Public Works staff. The evaluation was based on criteria described in the RFP, which included the price, experience, work plan, references, and equipment utilizing the informed averaging methodology for applicable criteria. Based on this evaluation, it is recommended that this contract be awarded to the responsive and responsible proposer, Leed Electric, Inc., located in Santa Fe Springs, California. Public Works determined the contractor's price to be reasonable for the work requested. Public Works notified the applicable union of this solicitation.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The current contract has been extended for a maximum of 6 months with a final expiration date of February 13, 2024; however, it will expire upon award and execution of this contract. The award of this contract will continue the current services by the recommended contractor, which is the current contractor providing this service.

The Honorable Board of Supervisors
January 9, 2024
Page 6

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Business Relations and Contracts Division.

Respectfully submitted,

Reviewed by:

MARK PESTRELLA, PE
Director of Public Works

PETER LOO
Acting, Chief Information Officer

MP:EM:ep

Enclosures

c: Chief Executive Office (Chia-Ann Yen)
Chief Information Office
County Counsel
Executive Office

**PROPOSER'S UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR
ON-CALL OPERATIONS TELEMTRY SYSTEM MAINTENANCE SERVICES FOR
SEAWATER BARRIERS, SPREADING GROUNDS, AND RUBBER DAMS**

SELECTED FIRMS

	Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning-Owned Business Enterprise
	Leed Electric, Inc.	✓	✓	N/A	N/A	N/A	N/A	N/A	N/A
	Ingersoll-Rand Industrial U.S., Inc.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Soffa Electric, Inc.	N/A	N/A	N/A	✓	✓	✓	N/A	N/A

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

NON-SELECTED FIRMS

	Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning-Owned Business Enterprise
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.

**PROPOSER'S UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR
ON-CALL OPERATIONS TELEMETRY SYSTEM MAINTENANCE SERVICES FOR
SEAWATER BARRIERS, SPREADING GROUNDS, AND RUBBER DAMS**

FIRM INFORMATION*	Leed Electric, Inc.
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BUSINESS STRUCTURE	Corporation
---------------------------	-------------

CULTURAL/ETHNIC COMPOSITION		NUMBER/% OF OWNERSHIP
OWNERS/PARTNER	Black/African American	0
	Hispanic/Latino	0
	Asian or Pacific Islander	0
	Native American	0
	Subcontinent Asian	0
	White	1/100%
	<i>Female (included above)</i>	0
NUMBER		
MANAGER	Black/African American	0
	Hispanic/Latino	0
	Asian or Pacific Islander	0
	Native American	0
	Subcontinent Asian	0
	White	0
	<i>Female (included above)</i>	0
STAFF	Black/African American	2
	Hispanic/Latino	52
	Asian or Pacific Islander	5
	Native American	0
	Subcontinent Asian	0
	White	39
	<i>Female (included above)</i>	0
	Total No. of Employees	98

COUNTY CERTIFICATION	
CBE	N
LSBE	Y

OTHER CERTIFYING AGENCY	N/A
--------------------------------	-----

**PROPOSER'S UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR
ON-CALL OPERATIONS TELEMETRY SYSTEM MAINTENANCE SERVICES FOR
SEAWATER BARRIERS, SPREADING GROUNDS, AND RUBBER DAMS**

*Information provided by proposers in response to the Request for Proposal. On final analysis and consideration of award, vendors were selected without regard to race, creed, gender, or color.



**Chief
Information
Office**

Peter Loo
ACTING CHIEF INFORMATION OFFICER

DRAFT

Enclosure C

CIO

ANALYSIS

BOARD AGENDA DATE:

Board date

SUBJECT: SUBJECT:

**AWARD OF SERVICES CONTRACT FOR ON CALL OPERATIONS TELEMETRY SYSTEM
MAINTENANCE SERVICES FOR SEAWATER BARRIERS, SPREADING GROUNDS,
AND RUBBER DAMS**

CONTRACT TYPE:

☒ New Contract ☐ Sole Source ☐ Amendment to Contract

SUMMARY:

The Department of Public Works (DPW) is requesting approval of a competitively-solicited Services Contract with Leed Electric, Inc. (Leed Electric), a Local Small Business Enterprise, to provide on-call maintenance, repair, and programming services for the telemetry systems supporting the County's seawater barriers, spreading grounds, and stormwater capture rubber dams. The Contract specifies a term of one year, with three optional one-year renewals and optional month-to-month extensions of up to six months for a maximum potential term of 54 months.

The contracted services will augment the in-house County resources in the DPW Stormwater Engineering Division (SWED). SWED will utilize Leed Electric when needed, such as when specialized knowledge or equipment are required or for programming services, which are outside of the Department's expertise. This is a time-and-materials contract, and DPW estimated the number of annual hours and parts budgets based on actual expenditures from previous maintenance contracts.

DPW is seeking Delegated Authority to execute and to later approve amendments to the Contract, suspend the Contract if necessary, and to utilize up to an additional 10 percent contingency for unforeseen additional work. The Contract includes a Cost-of-Living Adjustment (COLA) provision and the Director of Public Works requests Delegated Authority to adjust the annual contract sum for each optional year according to the provisions in Board Policy 5.070 – Multi-Year Services Contract Cost of Living Adjustments. The Department is also asking the Board to find that the Contract is not subject to the California Environmental Quality Act.

Contract Amount: Maximum Contract Sum is \$3,643,057, including a 10 percent contingency for additional work and any future annual cost of living adjustments (COLAs), if applicable.

FINANCIAL ANALYSIS:

Contract costs:

Not-to-Exceed Yearly Services:

Year 1	\$ 635,971 ¹
Optional Year 2	\$ 635,971 ¹
Optional Year 3	\$ 635,971 ¹
Optional Year 4	\$ 635,971 ¹
Optional (Up to 6 months, month-to-month)	\$ 317,986
Subtotal – Not-to-Exceed Year Services	\$ 2,861,869

Not-to-Exceed Yearly Parts Reimbursement:

Year 1	\$ 100,000
Optional Year 2	\$ 100,000
Optional Year 3	\$ 100,000
Optional Year 4	\$ 100,000
Optional (Up to 6 months, month-to-month)	\$ 50,000
Subtotal – Not-to-Exceed Year Parts.....	\$ 450,000

Not-to-Exceed Year Costs (Services + Parts)

Year 1	\$ 735,971
Optional Year 2	\$ 735,971
Optional Year 3	\$ 735,971
Optional Year 4	\$ 735,971
Not-to Exceed Month-to-Month	\$ 367,986

Total – Contract Costs (up to 4.5 years) \$ 3,311,870

Contingency (10 percent): \$ 331,187²

Maximum Contract Sum: \$ 3,643,057

Notes:

¹The specific breakdown of the not-to-exceed yearly services are: \$424,000 for as-needed rehabilitation work, \$139,500 for as-needed programming services for programmable logic controllers, remote input and outputs, and graphical user interface modules, \$61,521 for as-needed routine maintenance work, and \$10,950 for a rehabilitation report of all work performed

²Funds optional work and any future annual COLAs

DPW is representing that there is no impact to the County General Fund. They indicated that the FY 2023-24 Contract costs will be funded by the Internal Service Fund Budget, which will be reimbursed by the Flood Control District Fund. The costs of future years, if elected, will be included in the appropriate FY budget requests.

RISKS:

1. **Contractor Performance** – Leeds Electric is the incumbent vendor and is providing similar services under the DPW's current contract. The Contract also has provisions to ensure acceptable contractor performance and correction of deficiencies. These include: termination or suspension for convenience or for default; Performance Requirements that include deductions for failure to meet the required performance indicators and are assessed on either a per-occurrence or a per-occurrence per day basis; liquidated damages in the amount of \$500 per day for failure to complete work as specified; and a provision that any fines assessed on the County for the Contractor's negligence or failure to comply with federal, state, or local rules, regulations, or requirements will be passed through to the Contractor. In addition, under the County's Quality Assurance Plan, DPW is responsible for monitoring of the Contractor's performance under the Contract at least once per year.
2. **Information Security Review** – Since this Contract involves the County's water management infrastructure, the information technology security risk was analyzed by DPW's Information Security Officer and a County Deputy Information Security Officer to ensure that the telemetry systems and infrastructure were adequately protected. No information security concerns were raised. These services were assessed as low risk, the telemetry systems do not contain sensitive/confidential or personal identifiable information, they have direct data connections to DPW's network, and the systems and infrastructure are physically controlled and only accessed by authorized staff.

PREPARED BY:

(NAME) DEPUTY CHIEF INFORMATION OFFICER

DATE

APPROVED:

PETER LOO, ACTING CHIEF INFORMATION OFFICER

DATE

lacounty.gov

1. ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 ☐ 11 ☐ 12 ☐ 13 ☐ 14 ☐ 15 ☐ 16 ☐ 17 ☐ 18 ☐ 19 ☐ 20 ☐ 21 ☐ 22 ☐ 23 ☐ 24 ☐ 25 ☐ 26 ☐ 27 ☐ 28 ☐ 29 ☐ 30 ☐ 31 ☐ 32 ☐ 33 ☐ 34 ☐ 35 ☐ 36 ☐ 37 ☐ 38 ☐ 39 ☐ 40 ☐ 41 ☐ 42 ☐ 43 ☐ 44 ☐ 45 ☐ 46 ☐ 47 ☐ 48 ☐ 49 ☐ 50 ☐ 51 ☐ 52 ☐ 53 ☐ 54 ☐ 55 ☐ 56 ☐ 57 ☐ 58 ☐ 59 ☐ 60 ☐ 61 ☐ 62 ☐ 63 ☐ 64 ☐ 65 ☐ 66 ☐ 67 ☐ 68 ☐ 69 ☐ 70 ☐ 71 ☐ 72 ☐ 73 ☐ 74 ☐ 75 ☐ 76 ☐ 77 ☐ 78 ☐ 79 ☐ 80 ☐ 81 ☐ 82 ☐ 83 ☐ 84 ☐ 85 ☐ 86 ☐ 87 ☐ 88 ☐ 89 ☐ 90 ☐ 91 ☐ 92 ☐ 93 ☐ 94 ☐ 95 ☐ 96 ☐ 97 ☐ 98 ☐ 99 ☐ 100 ☐ 101 ☐ 102 ☐ 103 ☐ 104 ☐ 105 ☐ 106 ☐ 107 ☐ 108 ☐ 109 ☐ 110 ☐ 111 ☐ 112 ☐ 113 ☐ 114 ☐ 115 ☐ 116 ☐ 117 ☐ 118 ☐ 119 ☐ 120 ☐ 121 ☐ 122 ☐ 123 ☐ 124 ☐ 125 ☐ 126 ☐ 127 ☐ 128 ☐ 129 ☐ 130 ☐ 131 ☐ 132 ☐ 133 ☐ 134 ☐ 135 ☐ 136 ☐ 137 ☐ 138 ☐ 139 ☐ 140 ☐ 141 ☐ 142 ☐ 143 ☐ 144 ☐ 145 ☐ 146 ☐ 147 ☐ 148 ☐ 149 ☐ 150 ☐ 151 ☐ 152 ☐ 153 ☐ 154 ☐ 155 ☐ 156 ☐ 157 ☐ 158 ☐ 159 ☐ 160 ☐ 161 ☐ 162 ☐ 163 ☐ 164 ☐ 165 ☐ 166 ☐ 167 ☐ 168 ☐ 169 ☐ 170 ☐ 171 ☐ 172 ☐ 173 ☐ 174 ☐ 175 ☐ 176 ☐ 177 ☐ 178 ☐ 179 ☐ 180 ☐ 181 ☐ 182 ☐ 183 ☐ 184 ☐ 185 ☐ 186 ☐ 187 ☐ 188 ☐ 189 ☐ 190 ☐ 191 ☐ 192 ☐ 193 ☐ 194 ☐ 195 ☐ 196 ☐ 197 ☐ 198 ☐ 199 ☐ 200 ☐ 201 ☐ 202 ☐ 203 ☐ 204 ☐ 205 ☐ 206 ☐ 207 ☐ 208 ☐ 209 ☐ 210 ☐ 211 ☐ 212 ☐ 213 ☐ 214 ☐ 215 ☐ 216 ☐ 217 ☐ 218 ☐ 219 ☐ 220 ☐ 221 ☐ 222 ☐ 223 ☐ 224 ☐ 225 ☐ 226 ☐ 227 ☐ 228 ☐ 229 ☐ 230 ☐ 231 ☐ 232 ☐ 233 ☐ 234 ☐ 235 ☐ 236 ☐ 237 ☐ 238 ☐ 239 ☐ 240 ☐ 241 ☐ 242 ☐ 243 ☐ 244 ☐ 245 ☐ 246 ☐ 247 ☐ 248 ☐ 249 ☐ 250 ☐ 251 ☐ 252 ☐ 253 ☐ 254 ☐ 255 ☐ 256 ☐ 257 ☐ 258 ☐ 259 ☐ 260 ☐ 261 ☐ 262 ☐ 263 ☐ 264 ☐ 265 ☐ 266 ☐ 267 ☐ 268 ☐ 269 ☐ 270 ☐ 271 ☐ 272 ☐ 273 ☐ 274 ☐ 275 ☐ 276 ☐ 277 ☐ 278 ☐ 279 ☐ 280

Solicitation Number:	BRC0000401		
Title:	On-Call Operations Telemetry System Maintenance Services for Seawater Barriers, Spreading Grounds, and Rubber Dams (BRC0000401)		
Department:	Public Works		
Bid Type:	Service	Bid Amount:	\$800,000.00
Commodity:	TELEMETRY SERVICES		

Description:

PLEASE TAKE NOTICE that Public Works requests proposals for the On-Call Operations Telemetry System Maintenance Services for Seawater Barriers, Spreading Grounds, and Rubber Dams (BRC0000401) contract. This contract has been designed to have a potential maximum contract term of 4 years, consisting of an initial 1-year term and potential additional three 1-year option renewals. The total annual contract amount of this service is estimated to be \$800,000. The Request for Proposals (RFP) with contract specifications, forms, and instructions for preparing and submitting proposals may be accessed at <http://pw.lacounty.gov/brcd/servicecontracts> or may be requested from Messrs. David Pang at (626) 458-7167 or dpang@pw.lacounty.gov or Danny Medina at (626) 458-4080 or dmedina@pw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

PLEASE CHECK THE WEBSITE FREQUENTLY FOR ANY CHANGES TO THIS SOLICITATION. ALL ADDENDA AND INFORMATIONAL UPDATES WILL BE POSTED AT <http://pw.lacounty.gov/brcd/servicecontracts>.

"Do Business with Public Works" Website Registration

All interested proposers for this RFP are strongly encouraged to register at <http://pw.lacounty.gov/general/contracts/opportunities>. Only those firms registered for this RFP through the website will receive automatic notification when any update to this RFP is made. The County does not have an obligation to notify any proposers other than through the Public Works website's automatic notification system.

Doing Business with Local Small Business Enterprise, Disabled Veteran Business Enterprise, and Social Enterprise

The County strongly encourages participation from firms, primes, and subcontractors, which are certified in the County's Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), and Social Enterprise (SE) Preference Programs. The County's LSBE, DVBE, and SE Preference Programs require firms to complete a certification process to receive certain benefits allowed only for LSBE, DVBE, and SE, such as a 15 percent price preference, not to exceed \$150,000, when applicable, and LSBE Prompt Payment Program. The following link provides additional information on being County certified LSBE, DVBE, and SE: <http://dcba.lacounty.gov>.

Minimum Mandatory Requirements: At the time of proposal submission, proposers must meet all minimum requirements set forth in the RFP documents including, but not limited to:

1. Proposing Entity and/or Project Manager must have at least 3 years of experience installing and maintaining telemetry systems.

Important Notice: This minimum mandatory requirement must be met by the Proposing Entity and/or Project Manager. No subcontractor is allowed to meet this requirement.

2. Proposing Entity must hold a valid and active State of California General Engineering

Contractor's License (Class A). No subcontractor is allowed to meet this requirement.

3. Proposing Entity must hold a valid and active State of California C-10 Electrical Contractor's License. No subcontractor is allowed to meet this requirement.

4. Proposing Entity's supervisor(s), employee(s), and/or subcontractor(s), if any, performing (electrical related services) under this contract must have a valid and active registration as a Certified General Electrician with the State of California.

5. Proposing Entity's supervisor(s), employee(s), and/or subcontractor(s), if any, performing services under this contract must have a minimum of 3 years of experience working and programming Siemens® Programmable Logic Controllers.

6. Proposing Entity's supervisor(s), employee(s), and/or subcontractor(s), if any, performing services under this contract must have a minimum of 5 years of experience providing maintenance for Ingersoll-Rand air compressors.

7. The contracted work in this RFP constitutes "public works" as defined in the California Labor Code Section 1720, requiring payment of prevailing wages pursuant to Section 15, Prevailing Wages, of the RFP, Part II, Exhibit B. Please note that the services requested in this Contract may include both prevailing wage and nonprevailing wage work. Proposer and its subcontractors performing prevailing wage work must submit proof of a valid and active State of California Department of Industrial Relations Public Works Contractor Registration pursuant to Labor Code 1725.5. Pending registrations will not be accepted.

Optional Proposers' Conference

An optional proposers' conference will be held on Tuesday, April 4, 2023, at 10 a.m. via Microsoft Teams Meeting Online Events. To participate, the proposers will need to sign-in using the electronic sign-in-sheet through the website listed below. **ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE CONFERENCE IS HIGHLY RECOMMENDED.** Attendees should be prepared to ask questions after the conference about the specifications, proposal requirements, and contract terms. It is the proposers' sole responsibility to do their due diligence to visit and familiarize themselves with the work locations and their requirements before submitting their proposal. After the conference, proposers must submit questions in writing and request information for this solicitation within three business days from the date of the conference.

A link to sign-in and join the meeting can be found at the following website:

<https://pw.lacounty.gov/contracts/opportunities.aspx>

Optional Walk-Through

An optional walk-through will be conducted on Wednesday, April 5, 2023, at 10:00 a.m. ATTENDANCE BY THE PROPOSER OR AN AUTHORIZED REPRESENTATIVE AT THE WALK-THROUGH IS HIGHLY RECOMMENDED. There will be two optional walk-throughs conducted at the following locations:

1. First walk-through at 10 am:

San Gabriel Coastal Spreading Grounds - 9618 East Whittier Boulevard, Pico Rivera, CA 90660

2. Second walk-through (Immediately following the first walk-through):

Dominguez Yard – 2159 East Sepulveda Boulevard, Carson, CA 90810

Note: This may be an all-day event. Please plan your schedule accordingly. There will not be any transportation provided to the walk-through locations.

If you will be attending either one of the walk-throughs, email Messrs. Pang at dpang@pw.lacounty.gov or Medina at dmedina@pw.lacounty.gov. Further instructions will be provided.

The deadline to submit proposals is Monday, April 24, 2023, at 5:30 p.m. Please direct your questions to Messrs. Pang or Medina.

IMPORTANT NOTICE

Submission of proposals will only be accepted electronically using BidExpress or electronic proposals via universal serial bus drive or compact disk to the Cashier's Office in Public Works Headquarters located on the Mezzanine Floor, 900 South Fremont Avenue, Alhambra, California 91803. Submission of hard copy proposals will not be accepted.

PROPOSALS MUST BE SUBMITTED ELECTRONICALLY USING THE FOLLOWING METHOD:




Electronic Submission of Proposals

In lieu of submitting electronic proposals to the Cashier's Office, you may submit proposals electronically on www.bidexpress.com, a secure online bidding service website.

To submit your proposals electronically, register with BidExpress, prior to the due date above. A new registration page must be signed, notarized, and received by BidExpress customer support for processing before the due date. An Infotech/BidExpress Set up Guide is included as Attachment 6 for reference. There is a nominal service fee to use BidExpress.

Less

Open Day:	3/21/2023	Closed Date:	5/1/2023 5:30:00 PM
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Contact Name:	David Pang	Contact Phone:	(626) 458-7167
Contact Email:	dpang@pw.lacounty.gov		
Notice of Intent to Award (0) :	  Click here to view notice intent to award list. 		
Solicitation Award (0) :	  Click here to view award list. 		
Last Changed On:	4/17/2023 9:13:27 AM		
Attachment File (0) :	  Click here to download attachment files. 		



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BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	12/13/2023	
BOARD MEETING DATE	1/9/2024	
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)	Animal Care & Control	
SUBJECT	Approve the use of the Information Technology Infrastructure Fund (ITF) for the development and implementation of an Online Voucher Application.	
PROGRAM	Community Services	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:	
DEADLINES/ TIME CONSTRAINTS	N/A	
COST & FUNDING	Total cost: \$200,000	Funding source: Information Technology Infrastructure Fund
	TERMS (if applicable):	
	Explanation: N/A	
PURPOSE OF REQUEST	Requesting Board approval for an appropriation adjustment to reallocate funding to the Animal Care & Control for the development and implementation of an Online Voucher Application	
BACKGROUND (include internal/external issues that may exist including any related motions)	Approval of the recommended action will enable DACC to develop an Online Voucher Application. This application is expected to enhance efficiency, accessibility, data accuracy, and cost-effectiveness leading to a more streamlined and effective assistance program.	
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 It supports three Board priorities by increasing efficiency and effectiveness, improving customer service, and fostering economic development	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Shakeel Qazi, Information Technology Manager I, (562) 658-2097, sqazi@animalcare.lacounty.gov	



LOS ANGELES COUNTY

ANIMAL CARE & CONTROL | **redefining CARE**



Marcia Mayeda, Director

January 9, 2024

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 TO UTILIZE FUNDS FROM THE COUNTY'S
INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR
THE DEVELOPMENT AND IMPLEMENTATION OF THE
ANIMAL CARE AND CONTROL ONLINE VOUCHER APPLICATION AND
APPROVAL OF AN APPROPRIATION ADJUSTMENT
FISCAL YEAR 2023-24
(ALL SUPERVISORIAL DISTRICTS) (4 VOTES)**

CIO RECOMMENDATION: APPROVED [X]

SUBJECT

The Department of Animal Care and Control (DACC) is requesting Board approval of an appropriation adjustment and authorization to utilize \$200,000 in one-time funding from the County's Information Technology Infrastructure Fund (ITF) for the department's development and implementation of an online voucher application.

IT IS RECOMMENDED THAT THE BOARD:

Approve a Fiscal Year 2023-24 appropriation adjustment in the ITF to reallocate \$200,000 from Services and Supplies (S&S) to Other Financing Uses and to increase DACC's S&S Budget to develop and implement an online voucher application.

Agoura ACC
29525 Agoura Road
Agoura Hills, CA 91301
(818) 991-0071

Baldwin Park ACC
4275 N. Elton Street
Baldwin Park, CA 91706
(626) 962-3577

Carson/Gardena ACC
216 W. Victoria Street
Gardena, CA 90248
(310) 523-9566

Castaic ACC
31044 N. Charlie Canyon Rd.
Castaic, CA 91384
(661) 257-3191

Downey ACC
11258 S. Garfield Ave.
Downey, CA 90242
(562) 940-6898

Lancaster ACC
5210 W. Avenue I
Lancaster, CA 93536
(661) 940-4191

Palmdale ACC
38550 Sierra Highway
Palmdale, CA 93550
(661) 575-2888

Administrative Office
5898 Cherry Avenue
Long Beach, CA 90805
(800) 253-3555

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Pet owners often struggle to afford essential medical care for their beloved animals, resulting in untreated illnesses and growing rates of pet abandonment that place a significant burden on local animal shelters and rescue organizations. To address these challenges and enhance our services to the community, DACC introduced the Pets Are Family (PAF) community outreach program. The PAF program provides critical resources to vulnerable pet owners to help ensure pets remain with their families.

Currently the PAF program relies on manual processes such as email, mail, fax application forms, and paper vouchers which impact efficiency and customer service. Approval of this recommendation will allow DACC to collaborate with the Internal Services Department (ISD) to create a secure, cloud-based online voucher web application that streamlines administration of our PAF program and offers more accessible services to the community.

The benefits of implementing an online voucher application include:

- Streamlining the processing, tracking, and reporting of assistance requests
- Providing easier access to resources for low-income pet owners to keep pets together with their families
- Increasing the likelihood of pets remaining with their families, reducing the strain on our animal care centers and rescue organizations

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action supports County Strategic Plan Goal III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability; and County Strategic Plan Goal III.2.3, Prioritize and Implement Technology Initiatives That Enhance Service Delivery and Increase Efficiency.

FISCAL IMPACT/FINANCING

The ITF, governed by the County's Information Technology Investment Board (ITIB), was established to fund Countywide or multi-departmental technology projects that improve the delivery of services to the public; generate operational improvements to one or more departments or programs; and improve interdepartmental or interagency collaboration.

The ITIB approved the use of \$200,000 in one-time funding from the County's ITF. The funding will be used to engage ISD for development and implementation of the online voucher application.

Approval of the recommended appropriation adjustment (attached) in the ITF will reallocate \$200,000 from S&S to Other Financing Uses and will increase DACC's S&S Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

There are no legal requirements or prohibitions related to this recommended action.

Professional services will be delivered by ISD.

In compliance with Board Policy 6.020, "Chief Information Office Board Letter, the Office of the Chief Information Office reviewed this request and recommends approval. No formal CIO Analysis is required because the CIO reviewed and approved the business case for this project. The County's ITIB reviewed the ITF request on September 28, 2023.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The online voucher application will enhance efficiency, accessibility, data accuracy, and cost-effectiveness resulting in a more streamlined and effective pet-assistance program.

CONCLUSION

Upon Board approval, please return one adopted copy of this board letter to the department.

Respectfully submitted,

Reviewed by:

MARCIA MAYEDA
Director

PETER LOO
Acting Chief Information Officer

MM:DU:WD:SQ:GM:rke

S:Brd Corres/2023 :BLs:/approp adj itf online voucher\bl ITF draft - appr adj -online voucher app

Attachment

c: Chief Executive Office
Chief Information Office
County Counsel
Executive Office

MID-YEAR BUDGET ADJUSTMENT
FY 2023-24

1/9/2024

Cluster

FISCAL

Type of Change

BUDGET ADJUSTMENT

Department Impacted

CHIEF EXECUTIVE OFFICER

Program Impacted

INFORMATION TECHNOLOGY

Funding Type

ONE-TIME

Type of Adjustment

MINISTERIAL CHANGES

Change in Budgeted Positions

0

Votes

4

Justification

This adjustment reflects a shift in appropriation from the Information Technology Infrastructure Control for the development and implementation of an online voucher application.

Sources (Increase Revenue / Decrease Appropriation)						
FUND	DEPT	LVL1	LVL2	DESCRIPTION	CAT	OB.
B16	AO	40033		INFORMATION TECHNOLOGY INFRASTRUCTURE		20
A01	AN	18950		ANIMAL CARE AND CONTROL	96	99

Uses (Increase Appropriation / Decrease Revenue)						
FUND	DEPT	LVL1	LVL2	DESCRIPTION	CAT	OB.
B16	AO	40033		INFORMATION TECHNOLOGY INFRASTRUCTURE		61
A01	AN	18950		ANIMAL CARE AND CONTROL		20

Explanation of change

This adjustment reflects a shift in appropriation from the Information Technology Infrastructure Control for the development and implementation of an online voucher application.

Manager, CEO Approval:

ment reflects a shift in appropriation from the
n Technology Infrastructure Fund to the Department of
e and Control for the development and implementation
e voucher application.

DESCRIPTION		AMOUNT
00	SERVICES & SUPPLIES	200,000
11	OPERATING TRANSFERS IN	200,000
		400,000

DESCRIPTION		AMOUNT
00	OTHER FINANCING USES	200,000
00	SERVICES & SUPPLIES	200,000
		400,000

Appropriation	200,000
Intrafund Transfers	-
Revenue	200,000
Net County Cost	-

rastructure Fund to the Department of Animal Care and

al

BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	12/13/2023		
BOARD MEETING DATE			
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)	Mental Health		
SUBJECT	Notice of Intent to Extend the Term of Agreement Number 77676 with Netsmart Technologies, Inc., for the Continued Provision of the Integrated Behavioral Health Information System		
PROGRAM			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why:		
DEADLINES/ TIME CONSTRAINTS			
COST & FUNDING	\$26,458, 037	Funding source: Mental Health Services Act revenue	
	TERMS (if applicable):		
	December 24,2023- December 23, 2026		
	Explanation:		
PURPOSE OF REQUEST	To notify the board of our intent to extend the agreement with Netsmart Technologies, Inc. on a sole source basis for two years with three optional extensions for the continued provision of the Integrated Behavioral Health Information System (IBHIS).		
BACKGROUND (include internal/external issues that may exist including any related motions)	DMH's implementation of IBHIS has proven to be the most comprehensive solution in serving the largest mental health population in the country. The County has invested nearly \$124 million in the existing IBHIS and it has been customized to fit the complete needs of the State and County during the last ten years. However, the State of California Department of Health Care Services is encouraging counties to use a common Electronic Health Record System. The California Mental Health Services Authority has procured a semi-statewide EHR system (Streamline). Currently, there are 23 counties participating in the semi-statewide EHR system. However, to ensure that all State and County requirements are met for this transition, DMH requires more time to evaluate system features and functionality.		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Mark Cheng, Chief Information Officer, Mcheng@dmh.lacounty.gov Patrice Salseda, Senior Deputy County Counsel, (213) 972-5725, psalseda@counsel.lacounty.gov		



DEPARTMENT OF MENTAL HEALTH

hope. recovery. wellbeing.

LISA H. WONG, Psy.D.
Director

Curley L. Bonds, M.D.
Chief Medical Officer

Connie D. Draxler, M.P.A.
Acting Chief Deputy Director

December 13, 2023

TO: Supervisor Lindsey P. Horvath, Chair
Supervisor Janice Hahn
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Kathryn Barger

FROM: Lisa H. Wong, Psy.D.
Director

SUBJECT: **NOTICE OF INTENT TO EXTEND THE TERM OF AGREEMENT
NUMBER 77676 WITH NETSMART TECHNOLOGIES, INC., FOR THE
CONTINUED PROVISION OF THE INTEGRATED BEHAVIORAL
HEALTH INFORMATION SYSTEM**

In accordance with the Los Angeles County Board of Supervisors' (Board) Policy No. 5.100 (Sole Source Contracts), the Department of Mental Health (DMH) is informing the Board that it intends to extend the current contract with Netsmart Technologies, Inc. (Netsmart), to continue the provision of the Integrated Behavioral Health Information System (IBHIS).

DMH will request that your Board approve an amendment to extend the term of Agreement Number 77676 with Netsmart on a sole source basis for two years, effective December 24, 2024, through December 23, 2026, with three optional one-year extensions. The Total Contract sum for Fiscal Years 2024-25 and 2025-26 is \$26,458,037, fully funded by the State Mental Health Services Act revenue.

NOTIFICATION TIMELINE

Pursuant to Board Policy No. 5.100, DMH is required to provide advance written notice and justification to the Board at least six months prior to the expiration of an existing contract to amend the contracts when departments do not have delegated authority to execute such amendments. The Chief Information Office has reviewed and concurs with this sole source justification. In addition, this matter was briefed at the Operations Cluster

Meeting on December 13, 2024. Unless otherwise instructed by your Board Office within four weeks of this notice, DMH will begin contract negotiations and after the six month notification period, DMH will present to your Board a letter for approval to execute a sole source extension amendment with Netsmart.

JUSTIFICATION

DMH's implementation of IBHIS has proven to be the most comprehensive solution in serving the largest mental health population in the country. IBHIS is a fully integrated, web-enabled software system that supports multiple simultaneous users and securely interfaces with several County information systems and other healthcare organizations. IBHIS provides clinical, administrative, financial, and secure data sharing functionality to support the State of California Department of Health Care Services (DHCS) Medi-Cal and Federal Medicare programs. The DHCS and the County have a highly complex set of requirements, processes, and policies, for medical billing and mental health providers. The County has invested nearly \$124 million in the existing IBHIS, and it has been customized to fit the complex needs of the State and County during the last 10 years.

However, the DHCS is encouraging counties to use a common Electronic Health Record (EHR) System which will enable the State's view of having a wholistic county behavioral health data aggregation and interoperability. The California Mental Health Services Authority, an independent administrative and fiscal public entity representing California counties, took the State's guidance and procured a semi-statewide EHR System (Streamline). Currently there are 23 counties participating in the semi-statewide EHR system. However, to ensure that all State and County requirements are met for this transition, DMH requires more time to evaluate system features and functionality. In particular, the County is most interested in system performance since Streamline is intended to be used by all counties. As such, a comprehensive assessment of Streamline will need to be performed to determine baseline features and functionality offered to participating California counties. In addition, DMH will need time to perform a gap analysis between IBHIS and Streamline and during this process DMH must have an EHR system in place until it has been decided if we can use the State's system.

Each Supervisor
December 13, 2023
Page 3

If you have any questions, or require additional information, please contact me by email at LWong@dmh.lacounty.gov or (213) 947-6670, or your staff may contact Mark Cheng, Chief Information Officer, at MCheng@dmh.lacounty.gov or (213) 878-0180.

LHW:CDD:KN
SK:MC:ZW:atm

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