



**OPERATIONS CLUSTER
AGENDA REVIEW MEETING**

DATE: January 17, 2024
TIME: 2:00 p.m. – 4:00 p.m.

THIS MEETING WILL BE HELD IN A HYBRID FORMAT WHICH ALLOWS THE PUBLIC TO PARTICIPATE VIRTUALLY, OR IN-PERSON, AS PERMITTED UNDER THE BOARD OF SUPERVISORS' AUGUST 8, 2023 ORDER, WHICH SUSPENDED THE APPLICATION OF BOARD POLICY 3.055 UNTIL MARCH 31, 2024.

To participate in the meeting in-person, the meeting location is:
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012
ROOM 374-A

To participate in the meeting virtually, please call teleconference number 1 (323) 776-6996 and enter the following 439827168# or
[Click here to join the meeting](#)

AGENDA

Members of the Public may address the Operations Cluster on
any agenda item during General Public Comment.
Two (2) minutes are allowed for each item.

1. **Call To Order – John Leonard/Thomas Luscombe**
2. **General Public Comment**
(2 Minutes Each Speaker)
3. **DISCUSSION ITEM(S):**
 - A) Board Letter:
ORDINANCES AMENDING TITLE 3 – ADVISORY COMMISSIONS AND COMMITTEES AND TITLE 6 – SALARIES OF THE LOS ANGELES COUNTY CODE, ESTABLISHING THE LGBTQ+ COMMISSION, AND PROPOSED BYLAWS
COUNTY COUNSEL - Liliana Campos, Assistant County Counsel
 - B) Board Letter:
REQUEST FOR APPROVAL AND AWARD OF MASTER AGREEMENTS FOR REAL ESTATE AND SPECIALIZED SUPPORT SERVICES
CEO/RE - Joyce Chang, Senior Manager

- C) Board Letter:
SEVEN-YEAR LEASE AMENDMENT
DEPARTMENT OF PUBLIC SOCIAL SERVICES
9451 CORBIN AVENUE, NORTHRIDGE
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Leasing
- D) Board Letter:
INTERNAL SERVICES DEPARTMENT
SAN DIMAS COMMUNICATION TOWER DEMOLITION
CATEGORICAL EXEMPTION
ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87988
APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT
AUTHORIZE USE OF JOB ORDER CONTRACT
ISD-CEO/CP - Thomas DeSantis, P&PM Division Manager
- E) Board Memo:
CHIEF EXECUTIVE OFFICE RISK MANAGEMENT ANNUAL REPORT,
FISCAL YEAR 2022-23
CEO/RM - Destiny Castro, Manager

4. **PRESENTATION ITEM(S):**

SD3 - HYBRID OPS CLUSTER MEETINGS

5. **Adjournment**

FUTURE AGENDA TOPICS

CALENDAR LOOKAHEAD:

- A) CEO/RE - SEVEN-YEAR LEASE AMENDMENT
FIRE DEPARTMENT
5200 IRWINDALE AVENUE, SUITES 205 & 210, IRWINDALE
- B) LASD/CIO - ACCEPT A GRANT AWARD FROM THE STATE OF CALIFORNIA
OFFICE OF TRAFFIC SAFETY FOR THE FISCAL YEAR 2023-2024
TRAFFIC RECORDS IMPROVEMENT PROJECT PROGRAM
- C) ISD-CEO/CP - REGISTRAR RECORDER/COUNTY CLERK
VAN NUYS DISTRICT OFFICE DRAINAGE ENHANCEMENT PROJECT
CATEGORICAL EXEMPTION
ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87893
APPROVE PROJECT BUDGET AND AUTHORIZE USE OF JOB
ORDER CONTRACT
- D) CEO/CP - REQUEST FOR APPROVAL TO AMEND AS-NEEDED STRATEGIC
PLANNING AND RELATED CONSULTING SERVICES MASTER
AGREEMENTS

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	1/17/2024		
BOARD MEETING DATE	2/6/2024		
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)	County Counsel		
SUBJECT	Ordinances Amending Title 3 – Advisory Commissions and Committees, and Title 6 – Salaries, of the Los Angeles County Code, Establishing the LGBTQ+ Commission, and Proposed Bylaws		
PROGRAM	N/A		
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	Ordinance and bylaws must be introduced at 2/6/2024 Board of Supervisors meeting to meet deadline as established by motion co-authors (SD1 and SD4).		
COST & FUNDING	Total cost: \$ TBD	Funding source: TBD	
	TERMS (if applicable): N/A		
	Explanation: Budget proposal and staffing plan to be submitted by CEO that includes staff for the Commission, including an Executive Director, in its Recommended Budget for FY 2024-2025.		
PURPOSE OF REQUEST	Adopt a new ordinance amending Los Angeles County Code (County Code) Title 3 – Advisory Commissions and Committees to add Chapter 3.55 and amend Title 6 – Salaries.		
BACKGROUND (include internal/external issues that may exist including any related motions)	On June 6, 2023, the Board adopted a motion directing County Counsel to draft an ordinance establishing the LGBTQ+ Commission and its bylaws. CEO requested assistance from County Counsel in drafting the salary ordinance addressing compensation for commissioners. The proposed attached ordinances and bylaws aim to satisfy the Board directive.		
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: <ul style="list-style-type: none"> Liliana Campos, Assistant County Counsel (213) 631-8304 lcampos@counsel.lacounty.gov Brigit Greeson Alvarez, Deputy County Counsel (213) 361-1531 bgreesonalvarez@counsel.lacounty.gov 		



COUNTY OF LOS ANGELES
OFFICE OF THE COUNTY COUNSEL

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

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Agenda No. 30
06/06/23

DAWYN R. HARRISON
County Counsel

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

**Re: Ordinances Amending Title 3 – Advisory Commissions and
Committees and Title 6 – Salaries of the Los Angeles County Code,
Establishing the LGBTQ+ Commission, and Proposed Bylaws**

Dear Supervisors:

Pursuant to your Board's June 6, 2023, motion, our office has prepared:
(a) an ordinance amending Title 3 – Advisory Commissions and Committees of the
Los Angeles County Code; (b) an ordinance amending Title 6 – Salaries of the
Los Angeles County Code; and (c) draft bylaws. The proposed ordinances establish the
LGBTQ+ Commission and establish payment for Commissioners, respectively. The
bylaws establish parliamentary rules of procedure to guide the work of the LGBTQ+
Commission and the ordinance requires the Commission to adopt the bylaws.


The analyses, ordinances, and bylaws are enclosed for your consideration.

Very truly yours,

DAWYN R. HARRISON
County Counsel

By 
BRIGIT GREESON ALVAREZ
Deputy County Counsel

APPROVED AND RELEASED:


for
DAWYN R. HARRISON
County Counsel

BGA:eg
Enclosures

c: Fesia Davenport, Chief Executive Officer
Celia Zavala, Executive Officer, Board of Supervisors

ANALYSIS

This ordinance amends Title 3 – Advisory Commissions and Committees of the Los Angeles County Code to add Chapter 3.55 creating the LGBTQ+ Commission and its governance, duties, and responsibilities.

DAWYN R. HARRISON
County Counsel

By: _____



BRIGIT GREESON ALVAREZ
Deputy County Counsel
Board Liaison Division

BGA: eg

Requested: 6/6/2023
Revised: 12/28/2023

ORDINANCE NO. _____

This ordinance amends Title 3 – Advisory Commissions and Committees of the Los Angeles County Code to add Chapter 3.55 creating the LGBTQ+ Commission and its governance, duties, and responsibilities.

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

SECTION 1. Chapter 3.55 is hereby added to read as follows:

CHAPTER 3.55 LGBTQ+ COMMISSION

3.55.010 Created.

3.55.020 Purpose.

3.55.030 Duties and Responsibilities.

3.55.040 Composition.

3.55.050 Membership.

3.55.060 Term of Service.

3.55.070 Vacancies.

3.55.080 Officers.

3.55.090 Meetings.

3.55.100 Self-Governance Procedures and Quorum.

3.55.110 Staff.

3.55.120 Compensation.

3.55.130 Sunset Review Date.

3.55.010 Created.

There is created a County of Los Angeles LGBTQ+ Commission, hereinafter in this Chapter referred to as the "Commission."

3.55.020 Purpose.

The purpose of the Commission is to advise the Board of Supervisors ("Board") and County of Los Angeles ("County") departments and commissions on all matters affecting the well-being of Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Intersex, and Asexual ("LGBTQ+") communities with the "+" to include the self-determination of community members not represented by the acronym and the evolving and expanding understanding of limitless gender and sexual identities. The Commission will review and make recommendations on existing programs and policies to ensure the County promotes inclusivity and makes a conscious effort to address unintended consequences while striving to build trust and maintain confidence in County public services and programs.

3.55.030 Duties and Responsibilities.

The Commission shall have the following duties and scope of work:

- A. Advise. Serve in an advisory capacity to the Board, and County departments and commissions.
- B. Make recommendations. Review existing, make recommendations about, and propose to the Board and County departments new:
 - 1. policies;
 - 2. budgets;

3. budgetary processes;
4. programs and trainings for County employees and contractors;
5. legislation; and
6. practices and protocols that impact LGBTQ+ communities.

C. Annual Report. Provide an annual report to the Board apprising it of LGBTQ+ activities and accomplishments during the year and on the state of County services, programs, and resources impacting the LGBTQ+ communities, with attention on specific areas for proposed reform or change, as needed.

D. Engagement. Engage consistently with LGBTQ+ communities and key stakeholders in the County to carry out the duties and responsibilities of the Commission, such as:

1. reviewing outcomes, the quality and accessibility of services, and type of resources provided to LGBTQ+ communities in collaboration with County Departments and other relevant stakeholders. This should include:

- a. visiting service sites and conducting interviews with LGBTQ+ recipients of those services to the extent permitted by law;

- b. receiving input from stakeholders, including public, private, and community-based stakeholders regarding County-administered or County-contracted services;

- c. conveying information received to the Board and relevant County departments; and

d. where appropriate, making associated recommendations for improvement.

3.55.040 Composition.

The Commission shall consist of fifteen (15) members, including:

- A. Two (2) members selected by each Supervisor and appointed by the Board for a total of ten (10) members;
- B. One (1) member each selected by the Sheriff, the District Attorney, and the Assessor, respectively, and appointed by the Board for a total of three (3) members;
- C. Two (2) members selected through an application and interview process established by the Commission, and appointed by the Board.

3.55.050 Membership.

Members shall:

- A. Reside in the County and reflect the diversity of LGBTQ+ communities in the County; and
- B. Have demonstrated capabilities of effective leadership within LGBTQ+ communities; or
- C. Have demonstrated knowledge or ability in an area which has a significant bearing upon the challenges faced by LGBTQ+ communities.

3.55.060 Term of Service.

- A. All members of the Commission shall serve at the pleasure of the Board.
- B. As part of the original creation of the Commission only, at the Commission's first meeting, the Commissioners shall divide themselves, or if

necessary be divided by the Executive Director of the Commission, into two groups (Groups A and B, with one more Commissioner in Group B if there is an odd number of total commissioners). Group A will serve an initial term of one (1) year and will be eligible to serve one additional two-year term. Group B will serve an initial term of two (2) years and will be eligible to serve one additional two-year term. For initial members serving less than a two-year term, the initial one-year term shall not be considered towards the restriction of two consecutive two (2) year terms as described in subsection C. Thereafter, each new Commissioner appointed shall serve a term of two (2) years.

C. No Commissioner shall serve more than two (2) consecutive two (2) year terms. Unless the position is vacant as described in Section 3.55.070, all members may continue to serve until removed by the Board or a successor has been duly appointed. The Board may, by order, extend this length of service or waive this limit for individual commissioners or the Commission as a whole.

3.55.070 Vacancies.

A. A member's position on the Commission shall become vacant upon the member's death, resignation, removal by the Board or in the event the member no longer meets the membership criteria set forth in Section 3.55.050. In the case of such a vacancy, a successor shall be selected and duly appointed by the Board to serve until the end of the term. If the member being replaced was selected by a Supervisor, the Supervisor currently holding office in that district will select a replacement, subject to appointment by the Board. If the member being replaced was selected by the Sheriff, District Attorney or the Assessor, then the respective elected

official will select a replacement, subject to appointment by the Board. Members selected through the Commission application and interview process will be replaced using that process, either through selection of an applicant from the existing pool of application submissions or through conducting a new application and interview process, subject to appointment by the Board.

B. Members appointed by the Board to fill a vacancy shall serve the remainder of the unexpired term of the predecessor and it shall not constitute an appointment to a full term.

C. Members appointed to fill a vacancy shall exercise duties consistent with this Chapter and Section 3.100.060.

3.55.080 Officers.

A. The Commission shall elect a Chair, Vice Chair and Second Vice Chair.

B. The term of office of each such officer shall be for the calendar year or for that portion of the calendar year remaining after election to the post of Chair, Vice Chair, or Second Vice Chair.

C. Elections of successor officers shall take place in a timely manner to provide for uninterrupted Commission leadership.

3.55.090 Meetings.

A. The Commission shall convene regular public meetings. The Commission shall meet monthly, or as needed, at a time and location to be established by the Commission. The Commission may meet at such other times as deemed necessary by the Chair, and as otherwise provided by law.

B. Commission meetings shall be led by the Chair and Vice Chair, with the support of the Executive Director of the Commission and staff.

C. Commission meetings shall comply with the Ralph M. Brown Act (California Government Code section 54950 et seq.), as amended, and follow Robert's Rules of Order.

3.55.100 Self-Governance Procedures and Quorum.

A. A majority of the membership of the Commission shall constitute a quorum to conduct business. A majority of the members present shall constitute a quorum to take action, unless otherwise required by law.

B. The Commission shall adopt bylaws, subject to the approval of the Board, addressing the frequency, time and place of meetings, participation requirements, election and term of the Chair, Vice Chair, and Second Vice Chair, and such other rules and procedures as it deems necessary for the Commission's self-governance, provided they are not inconsistent with this ordinance or any other law.

3.55.110 Staff.

A. The Commission shall have a full-time Executive Director who will provide support and guidance to the Commission and be responsible for its administrative management. The Executive Director should have experience promoting, supporting, advocating, and creating programs, services, and resources for LGBTQ+ communities.

B. The Executive Director and staff of the Commission shall be those individuals designated in the current salary ordinances of the County of Los Angeles.

3.55.120 Compensation.

Members of the Commission shall be eligible to receive a reasonable monetary allowance to be set from time to time by the Board for attending regular and special meetings of the Commission up to a maximum per member of \$5,000 per fiscal year and shall be reimbursed for reasonable expenses incurred in performing duties in accordance with County policies regulating reimbursement to County officers and employees (including parking and transportation in attending meetings of the Commission).

3.55.130 Sunset Review Date.

The sunset review date for the Commission shall be five (5) years from the effective date of this ordinance.

[CH355BGACC]

ANALYSIS

This ordinance amends Title 6 – Salaries of the Los Angeles County Code to add and establish one classification with a special pay provision; amends Chapter 6.44 to add Section 6.44.199 to establish compensation for the LGBTQ+ Commission members; and adds the number of ordinance positions in the Department of the Board of Supervisors.

DAWYN R. HARRISON
County Counsel

By: 

BRIGIT GREESON ALVAREZ
Deputy County Counsel
Board Liaison Division

BGA:eg

Requested: 8/30/2023
Revised: 12/11/2023

ORDINANCE NO. _____

An ordinance amending Title 6 – Salaries of the Los Angeles County Code, to add and establish one classification with a special pay provision; amend Chapter 6.44 to add Section 6.44.199 to establish compensation for the LGBTQ+ Commission members; and add the number of ordinance positions in the Department of the Board of Supervisors.

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

SECTION 1. Section 6.28.060 is hereby amended to read as follows:

6.28.060 Table of positions without compensation and positions paid in accordance with special provisions in Chapters 6.02—6.24 and Division 3.

Item No.	Title
...	...
9420	Member, LA Co. Public Hlth. Commission*
<u>9421</u>	<u>Member, LGBTQ+ Commission</u>
9423	Member, Native American Indian Comm.*
...	...

SECTION 2. Section 6.44.010 is hereby amended to read as follows:

6.44.010 Positions.

ITEM NO.	NO. OF ORDINANCE POSITIONS	TITLE
...
9413	15	MEMBER, LA CO COMMISSION FOR WOMEN
<u>9421</u>	<u>15</u>	<u>MEMBER, LGBTQ+ COMMISSION</u>
9483	9	MEMBER, PROBATION OVERSIGHT COMM
...

SECTION 3. Section 6.44.199 is hereby added to read as follows:

6.44.199 LGBTQ+ Commission.

Each member of the LGBTQ+ Commission (Item No. 9421) shall be entitled to receive as compensation the sum of one hundred fifty dollars (\$150) for each regular and special meeting of the Commission attended by that member, not to exceed five thousand dollars (\$5,000) in any one fiscal year and shall be reimbursed for reasonable expenses incurred in performing duties in accordance with County policies regulating reimbursement to County of Los Angeles officers and employees (including parking and transportation in attending meetings of the Commission).

[628060BGACC]

**[PROPOSED] BYLAWS OF
THE LOS ANGELES COUNTY
LGBTQ+ COMMISSION**

CHAPTER 1. GENERAL PROVISIONS

SECTION 1. Applicability. These bylaws shall apply to the Los Angeles County LGBTQ+ Commission ("Commission") and are adopted pursuant to the authority vested to the Commission by motion of the Los Angeles County Board of Supervisors (the "Board") adopted on June 6, 2023, and as outlined in Chapter 3.55 of the Los Angeles County Code.

SECTION 2. Amending the Bylaws. Any bylaw may be amended, repealed, or adopted by a two-thirds vote of the Commissioners present, provided, however, such action shall not affect any matter pending before the Commission. A matter pending is defined as any matter on the Commission's agenda at the time action to amend the bylaws is taken. An amendment, repeal, or adoption of any bylaw cannot conflict with the standards governing the conduct of the Commission as prescribed in Chapter 3.55 of the Los Angeles County Code, or otherwise prescribed by law.

SECTION 3. Suspending the Bylaws. Except as provided otherwise herein, any bylaw may be temporarily suspended by a two-thirds vote. A temporary suspension of any bylaw cannot conflict with the standards governing the conduct of the Commission as prescribed in Chapter 3.55 of the Los Angeles County Code, or otherwise prescribed by law.

SECTION 4. Robert's Rules. The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Commission in all cases to which they are applicable and in which they are not inconsistent with these bylaws or any federal, State, and local laws. Failure to follow the parliamentary rules of procedures as prescribed in *Robert's Rules of Order Newly Revised* shall not invalidate any action taken by the Commission.

CHAPTER 2. MEETINGS

SECTION 1. Conduct of Meetings. All meetings of the Commission shall be called and conducted, and an agenda posted, in accordance with the Ralph M. Brown Act, as applicable, Government Code section 54950 et seq., as it now exists or may hereafter be amended.

SECTION 2. Regular Meeting Time and Location. At its first meeting, the Commission shall adopt a regular meeting schedule no later than December 31, of each year, in the manner provided by State law. Meetings may be rescheduled, relocated, or cancelled by the Chair, and the Commission may adopt an alternate schedule, in accordance with State law, which schedule shall be posted on the Commission's website and electronically distributed to the public via the Commission's mailing list.

To increase public participation, and for the benefit of the public, the Commission may, but is not required to, provide additional locations for members of the public at which they can

observe or address the body by electronic means under section 54953(b)(1) of the Government Code.

SECTION 3. Special Meetings. Special meetings of the Commission may be called in the manner provided by State law.

SECTION 4. Annual Meeting. The Commission shall hold an annual organizational meeting at a regular meeting no later than December of each year to elect the new officers for the following calendar year.

SECTION 5. Quorum. A majority of the Commission constitutes a quorum for the transaction of business. Non-voting members shall not be considered for purposes of determining a quorum. The abstention or recusal of a member who is nonetheless present for discussion and voting on an item shall not affect the presence of a quorum, unless otherwise provided by law.

SECTION 6. Absence of Quorum. In the absence of a quorum, the Commission members present may adjourn any regular, adjourned regular, special, or adjourned special meeting to a time and place specified in the order of adjournment. If all Commission members are absent, the Executive Director or Commission staff may adjourn the meeting to a stated time and place in accordance with section 54955 of the Government Code.

SECTION 7. Agenda Items. Items and motions may be placed on the Commission agenda by Commission members or by the Executive Director.

CHAPTER 3. DEBATE AND VOTING

SECTION 1. Motions and Seconds. Each motion made by any Commission member shall require a second. Motions and seconds may be made by any Commission member.

SECTION 2. Friendly Amendments and Unanimous Consent. A "friendly amendment" is intended to improve a motion, which amendment must be open to debate and formally voted on, such that before the motion is stated by the Chair, the motion belongs to its author and the author can withdraw or modify the motion without asking the consent of anyone. However, in cases where an amendment is made and there is no opposition, formality may be saved by unanimous consent, such that the Chair may adopt a motion without the steps of stating the question and putting the motion to a formal vote.

SECTION 3. Majority Vote. Acts of the Commission shall be valid and binding with a majority vote, or as otherwise required by other applicable federal, State, and local laws.

SECTION 4. Roll Call and Order of Roll Call. Except when required by law, a majority vote is required for the taking of a vote by roll call. Each roll call of the Commission shall be in alphabetical order, except that the Chair shall be called last.

CHAPTER 4. OFFICERS

SECTION 1. Officers. The Commission shall be presided over by a Chair, a Vice Chair, and a Second Vice Chair, to be elected by the Commission members. Should the Chair, Vice Chair, or Second Vice Chair have an appointed alternate, the alternate may not preside over the Commission meetings, in the absence of the Chair, Vice Chair, or Second Vice Chair.

SECTION 2. Election of Officers. The members shall elect the Chair, Vice Chair, and Second Vice Chair, by a majority vote, by December 31st of each year, for the following calendar year (January 1 through December 31). Nominations for Chair, Vice Chair, and Second Vice Chair should be made at the Commission meeting prior to the meeting whereby a vote for officers will be held. Commission members may nominate themselves or others. The agenda for the meeting shall list those Commission members who have accepted nominations for the position(s) of Chair, Vice Chair, and Second Vice Chair. A member elected as Chair, Vice Chair, or Second Vice Chair serves until the end of the next calendar year (December 31), and at the conclusion of the term, may be re-elected by a majority. The Chair may only serve for two (2) full consecutive terms.

SECTION 3. Officer Vacancies. In the event of a vacancy in the office of the Chair, the Vice Chair shall serve as Chair for the remainder of the term. If the Vice Chair is unable to serve, the Second Vice Chair shall serve as Chair for the remainder of the year. If the Second Vice Chair is unable to serve as Chair, the members of the Commission shall elect, by majority vote, another member of the Commission to serve as Chair until the end of the term. In the event of a vacancy in the office of Vice Chair, the members of the Commission shall elect, by majority vote, another member of the Commission to serve as Vice Chair until the end of the term. In the event of a vacancy in the office of Second Vice Chair, the members of the Commission shall elect, by majority vote, another member of the Commission to serve as Second Vice Chair until the end of the term.

SECTION 4. Duties of the Chair. The Chair shall preside at all meetings of the Commission and shall conduct the business of the Commission in accordance with these bylaws. The Chair shall preserve order and decorum and shall decide all questions of order subject to the action of the majority.

SECTION 5. Duties of Vice Chair. In the absence, or inability to act, of the Chair at a Commission meeting, the Vice Chair shall preside at the meeting and conduct the business of the Commission in accordance with the same rules and regulations prescribed to the Chair.

SECTION 6. Duties of Second Vice Chair. In the absence, or inability to act, of the Chair and Vice Chair at a Commission meeting, the Second Vice Chair shall preside at the meeting and conduct the business of the Commission in accordance with the same rules and regulations prescribed to the Chair.

SECTION 7. Succession of Duties. If the Chair is absent, then the Vice Chair shall assume the duties of the Chair and the Second Vice Chair shall assume the duties of the Vice Chair. If the Chair, Vice Chair, and the Second Vice Chair are absent, then the members of the Commission present may select a Chair Pro Tem by majority vote. No alternate member shall serve as the Chair; however, an alternate member may cast a vote for the selection of a Chair, but only if the regular member cannot attend the meeting.

CHAPTER 5. DUTIES OF MEMBERS

SECTION 1. Attendance. Members shall attend all Commission meetings and meetings of any subcommittees of which they are members. Members are expected to arrive on time and be prepared for the meetings, and must notify the Executive Director if they are unable to attend a meeting or unable to arrive on time.

SECTION 2. Participation and Public Input. Commission members are expected to actively participate in Commission discussions and provide their input and expertise. Commission members should also strive to seek input from the communities they represent and share those viewpoints with the Commission as appropriate.

CHAPTER 6. SUBCOMMITTEES

Section 1. Authority to Establish. The Commission may establish subcommittees, either standing or ad hoc, as necessary to carry out its work in accordance with Chapter 3.55 of the Los Angeles County Code, and in the manner prescribed under section 54952(b) of the Government Code. The membership of a subcommittee will not constitute a quorum of the full Commission and interested members shall be appointed by the Chair, barring a quorum being reached. An alternate may participate in a subcommittee, but only if the Commission member for whom the alternate was appointed cannot attend. Should an alternate participate in a subcommittee meeting, the alternate may not preside. At no time will committees, either standing or ad hoc, be allowed to convene and proceed as a subcommittee when less than a majority of Commission members, appointed to the committee, are present.

Section 2. Subcommittee Actions. No action may be taken by a subcommittee including, but not limited to, making recommendations to the full Commission, except by a majority vote.

CHAPTER 7. PUBLIC PARTICIPATION

SECTION 1. Public Comment. Members of the public may address the Commission on a particular agenda item and during the general public comment section of the agenda by submitting a written request to the Executive Director or Commission staff. A person requesting to address the Commission will be allowed a total of two (2) minutes per item, including general public comment. A person giving public comment in a language other than English will be allowed double the amount of time to account for translation unless the person receives simultaneous translation services. The Chair may exercise discretion, subject to action by a majority, and choose to limit or expand public testimony as necessary to ensure the Commission's ability to conduct its business in a reasonably efficient manner.

SECTION 2. Code of Conduct. Members of the public in attendance at Commission meetings must conduct themselves in accordance with the following Code of Conduct:

- a. Speakers must cease speaking immediately when their time has ended;

- b. Public comment on the agenda items must relate to the subject matter of that item;
- c. General public comment is limited to subjects within the jurisdiction of the Commission;
- d. Public comment does not include the right to engage in a dialogue with Commission members, the Executive Director nor Commission staff; members of the public shall remain respectful of the forum, and refrain from uttering, writing, or displaying profane, personal, threatening, derogatory, demeaning, or other abusive statements toward the Commission, any member thereof, staff, or any other person;
- e. Members of the audience should be respectful of the views expressed by speakers, the Executive Director, Commission staff, and Commission members and refrain from clapping, cheering, whistling, or otherwise disrupting the orderly conduct of the meeting;
- f. Any person engaging in conduct that disrupts the meeting is subject to being removed from the Commission meeting as described in Section 4, below; and
- g. If anyone witnesses conduct or behavior by other members of the public that disrupts their ability to remain engaged or participate in the Commission meetings, please notify staff.

SECTION 3. Signs. Any member of the public who brings signs, posters, or other large objects to Commission meetings must not block the view of other public members of the audience and may be asked to relocate as necessary.

SECTION 4. Disruptive Conduct; Removal from Meeting Room; Clearing the Room. In accordance with Government Code section 54957.95, at the discretion of the Chair or upon majority vote, the Chair may order the removal of any individual who is willfully disrupting the meeting so as to render the orderly conduct of such meeting unfeasible. Prior to removing an individual, the Chair must warn the individual that their behavior is disrupting the meeting and that the failure to cease their behavior may result in removal. The Chair may then remove the individual if the individual fails to promptly cease the disruptive behavior. No warning is necessary if the subject behavior constitutes use of force or a true threat of force.

Under Government Code section 54957.9, if any meeting is willfully interrupted by a group or groups of persons rendering the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, it may be ordered that the meeting room be cleared and the meeting can continue in session. Representatives of the press or any news media, except those participating in the disturbance, must be allowed to attend any session held pursuant to this section. Nothing shall prohibit the Commission from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

Disruptive conduct includes, but is not limited to, any of the following acts:

- a. Disorderly, contemptuous or insolent behavior toward the Commission or any member thereof, actually disrupting the due and orderly course of a meeting;

- b. A breach of the peace, boisterous conduct, including the utterance of loud, threatening or abusive language, whistling, stamping of feet, or violent disturbance, actually disrupting the due and orderly court of a meeting;
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Commission actually disrupting the due and orderly course of a meeting; and
- d. Any other conduct that actually disrupts the due and orderly course of a meeting.

DRAFT

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	1/17/2024
BOARD MEETING DATE	2/6/2024
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 (CEO)
SUBJECT	Master Agreements for Real Estate and Specialized Support Services
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If Yes, please explain why: N/A
DEADLINES/ TIME CONSTRAINTS	N/A
COST & FUNDING	Expenditures resulting from these agreements will vary year to year based on the needs of the County, CEO will verify available funding prior to requesting services under the Master Agreement. Over the term of the Master Agreement, sufficient appropriations will be budgeted in the CEO's budget each Fiscal Year. If a work order is expected to exceed \$500,000, CEO will provide advance notification to the Board prior to execution of the work order or amendment, as applicable. It is anticipated the costs for the issued work orders may be paid either through the appropriate CEO Budget and, as applicable, billed back to the benefitting department or through commissions paid by third parties in connection with the lease or purchase of real property.
PURPOSE OF REQUEST	Approval of the recommended actions will allow the CEO to establish Master Agreements with qualified vendors and implement a centralized source and process to effectively manage the Master Agreements, subordinate work orders, and RFSQ, and augment CEO AMB's ability to obtain real estate services on an as-needed basis for various County real estate functions. CEO AMB's real estate programs and activities to benefit from the professional services of the Master Agreement include real property acquisitions, real estate and financial advisory services, sales of surplus real property, leasing and licensing of County owned real property, leasing and licensing of real property not owned by the County, granting or acquiring easements, property management/space management of County owned and leased properties, and providing real estate advice and guidance to meet the real estate needs for County departments and the Board offices.
BACKGROUND (include internal/external issues that may exist including any related motions)	CEO currently contracts for professional real estate services through the private sector. Approval of the recommendations will allow CEO to continue this practice and the agreements will provide a resource to obtain necessary as-needed real estate and specialized support services in an efficient manner.
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: The recommended actions support a number of Countywide Strategic Plan Goals including I.1.5 which calls for increasing affordable housing throughout Los Angeles County by developing housing units in the County; II.3.2 fostering cleaner, more efficient, and more resilient energy system; III.3.1 maximizing revenue by leveraging resources to fund County initiatives; and III.3.2 managing and maximizing County assets.
DEPARTMENTAL CONTACTS	Joyce Chang, Senior Manager CEO- Real Estate Division 213-974-3078 jchang@ceo.lacounty.gov



Chief Executive Office.

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 973-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

February 6, 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:

**REQUEST FOR APPROVAL AND AWARD OF MASTER AGREEMENTS FOR
REAL ESTATE AND SPECIALIZED SUPPORT SERVICES
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Request delegated authority to award and execute Master Agreements for real estate and specialized support services to the Chief Executive Office on an as-needed basis.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are not a project pursuant to California Environmental Quality Act (CEQA) for the reasons stated in the Board letter.
2. Authorize the Chief Executive Officer, or her designee, to execute Master Agreements, substantially similar to Enclosure I, with each of the vendors listed on Enclosure II, for the provision of real estate and specialized support services, effective upon the Board's approval for a five-year term, with two additional one-year extension options and 12 month-to-month extension options, for a total term of the Master Agreement not to exceed eight years.
3. Authorize the Chief Executive Officer, or her designee, to execute additional Master Agreements during the term of the Master Agreement with additional vendors that submit a Statement of Qualifications (SOQ) that meets the requirements as outlined in the Request for Statement of Qualifications (RFSQ) for on-call real estate services and specialized support services, amend or revise the RFSQ, as necessary, to update, add or replace provisions and appendices of the RFSQ, modify services and add

additional service types or categories within the scope of the RFSQ during the term of the Master Agreement.

4. Authorize the Chief Executive Officer, or her designee, to execute amendments to Master Agreements to: (i) exercise term renewal extension options, (ii) approve assignment and delegation of the Master Agreement resulting from acquisitions, mergers, or other changes in entity, (iii) make changes to the terms and conditions to align with Board policy changes/directives, and (iv) add/or delete applicable exhibits of the Master Agreement as they become necessary, and execute change notices to the Master Agreement to effectuate modifications, which do not materially affect any term and condition of the Master Agreement, and suspend or terminate Master Agreements for administrative convenience.
5. Authorize the Chief Executive Officer, or her designee, to execute individual work orders resulting from a work order request selection process for services performed under the Master Agreements subject to the following criteria: if a work order request results in a work order award recommendation that is \$500,000 or more, the Chief Executive Office will provide advance notification to the Board prior to the execution of the work order or amendment, as applicable.
6. Authorize the Chief Executive Officer, or her designee to execute amendments to work orders during the term of the Master Agreement to: (i) authorize modifications within the work order's scope of work, (ii) changes to the work order's terms and conditions, (iii) extend the work order term up to two additional periods, (iv) allow a no-cost adjustment for a period of up to six months beyond the work order expiration date, (v) provide an increase or decrease in funding in accordance with the work order total maximum obligation criteria, or (vi) terminate work orders.
7. Authorize the Chief Executive Officer, or her designee to extend applicable Master Agreements automatically beyond their term where a work order for a critical project is issued with an expiration date of no more than 180 days past the expiration of the Master Agreement, and authorize additional services and extend Master Agreements to complete those additional services when those services are: (i) previously unforeseen; (ii) related to a previously assigned scope of work; and (iii) necessary for the completion of that given project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will allow the Chief Executive Office (CEO) to establish Master Agreements with qualified vendors and implement a centralized source and process to effectively manage the Master Agreements, subordinate work orders, and RFSQ, and augment CEO Asset Management Branch's (AMB) ability to obtain real estate services on an as-needed basis for various County real estate functions. CEO AMB's real estate programs and activities to benefit from the professional services of the Master Agreement include real property acquisitions, real estate and financial advisory services, sales of surplus real property, leasing and licensing of County owned real property,

leasing and licensing of real property not owned by the County, granting or acquiring easements, property management/space management of County owned and leased properties, and providing real estate advice and guidance to meet the real estate needs for County departments and the Board offices.

Approval to execute a Master Agreement with the vendors listed on Enclosure II will allow the Chief Executive Officer, or her designee, to authorize a total of ten prequalified contractors to create an initial Master Agreement list. The new Master Agreements will provide uniform contractual terms and conditions, and offer the CEO AMB access to procure highly technical real estate services on an as-needed basis.

Approval to execute Master Agreements during the ensuing eight-year period with additional vendors that meet the minimum requirements and conditions of the RFSQ will allow the Chief Executive Officer, or her designee, to expand the pool of qualified vendors throughout the duration of the Master Agreement term. Utilizing the Master Agreements, the CEO AMB will secure qualified vendors to provide professional real estate services through the issuance of individual work orders authorized within contract limitations. These agreements will help to ensure adequate resources are available to provide real estate services to the CEO on an as-needed basis.

The proposed Master Agreement will provide an avenue to continue procurement of real estate title and appraisal services, and brokerage services, and present an opportunity to expand access to a broad range of real estate services to assist the CEO with real estate and financial advisory services, leasing of property, property management/space management, and acquisitions on an as-needed basis.

The proposed as-needed real estate services are necessary where the CEO does not have the expertise for some specialized tasks and will allow the CEO to meet the demands for processing and successfully completing leases and acquisitions for County departments and Board directed programs and projects and maintaining the hundreds of leases already in place. Specialized real estate services in acquisitions and leasing are also essential to support various County real estate objectives, including the large number of affordable and interim housing projects that are underway and being proposed, as well as social justice initiatives with real estate components like Bruce's Beach and the Pathway Home program. Through accessing these types of professional real estate services, CEO was able to quickly effectuate social justice goals at Bruce's Beach and to secure hotels for the Pathway Home program. The Master Agreements are expected to further enhance the CEO AMB functions and timely responses to emerging needs, new real estate methods and Board priorities.

In addition, the Master Agreements will support the CEO AMB with leasing and easements for charge ready and solar energy projects, with leasing out County properties to maximize rental amounts, and with assisting the managing of County real property and leased spaces to ensure these properties are maintained and fully utilized. Moreover, the proposed Master Agreements managed by the CEO will also provide an additional

resource, as applicable for as-needed real estate services, including real estate appraisal and financial advisory services.

We anticipate the availability of these services will enhance the CEO's ability to meet the expectations of the Board offices and client departments in securing real estate services on an as-needed basis.

Implementation of Strategic Plan Goals

The recommended actions support a number of Countywide Strategic Plan Goals including I.1.5 which calls for increasing affordable housing throughout Los Angeles County by developing housing units in the County; II.3.2 fostering a cleaner, more efficient, and more resilient energy system; III.3.1 maximizing revenue by leveraging resources to fund County initiatives; and III.3.2 managing and maximizing County assets.

FISCAL IMPACT/FINANCING

The Master Agreements do not guarantee a contractor any minimum amount of work, and the County only incurs an obligation when work is required, and an individual work order is awarded by the CEO AMB. Expenditures resulting from these agreements will vary year to year based on the needs of the County, the CEO will verify available funding prior to requesting services under the Master Agreement. Over the term of the Master Agreement, sufficient appropriations will be budgeted in the CEO's budget each Fiscal Year. If a work order is expected to exceed \$500,000, the CEO will provide advance notification to the Board prior to execution of the work order or amendment, as applicable.

It is anticipated the costs for the issued work orders may be paid either through the appropriate CEO Budget and, as applicable, billed back to the benefitting department or through commissions paid by third parties in connection with the lease or purchase of real property.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The sample master agreement for real estate and specialized support services provided in Enclosure I has been approved as to form by County Counsel and it incorporates appropriate terms and conditions to protect the County. The sample master agreement includes all Board-required provisions. A minimum amount of work is not guaranteed to any qualified contractor based on the award of a master agreement.

The proposed Master Agreements and prospective work orders are not subject to the County's Living Wage Program. County Code 2.201 does not apply to the Master Agreement or work orders as these agreements are for temporary and intermittent services, the work performed by these firms is highly specialized, professional, or technical in nature, and the services are used on an as-needed basis.

A summary of the Community Business Enterprise Information as reported by the vendors is on file with the CEO.

The CEO AMB will administer the Master Agreements and be responsible for authorizing work scopes, conducting a review or evaluation process to select a vendor, issuing work orders awards, and approving the contractor's work throughout the term of the assignment.

Environmental Documentation

The recommended actions are not a project pursuant to CEQA because it is an activity that is excluded from the definition of a project by section 15378(b) of the CEQA Guidelines. The proposed action to award as-needed master agreements for anticipated future projects is an administrative activity of the government that will not result in direct or indirect changes to the environment. The CEO will return to the Board, as necessary, for consideration of appropriate environmental documentation pursuant to CEQA prior to commencement of activities under the agreements that may constitute a project under CEQA.

CONTRACTING PROCESS

On February 3, 2023, the CEO released an RFSQ to solicit SOQs from interested vendors with demonstrated experience in a wide variety of commercial real estate to enter into prospective master agreements with the County to provide professional real estate services to the CEO on an as-needed basis. The CEO posted the solicitation and contracting opportunity announcement on the County's "Doing Business With Us" website, and also distributed email notifications on the availability of the RFSQ and its accessibility from the County's website to a list of consultant firms that indicated interest in future business opportunities to the CEO AMB.

The CEO received ten complete SOQs by the initial due date of March 16, 2023. The SOQs were reviewed for compliance with the minimum requirements and conditions of the RFSQ. After review, the ten vendors in Enclosure II were determined to adhere with the RFSQ requirements. Further, the initial list of vendors all accepted the terms and conditions of the Master Agreement. As such, the vendors are being recommended for the award of a Master Agreement to become a qualified contractor.

When professional real estate services under the Master Agreement are required, the CEO will procure services through a work order request selection process. Work order awards will be made to the responsive and responsible qualified vendor response with the lowest cost, contract rate/fee, or alternate procurement method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry, as applicable, unless the work order request specifies selection criteria other than lowest cost, contract rate/fee, or other procurement method. If a selection methodology other than lowest cost, contract rate/fee, or other purchase method, as set forth in the work order request is utilized, it will be indicated in each work order request.

Additional vendors may seek to qualify for a Master Agreement as the RFSQ remains open by submitting an SOQ, and vendors that meet the minimum qualifications and conditions of the RFSQ will be recommended by the CEO for an award of a Master Agreement. New Master Agreements executed by the Chief Executive Officer, or her designee, after the initial list of Master Agreement awards will be added to the list of qualified contractors. In addition, the Chief Executive Officer, or her designee, may amend and revise the RFSQ to add additional services within the scope of the Master Agreement based on the County's service needs and at the County's sole discretion, and to update, add or replace provisions and appendices of the RFSQ as it becomes necessary during the term of the Master Agreement.

On final analysis and consideration of the award of a Master Agreement, contractor/vendor will be selected without regard to race, color, creed, or gender.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no negative impact on current County services or projects as a result of authorizing the recommended Master Agreement. The CEO currently contracts for professional real estate services through the private sector. Approval of the recommendations will allow the CEO to continue this practice and the agreements will provide a resource to obtain necessary as-needed real estate and specialized support services in an efficient manner.

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

Enclosures

FAD:JMN:JTC:JLC
HD:JH:LY:gb

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

MASTER AGREEMENT TEMPLATE



**MASTER AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
(CONTRACTOR)
FOR
ON-CALL REAL ESTATE SERVICES AND
SPECIALIZED SUPPORT SERVICES**

Master Agreement No.: CEO-MA-RE-2023-

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- D Sample Contractor Acknowledgement and Confidentiality Agreement

MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
AND

FOR
ON-CALL REAL ESTATE SERVICES AND
SPECIALIZED SUPPORT SERVICES

This Master Agreement and Exhibits made and entered by and between the County of Los Angeles hereinafter referred to as County, and _____, hereinafter referred to as Contractor, to provide on-call real estate services and specialized support services.

RECITALS

WHEREAS, the County may contract with private businesses for real estate services and specialized support services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing real estate services and specialized support services; and

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

WHEREAS, the Board of Supervisors has authorized the Chief Executive Officer, or her designee, to execute and administer this Master Agreement; and

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

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, and D are attached to and form a part of this Master Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Master Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency

will be resolved by giving precedence first to the Master Agreement and then to the Exhibits according to the following priority:

Standard Exhibits:

Exhibit A	County's Administration
Exhibit B	Contractor's Administration
Exhibit C	Safely Surrendered Baby Law
Exhibit D	Sample Contractor Acknowledgement and Confidentiality Agreement

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

2.0 DEFINITIONS

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

- 2.1 Active Contractor:** Identifies a Qualified Contractor who is in compliance with the terms and conditions and whose evidence of insurance requirements have all been received by the Department and are valid and in effect at the time of a given Work Order award. As used herein, the terms Active Contractor and Contractor may be used interchangeably throughout this document.
- 2.2 Contractor's Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the Master Agreement award.
- 2.3 County's Master Agreement Program Executive:** The individual designated by the Chief Executive Officer, or her designee, with authority to negotiate, recommend and make changes on behalf of County; approve Work Order requests for bids or proposals, and award and execute Work Orders, in accordance with conditions set forth under this Master Agreement.
- 2.4 County's Master Agreement Program Administrator:** The individual designated by the County's Master Agreement Program Executive with authority to recommend for approval a Work Order request for bids and proposals, and make recommendation(s) for selection of Work Order award(s).
- 2.5 County's Master Agreement Project Director(s):** Person(s) designated by the County's Master Agreement Program Administrator whose responsibilities include the day-to-day administration of the Master Agreement. The County's Master Agreement Project Director will be identified in each Work Order.

- 2.6 County's Master Agreement Work Order Project Manager(s):** Person(s) designated as the chief contact person on a Work Order whose responsibilities include coordinating and monitoring the Work Order. The County's Master Agreement Work Order Project Manager will be identified in each Work Order.
- 2.7 Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 Department:** Chief Executive Office (CEO).
- 2.8 Director:** Chief Executive Officer of the Chief Executive Office.
- 2.9 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10 Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of, and otherwise governs, subsequent Work Orders.
- 2.11 Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ); has met the minimum qualifications listed in the RFSQ, and has an executed Master Agreement with the CEO.
- 2.12 Request For Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.
- 2.13 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.14 Statement of Work:** A written description of tasks and/or deliverables desired by County for a specific Work Order.
- 2.15 Work Order (WO):** A subordinate agreement executed wholly within and subject to the provisions of this Master Agreement, for the performance of work, tasks and/or provision of deliverables as described in a specification or a Statement of Work. Each Work Order will result from Work Order requests for bids or proposals, as applicable, solicited by, and tendered to the CEO, by qualified County Contractors. Unless otherwise specified in the Work Order request for bids or proposals, CEO will select for award recommendation the lowest cost or contract rate/fee or other procurement method as determined by CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the Work Order request for bids or proposals. Work Order requests for bids or proposals will include a specification or Statement of Work which will describe in detail the project and the work required for the performance thereof. All such Work Orders and projects pursued under a Master Agreement shall be contingent on the necessary approval by the CEO and verification of the available funding, as applicable. Unless otherwise stated and approved by the CEO, all Work Orders in which work and/or services are to be provided to the CEO shall be competitively procured. No work will be performed by County Contractors except in accordance with validly procured and executed Work Orders including all attachments and exhibits, and all fully executed Work Order Amendments thereto.

3.0 WORK

- 3.1 Pursuant to the provisions of this Master Agreement, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.2 Work Orders will generally be performed on a time and materials basis or on a fixed price per deliverable basis, or any other purchase method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry. Each Work Order request for bids or proposals will include an attached Statement of Work, which will describe in detail the project and the work required for the performance thereof. Payment for all work will be on a time and materials basis, or on a fixed priced per deliverable basis, or any other purchase method as determined by CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the Work Order, subject to the Total Maximum Amount or Total Maximum Contract Rate/Fee or other set limitation applicable for the procurement method determined by the CEO appropriate to the scope of work and relevant business sector/service industry and as specified on each Work Order.
- 3.3 If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount or Total Maximum Contract Rate/Fee or set limitation applicable for other procurement methods determined by the CEO appropriate to the scope of work and relevant business sector/service industry and as specified in the Work Order, as originally written or modified in accordance with this Paragraph 3 and Paragraph 8.1 (Amendments and Change Notices), these will be gratuitous efforts on the part of Contractor for which Contractor will have no claim whatsoever against County.
- 3.4 County procedures to issue, award, and execute Work Orders under the Master Agreement are in accordance with this Paragraph 3. Upon determination by the County to issue a Work Order, the County will prepare and release a Work Order request for bids or proposals for the performance of work, tasks and/or provision of deliverables as described in a specification or a Statement of Work to a minimum of three Master Agreement qualified County Contractors. Each interested qualified County Contractor so contacted must submit a bid or proposal, as applicable, to the County address provided and within the timeframe specified in the Work Order request for bids or proposals. Failure of Contractor to provide a bid or proposal within the specified timeframe may disqualify Contractor for that specific Work Order. The County, in its sole discretion, may utilize assessment methodologies that take factors other than lowest cost, contract rate/fee, or other purchase method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the Work Order, into consideration. If an assessment methodology other than lowest cost, contract rate/fee, or other purchase method as determined by CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the

Work Order, is utilized, it will be explicitly indicated in each Work Order request for bids or proposals.

- 3.5 Upon completion of review and assessment of bids or proposals submittals responding to the requirements of the corresponding Work Order request, the County will select for award recommendation the lowest cost, contract rate/fee, or alternate procurement method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the Work Order request, unless the Work Order request for bids or proposals specifies evaluation criteria other than lowest cost, contract rate/fee, or other procurement method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry and as set forth in the Work Order request. The County will execute the Work Order award by and through the County's Administration identified for this Master Agreement. It is understood by County Contractor that County's competitive bidding procedure may have the effect that no Work Orders are awarded to some Master Agreement qualified County Contractors.
- 3.6 County estimates that selection of any Contractor will generally occur within (10) business days of completion of its review and assessment of response submittal(s) to Work Order requests for bids or proposals. Following selection, County Contractor(s) notified must be available to meet with County on the starting date specified in the Work Order or award notice. Inability of County Contractor(s) to comply with such commencement date may be cause for disqualification of County Contractor(s) from the specific Work Order as determined in the sole discretion of the County's Master Agreement Program Executive, or designee.
- 3.7 In the event Contractor defaults three times under Paragraph 3.6 within a given County fiscal year, then County may terminate this Master Agreement pursuant to Paragraph 8.42 (Termination for Default).

4.0 TERM OF MASTER AGREEMENT

- 4.1 This Master Agreement will go into effect upon the date of its execution by the Chief Executive Officer, or her designee, as authorized by the Board of Supervisors and will expire on _____, unless sooner terminated, in whole or in part, as provided herein.
- 4.2 The County will have the sole option to extend the Master Agreement term for up to two additional one-year periods and twelve month to month extensions, for a total additional renewal option of three years. Each such option and extension will be exercised at the sole discretion of the Chief Executive Officer, or her designee, as authorized by the Board of Supervisors.

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 Master Agreement term extension option.
- 4.3 Contractor must notify the CEO when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove.

Upon occurrence of this event, Contractor must send written notification to the CEO at the address herein provided in Exhibit A (County's Administration).

- 4.4 Notwithstanding any other provision of this Paragraph 4.0, a Work Order executed prior to the expiration date of this Master Agreement may be executed with an expiration date up to one hundred eighty (180) days past the expiration date of this Master Agreement in order to complete a critical project that may be in progress at the end of the Master Agreement term without interruption. Any such Work Order will automatically extend this Master Agreement's expiration date up to the Work Order expiration date. Such extended Master Agreement expiration date will only be applicable to such Work Order and will not extend the expiration date for any other purposes whatsoever, including issuing new Work Order(s) and/or extending any other Work Order(s).

If the County authorizes the Contractor in writing to perform services on a given Work Order prior to the stated expiration date, but thereafter such services are not completed by the stated expiration date, then the expiration of this Master Agreement will be automatically extended solely to allow for the completion of such services. County may authorize unforeseen additional services and extend the Work Order expiration date as necessary to complete those services when the unforeseen additional services are directly related to the initial scope of work and are necessary for the completion of a given Work Order.

5.0 CONTRACT SUM

5.1 Total Contract Sum

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

5.2 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 entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, will occur only with the County's express prior written approval.

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

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

5.4 Invoices and Payments

- 5.4.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor must separately invoice the County for each Work Order as: (1) monthly, if performed on a Time and Materials basis or (2) by deliverable, if performed on a fixed price per deliverable basis, or (3) by any other procurement method as determined by the CEO appropriate to the scope of work and relevant business sector/service industry, and as set forth in the Work Order, subject to the Total Maximum Amount or Total Maximum Contract Rate/Fee of the Work Order, or other set limitation applicable for the procurement method determined by the CEO appropriate to the scope of work and relevant business sector/service industry, and as specified on each Work Order.
- 5.4.2 Payment for all work will be on a time and materials basis or a fixed price per deliverable basis, or any other purchase method as determined by CEO appropriate to the scope of work and relevant business sector/service industry, subject to the Total Maximum Amount or Total Maximum Contract Rate/Fee or other set limitation applicable for the procurement method determined by the CEO appropriate to the scope of work and relevant business sector/service industry, specified in each Work Order less any amounts assessed in accordance with Paragraph 8.25 (Liquidated Damages).
- 5.4.3 County will not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.
- 5.4.4 All work performed by, and all invoices submitted by, Contractor pursuant to Work Orders issued hereunder must receive the written approval of the County's Master Agreement Work Order Project Manager for the applicable Work Order, who will be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.
- 5.4.5 Invoices under this Master Agreement must be submitted to the address(es) set forth in the applicable Work Order.

5.4.6 **Invoice Content**

The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in the applicable Work Order. The period of performance and support documentation must also be consistent with the procurement method specified in the applicable Work Order. The following information is provided on a Time and Materials or Fixed Price Per Deliverable Work Order format.

Time and Materials Work Order:

Each invoice submitted by Contractor must specify:

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

Fixed Price Per Deliverable Work Order:

Each invoice submitted by Contractor must specify:

- County numbers of the Work Order and Contractor's Master Agreement;
- Period of performance of work being invoiced;
- Name(s) of persons who performed the work;
- A brief description of the deliverable(s) for which payment is claimed, the respective number(s) assigned to the deliverable(s), and the individual amount being billed for each deliverable; and
- The total amount of the invoice.

5.4.7 **Local Small Business Enterprises – Prompt Payment Program** (if applicable)

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

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

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

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

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

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

6.1 County's Master Agreement Program Executive

The County's Master Agreement Program Executive, or designee, has the authority to negotiate, recommend and make changes to the Master Agreement; approve release of Work Order requests for bids or proposals; approve and execute change notices, approve and execute Work Orders, and any addenda, amendments, suspensions or terminations thereto, in accordance with conditions set forth under this Master Agreement; and make recommendations to resolve disputes between the Chief Executive Office and the Contractor.

6.2 County's Master Agreement Program Administrator

The County's Master Agreement Program Administrator, or designee, is the approving authority to recommend individual Work Order requests for bids or proposals, and make approval recommendations for individual amendments and change notices, and Work Order awards and any addenda, amendments, suspensions or terminations thereto.

6.3 County's Master Agreement Project Director(s)

The responsibilities of a County's Master Agreement Project Director include the day-to-day administration of this Master Agreement. The County's Master Agreement Project Director will manage the process to:

- a) develop individual Work Order requests for bids or proposals;
- b) review and evaluate response submittal(s) to individual Work Order requests for bids or proposals;
- c) provide selection(s) recommendation(s) of individual Work Orders awards;
- d) recommend amendments and change notices, and Work Orders addenda, amendments, suspensions or terminations

thereto; and e) administer and implement executed amendments and change notices, and executed Work Orders and any addenda, amendments, suspensions or terminations thereto.

6.4 County's Master Agreement Work Order Project Manager(s)

A Master Agreement Work Order Project Manager will be assigned for each Work Order by County's Master Agreement Project Director, or designee. A Master Agreement Work Order Project Manager will generally be the first person for a Contractor to contact with any questions for the applicable Work Order.

6.4.1 The responsibilities of a Master Agreement Work Order Project Manager include:

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

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

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager is designated in Exhibit B (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.

7.1.2 Contractor's Project Manager will be responsible for Contractor's day-to-day activities as related to this Master Agreement and will coordinate with County's Master Agreement Work Order Project Manager(s) on a regular basis with respect to all active Work Orders.

7.2 Contractor's Authorized Official(s)

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

7.3 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager. Contractor must provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.4 Contractor's Staff Identification

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

7.5 Background and Security Investigations

- 7.5.1 Each of Contractor's staff performing services under this Master Agreement who is in a designated sensitive position, as determined by County in County's sole discretion, must undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Master Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but will not be limited to, criminal conviction information. The fees associated with the background investigation will be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.
- 7.5.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Master Agreement at any time during the term of the Master Agreement. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.
- 7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

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

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 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 Master Agreement.
- 7.6.4 Contractor must sign and adhere to the provisions of the Contractor Acknowledgement and Confidentiality Agreement prior to commencing on any awarded Work Orders. See Exhibit D, Sample Contractor Acknowledgement and Confidentiality Agreement, of the Master Agreement.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments and Change Notices

8.1.1 Amendments to Master Agreement

- a) The County's Board of Supervisors or Chief Executive Officer, or her designee, may require the addition and/or change of certain terms and conditions in the Master Agreement during the term of this Master Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such orders, an Amendment to the Master Agreement must be prepared and executed by the Contractor and by the Chief Executive Officer, or her designee.
- b) In accordance with Subparagraph 8.2 (Assignment and Delegation/Mergers or Acquisitions), any assumption, assignment, delegation, company name change or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, Subcontract, delegation, merger, buyout, company name change or any other mechanism, under the Master Agreement, will be implemented pursuant to an Amendment that is prepared by the County and executed by the Contractor and the Chief Executive Officer, or her designee. Such Amendment will be prepared only after County has granted its prior written approval.
- c) Notwithstanding any other provision of this Subparagraph 8.1, for any change which affects the scope of work, term, amount of payments, any term or condition, or rights or obligations of this Master Agreement, an Amendment will be prepared by the County and executed by the Contractor and the Chief Executive Officer, or her designee.
- d) The Chief Executive Officer, or her designee may, at her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Master Agreement). The Contractor agrees that such extensions of time will not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement will be prepared and executed by the Contractor and by the Chief Executive Officer, or her designee.

8.1.2 Change Notices to Master Agreement

Notwithstanding any other provision of this Subparagraph 8.1, for any change which does not affect the scope of work, term, amount of payments, term or condition, or rights or obligations of this Master Agreement, a Change Notice will be prepared by the County and executed by the Contractor and the County's Master Agreement Program Executive, or designee.

8.1.3 Work Order Amendments

For any executed Work Order issued under this Master Agreement, changes that affect the Statement of Work, hourly rates, deliverable prices, contract rates/fees, alternate purchase method as determined by CEO appropriate to the scope of work and relevant business sector/service industry, Total Maximum Amount, Total Maximum Contract Rate/Fee, and/or other set limitation applicable for the procurement method as determined by the CEO, changes to the period of performance of any Work Order, and/or changes to the assignment of Contractor's personnel, a Work Order Amendment will be prepared by the County and executed by the Contractor and the County's Master Agreement Program Executive, or designee.

8.2 Assignment and Delegation/Mergers or Acquisitions

8.2.1 The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.

8.2.2 The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Master Agreement, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this Paragraph, County consent will require a written amendment to the Master Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Master Agreement 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 Master Agreement which may result in the termination of this Master Agreement. 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

The Contractor represents and warrants that the person executing this Master Agreement for the Contractor is an authorized agent who has actual

authority to bind the Contractor to each and every term, condition, and obligation of this Master Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 Complaints

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

- 8.4.1 Within thirty (30) business days after the Master Agreement effective date, the Contractor must provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 8.4.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.4.3 If the County requests changes in the Contractor's policy, the Contractor must make such changes and resubmit the plan within fifteen (15) business days for County approval.
- 8.4.4 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.
- 8.4.5 The Contractor must preliminarily investigate all complaints and notify the County's Master Agreement Program Administrator of the status of the investigation within fifteen (15) business days of receiving the complaint.
- 8.4.6 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.
- 8.4.7 Copies of all written responses must be sent to the County's Master Agreement Program Administrator within ten (10) business days of mailing to the complainant.

8.5 Compliance with Applicable Laws

- 8.5.1 In the performance of this Master Agreement, 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 Master Agreement are hereby incorporated herein by reference.
- 8.5.2 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 this Paragraph 8.5 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 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.

8.6 Compliance with Civil Rights Laws

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person 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 Master Agreement or under any project, program, or activity supported by this Master Agreement. Additionally, contractor certifies to the County:

1. That contractor has a written policy statement prohibiting discrimination in all phases of employment.
2. That contractor periodically conducts a self-analysis or utilization analysis of its work force.
3. That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
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.

8.7 Compliance with County's Jury Service Program

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

8.7.2 Written Employee Jury Service Policy

1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the [Jury Service Program \(Section 2.203.020 of the County Code\)](#) or that Contractor qualifies for an exception to the [Jury Service Program \(Section 2.203.070 of the County Code\)](#), Contractor 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.

2. For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a Master Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Master Agreements or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Master Agreement, the subcontractor 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.
3. If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor will have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor must immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Master Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of future County Master Agreements for a period of time consistent with the seriousness of the breach.

8.8 Conflict of Interest

- 8.8.1 No County employee whose position with the County enables such employee to influence the award of this Master Agreement or any competing Master Agreement, and no spouse or economic dependent of such employee, will be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Master Agreement. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder 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.
- 8.8.2 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 Master Agreement. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it 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 8.8 will be a material breach of this Master Agreement.

8.9 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 Master Agreement 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 Master Agreement.

8.10 Consideration of Hiring GAIN-GROW Participants

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

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

8.11 Contractor Responsibility and Debarment

8.11.1 Responsible Contractor

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

8.11.2 Chapter 2.202 of the County Code

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

8.11.3 Non-responsible Contractor

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

8.11.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative 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.

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.
4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board 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.
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.

8.11.5 Subcontractors of Contractor

These terms will also apply to Subcontractors of County Contractors.

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

The contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit C, 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/>

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

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

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

8.14 County's Quality Assurance Plan

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

appropriate contractor performance database. The report to the Board will include improvement/ corrective action measures taken by the County and the contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Master Agreement or impose other penalties as specified in this Master Agreement.

8.15 Damage to County Facilities, Buildings or Grounds

- 8.15.1 Contractor will repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs must be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.15.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs must be repaid by Contractor by cash payment upon demand.

8.16 Employment Eligibility Verification

- 8.16.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Master Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor must obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor must retain all such documentation for all covered employees for the period prescribed by law.
- 8.16.2 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 Master Agreement.

8.17 Counterparts and Electronic Signatures and Representations

This Master Agreement 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 Master Agreement. 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 Master Agreement.

8.18 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.

8.19 Force Majeure

- 8.19.1 Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Paragraph as "force majeure events").
- 8.19.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor 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 Paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 8.19.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.20 Governing Law, Jurisdiction, and Venue

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

8.21 Independent Contractor Status

- 8.21.1 This Master Agreement is by and between the County and the Contractor and is not intended, and 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.
- 8.21.2 The Contractor will be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Master Agreement all compensation and benefits. The County 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.
- 8.21.3 The Contractor understands and agrees that all persons performing work pursuant to this Master Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor 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 Master Agreement.
- 8.21.4 The Contractor must adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.22 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 Master Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

8.23 General Provisions for all Insurance Coverage

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

8.23.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, must be delivered to County at the address shown below and provided prior to commencing services under this Master Agreement.
- Renewal Certificates must be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.
- Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Master Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the Contractor identified as the contracting party in this Master Agreement. 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 (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements must be sent to the County's Master Agreement Work Order Project Manager as identified in the Word Order.

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 Master Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.23.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County

and its Agents) 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.

8.23.3 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. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Master Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Master Agreement.

8.23.4 Failure to Maintain Insurance

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

8.23.5 Insurer Financial Ratings

Coverage 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.

8.23.6 Contractor's Insurance Must Be Primary

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

8.23.7 Waivers of Subrogation

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

8.23.8 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.

8.23.9 Deductibles and Self-Insured Retentions (SIRs)

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

8.23.10 Claims Made Coverage

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

8.23.11 Application of Excess Liability Coverage

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

8.23.12 Separation of Insureds

All liability policies 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.

8.23.13 Alternative Risk Financing Programs

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

8.23.14 County Review and Approval of Insurance Requirements

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

8.24 Insurance Coverage

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

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

8.24.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance must cover liability arising out of Contractor's use of autos pursuant to this Master Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 Workers Compensation and Employers' Liability insurance or qualified self- insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also 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.

8.24.4 Professional Liability/Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Master Agreement, with limits of not less than \$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 Liquidated Damages

8.25.1 If, in the judgment of the Chief Executive Officer, or her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Chief Executive Officer, or her designee, at 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 Chief Executive Officer, or her designee, in a written notice describing the reasons for said action.

8.25.2 If the Chief Executive Officer, or her designee, determines that there are deficiencies in the performance of this Master Agreement that the Chief Executive Officer, or her designee, deems are correctable by the Contractor over a certain time span, the Chief Executive Officer, or 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 Chief Executive Officer, or 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 may be specified in any Performance Requirements Summary (PRS) Chart in any Work Order, 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.

- 8.25.3 The action noted in Paragraph 8.25.2 will not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Master Agreement.
- 8.25.4 This Paragraph will not, in any manner, restrict or limit the County's right to damages for any breach of this Master Agreement provided by law or as specified in the PRS Chart or Paragraph 8.25.2, and will not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.26 Most Favored Public Entity

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

8.27 Nondiscrimination and Affirmative Action

- 8.27.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and 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.
- 8.27.2 Contractor certifies to the County each of the following:
1. That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
 2. That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
 3. That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
 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.
- 8.27.3 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.

- 8.27.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.27.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies 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 Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.27.6 The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.27 when so requested by the County.
- 8.27.7 If the County finds that any provisions of this Paragraph 8.27 have been violated, such violation will constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Master Agreement.
- 8.27.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Master Agreement, the County 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 Master Agreement.

8.28 Non Exclusivity

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

8.29 Notice of Delays

Except as otherwise provided under this Master Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Master Agreement, that

party must, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 Notice of Disputes

The Contractor must bring to the attention of the County's Master Agreement Director and/or County's Master Agreement Administrator any dispute between the County and the Contractor regarding the performance of services as stated in this Master Agreement. If the County's Master Agreement Administrator or County's Master Agreement Executive is not able to resolve the dispute, the Chief Executive Officer, or her designee, will resolve it.

8.31 Notice to Employees Regarding the Federal Earned Income Credit

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

8.32 Notice to Employees Regarding the Safely Surrendered Baby Law

The contractor must notify and provide to its employees, and will require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit C, Safely Surrendered Baby Law of this Master Agreement. Additional information is available at:

<https://lacounty.gov/residents/family-services/child-safety/safe-surrender/>

8.33 Notices

All notices or demands required or permitted to be given or made under this Master Agreement 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 A (County's Administration) and B (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Director of CEO or her designee will have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.34 Prohibition Against Inducement or Persuasion

Notwithstanding the above, the Contractor and the County agree that, during the term of this Master Agreement and for a period of one year thereafter, neither party 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.

8.35 Public Records Act

8.35.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.37 (Record Retention and Inspection/Audit Settlement) of this Master Agreement; as well as those documents

which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, become the exclusive property of the County. All such documents become a matter of public record and 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.

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

8.36 Publicity

- 8.36.1 The Contractor must not disclose any details in connection with this Master Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit the Contractor from publishing its role under this Master Agreement within the following conditions:
- The Contractor must develop all publicity material in a professional manner; and
 - During the term of this Master Agreement, the Contractor must 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.
- 8.36.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 8.36 (Publicity) will apply.

8.37 Record Retention and Inspection-Audit Settlement

The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Master Agreement in accordance with generally accepted accounting principles. The Contractor must also maintain accurate and complete employment and other records relating to its performance of this Master Agreement. The Contractor agrees that the

County, or its authorized representatives, will have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Master Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, will be kept and maintained by the Contractor and will be made available to the County during the term of this Master Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material 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.

- 8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor 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 Master Agreement. The County will make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this paragraph will constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master Agreement.
- 8.37.3 If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference will be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Master Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference 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 Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

8.38 Recycled Bond Paper

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use

recycled-content paper to the maximum extent possible on this Master Agreement.

8.39 Subcontracting

- 8.39.1 The requirements of this Master Agreement may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.
- 8.39.2 If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:
- A description of the work to be performed by the subcontractor;
 - A draft copy of the proposed subcontract; and
 - Other pertinent information and/or certifications requested by the County.
- 8.39.3 The Contractor must indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.39.4 The Contractor will remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.39.5 The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.
- 8.39.6 The County's Master Agreement Program Executive 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.
- 8.39.7 The Contractor will be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.39.8 The Contractor must obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor must ensure delivery of all such documents to the County's Master Agreement Work Order Project Manager as identified in the Word Order before any subcontractor employee may perform any hereunder.

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

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

8.41 Termination for Convenience

- 8.41.1 County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten (10) days after the notice is sent.
- 8.41.2 Upon receipt of a notice of termination and except as otherwise directed by the County, the Contractor must immediately:
- Stop work under the Work Order or under this Master Agreement, as identified in such notice;
 - Transfer title and deliver to County all completed work and work in process; and
 - Complete performance of such part of the work as would not have been terminated by such notice.
- 8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement or Work Order must be maintained by the Contractor in accordance with Paragraph 8.37 (Record Retention and Inspection/Audit Settlement).

8.42 Termination for Default

- 8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:
- Contractor has materially breached this Master Agreement;
 - Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Master Agreement or any Work Order issued hereunder; or
 - Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements of any Work Order

issued under this Master Agreement, or of any obligations of this Master Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

- 8.42.2 In the event that the County terminates this Master Agreement in whole or in part as provided in Paragraph 8.42.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor 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 Master Agreement to the extent not terminated under the provisions of this paragraph.
- 8.42.3 Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.42.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor 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 8.42.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.
- 8.42.4 If, after the County has given notice of termination under the provisions of this Paragraph 8.42, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.42, or that the default was excusable under the provisions of Paragraph 8.42.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 8.41 (Termination for Convenience).
- 8.42.5 The rights and remedies of the County provided in this Paragraph 8.42 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.43 Termination for Improper Consideration

- 8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Master Agreement if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Master Agreement or securing favorable treatment with respect to the award, amendment, or extension of this Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to this Master Agreement. In the event of such termination, the County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.
- 8.43.2 The Contractor 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.
- 8.43.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.44 Termination for Insolvency

- 8.44.1 The County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor 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;
 - The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
 - The appointment of a Receiver or Trustee for the Contractor; or
 - The execution by the Contractor of a general assignment for the benefit of creditors.
- 8.44.2 The rights and remedies of the County provided in this Paragraph 8.44 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each County Lobbyist or County Lobbying firm as defined in [County Code Section 2.160.010](#) retained by the Contractor, must fully comply with the County's Lobbyist Ordinance, [County Code Section 2.160.010](#). 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 Master Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.46 Termination for Non-Appropriation of Funds

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

8.47 Validity

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

8.48 Waiver

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

8.49 Warranty Against Contingent Fees

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

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

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

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

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

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

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

8.52 Time off For Voting

The Contractor must notify its employees, and must require each subcontractor to notify and provide to its employees, information regarding the time off for voting law ([Elections Code Section 14000](#)). Not less than 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](#).

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

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

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

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

8.54 Intentionally Omitted

8.55 Compliance with Fair Chance Employment Practices

Contractor, and its subcontractors, must will 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

The contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (<https://ceop.lacounty.gov/>). The contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected characteristic, may subject the contractor to termination of contractual agreements as well as civil liability.

8.57 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.

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.

8.59 Compliance with Anti-Racial Bias Practices

- a. Contractor shall complete the Elimination of Bias Training as stipulated by the California Department of Real Estate within 12 months prior to working on an appraisal, in addition to the State of California requirements at the time of license renewal.
- b. Contractor shall include a section in every appraisal report that requires the Contractor to certify that they have taken every lawful measure possible to eliminate bias in the preparation of the report.
- c. Contractors that complete more than 10 consultant-prepared appraisals in any calendar year on behalf of the County, the County shall have a different appraiser, selected from an outside organization such as the Appraisal Institute, conduct a peer review of 10 percent of the Contractor's County appraisals for that year.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Local Small Business Enterprise (LSBE) Preference Program (if applicable)

- 9.1.1 This Master Agreement 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](#).
- 9.1.2 The Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a LSBE.
- 9.1.3 The Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a LSBE.
- 9.1.4 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 Master Agreement to which it would not otherwise have been entitled, will:
 - 1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;
 - 2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than ten (10) percent of the amount of the Master Agreement; and
 - 3. Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

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 Master Agreement award.

9.2 Social Enterprise (SE) Preference Program (if applicable)

- 9.2.1 This Master Agreement is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in [Chapter 2.205 of the Los Angeles County Code](#).
- 9.2.2 Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid

another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.

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

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

9.3 Disabled Veteran Business Enterprise (DVBE) Preference Program (if applicable)

- 9.3.1 This Master Agreement is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in [Chapter 2.211 of the Los Angeles County Code](#).
- 9.3.2 Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 9.3.3 Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.
- 9.3.4 If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of

having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement to which it would not otherwise have been entitled, Contractor will:

1. Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;
2. In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the Master Agreement; and
3. Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

Notwithstanding any other remedies in this Master Agreement, the above penalties 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 Master Agreement award.

10.0 Survival

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

Paragraph 1.0 (Applicable Documents)

Paragraph 2.0 (Definitions)

Paragraph 3.0 (Work)

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

Paragraph 7.6 (Confidentiality)

Paragraph 8.1 (Amendments)

Paragraph 8.2 (Assignment and Delegation/Mergers or Acquisitions)

Paragraph 8.5.2

Paragraph 8.18 (Fair Labor Standards)

Paragraph 8.29 (Force Majeure)

Paragraph 8.20 (Governing Law, Jurisdiction, and Venue)

Paragraph 8.22 (Indemnification)

Paragraph 8.23 (General Provisions for all Insurance Coverage)

Paragraph 8.24 (Insurance Coverage)

Paragraph 8.25 (Liquidated Damages)
Paragraph 8.33 (Notices)
Paragraph 8.37 (Record Retention and Inspection/Audit Settlement)
Paragraph 8.41 (Termination for Convenience)
Paragraph 8.42 (Termination for Default)
Paragraph 8.47 (Validity)
Paragraph 8.48 (Waiver)
Paragraph 8.57 (Prohibition from Participation in Future Solicitation(s))
Paragraph 8.59 (Compliance with Anti-Racial Bias Practices)
Paragraph 10.0 (Survival)

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**AUTHORIZATION OF MASTER AGREEMENT FOR
ON-CALL REAL ESTATE SERVICES AND SPECIALIZED SUPPORT SERVICES**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Master Agreement to be executed by the Chief Executive Officer, or her designee, and approved by County Counsel, and Contractor has caused this Master Agreement to be executed in its behalf by its duly authorized officer, on the date written below.

COUNTY OF LOS ANGELES

By _____
FESIA A. DAVENPORT Date
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By _____
Senior Deputy County Counsel

CONTRACTOR

By _____
(Contractor)

Name: _____
Printed or Typed

Title: _____
Printed or Typed

MASTER AGREEMENT EXHIBITS

STANDARD EXHIBITS

- A County's Administration
- B Contractor's Administration
- C Safely Surrendered Baby Law
- D Sample Contractor Acknowledgement and Confidentiality Agreement

COUNTY'S ADMINISTRATION

MASTER AGREEMENT NO. _____

COUNTY'S MASTER AGREEMENT PROGRAM EXECUTIVE:

Name: John T. Cooke
Title: Assistant Chief Executive Officer
Address: County of Los Angeles Chief Executive Office
Asset Management Branch
500 W. Temple St.
L.A., CA 90012

COUNTY'S MASTER AGREEMENT PROGRAM ADMINISTRATOR:

Name: Joyce Chang
Title: Senior Manager
Address: County of Los Angeles Chief Executive Office
Asset Management Branch Real Estate Division
320 W. Temple St.
L.A., CA 90012

COUNTY MASTER AGREEMENT PROJECT DIRECTOR:

Name: As identified in the Work Order
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

COUNTY'S ADMINISTRATION

COUNTY'S MASTER AGREEMENT WORK ORDER PROJECT MANAGER:

Name: As identified in the Work Order
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____

MASTER AGREEMENT NO. _____

CONTRACTOR'S PROJECT MANAGER:

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Facsimile: _____

E-Mail Address: _____

CONTRACTOR'S ADMINISTRATION

Notices to Contractor shall be sent to the following address:

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-Mail Address: _____

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.

Sample Contractor Acknowledgement and Confidentiality Agreement

(Note: A final certification form is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives a final executed document.)

Contractor Name: _____

Work Order No.: _____ Master Agreement No.: _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master Agreement 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 Master Agreement.

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 Master Agreement. 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 Master Agreement 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 Master Agreement Work Order 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 Master Agreement. 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: _____

LIST OF VENDORS RECOMMENDED FOR MASTER AGREEMENT AWARD

1. Chicago Title Company
2. Westridge Associates dba Asset Strategies
3. R. P. Laurain and Associates, Inc.
4. Cushman & Wakefield of California, Inc.
5. Interim Executive, Inc.
6. CBRE, Inc.
7. Savills, Inc.
8. Cresa Global, Inc.
9. Jones Lang Lasalle Americas, Inc.
10. VPA LA Inland Empire dba Valbridge Property Advisors

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	1/17/2024			
BOARD MEETING DATE	2/6/2024			
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input checked="" type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th			
DEPARTMENT(S)	Public Social Services			
SUBJECT	Seven-year Lease Amendment for continued use of 57,799 square feet of office space and 291 on-site parking spaces at 9451 Corbin Avenue, Northridge, CA 91324			
PROGRAM	Customer Service Center (CSC III)			
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A			
DEADLINES/ TIME CONSTRAINTS	The current Lease will expire on March 13, 2024.			
COST & FUNDING	<table border="1"> <tr> <td>Total cost: \$12,847,000</td><td>Funding source: The rental costs will be funded by 80.11% State and Federal funds and 19.89% that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.</td></tr> </table> <p>TERMS (if applicable): The proposed lease renewal will have a first year annual cost of \$1,644,000, but with a one-month rent abatement of \$137,000, will be \$1,507,000, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.</p> <p>Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year (FY) 2023-24 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DPSS.</p>		Total cost: \$12,847,000	Funding source: The rental costs will be funded by 80.11% State and Federal funds and 19.89% that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.
Total cost: \$12,847,000	Funding source: The rental costs will be funded by 80.11% State and Federal funds and 19.89% that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.			
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide continued use of office space for DPSS.			
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has leased the subject location since October 2006. The current lease expires on March 13, 2024, and the new rent will commence on March 14, 2024. The facility adequately meets the office space needs of DPSS which is why DPSS desires to renew this lease.			
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:			
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:			
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rivera, Section Chief, Leasing CEO- Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov			



Chief Executive Office.

COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

February 6, 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:

**SEVEN-YEAR LEASE AMENDMENT
DEPARTMENT OF PUBLIC SOCIAL SERVICES
9451 CORBIN AVENUE, NORTHRIDGE
(THIRD DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed seven-year lease amendment to renew an existing lease to provide Department of Public Social Services (DPSS) continued use of 57,799 square feet of office space and 291 on-site parking spaces for its Customer Service Center (CSC III).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease amendment is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease amendment with Corbin Northridge L.P., a California limited partnership and Ronald Holman, Trustee of the Holman Family Trust (collectively the Landlord), for approximately 57,799 square feet of office space and 291 on-site parking spaces located at 9451 Corbin Avenue, Northridge, (Premises) to be occupied by DPSS. The estimated maximum first year base rental cost is \$1,644,000, but with a one-month rent abatement of \$137,000, will equal \$1,507,000. The estimated total proposed lease amendment cost is \$12,847,000 over the seven-year term. The rental costs will be funded by 80.11 percent State and Federal funds and 19.89

percent by net County cost that is already included in DPSS' existing budget. DPSS will not be requesting additional net County cost for this action.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DPSS has occupied the Premises for use as a Customer Service Center (CSC III) since October 2006. CSC III is one of eight DPSS call centers that provides direct services to all DPSS participants via a single toll-free number. CSC III agents answer participant inquiries, provide case information, and update participant records. The CSC III is a single point of contact providing services for all DPSS core services, including CalWORKs, CalFresh, Medi-Cal, and General Relief. CSC III also includes a centralized document scanning unit to scan case records and is a central mail site for the submission of participant status reports. There are currently 502 staff members at this site. DPSS has implemented telework schedules at the call center which results in greater space efficiency at 115 square feet per employee.

The current lease will expire on March 13, 2024, and DPSS would like to remain in the existing space. The current site continues to meet DPSS' space needs, provides sufficient parking for staff, and is adequately served by public transportation. The proposed lease amendment will enable DPSS to remain in the current space and is the most economical option. Furthermore, relocating the site would result in costly tenant improvements and disruption of services for the Department.

Implementation of Strategic Plan Goals

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

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

The proposed lease amendment supports the above goals and objective by providing suitable office space and sufficient parking for DPSS staff, which will enable DPSS to continue providing services.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$1,644,000, but with a one month rent abatement of \$137,000, will equal \$1,507,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease amendment over the entire seven-year term, including rent abatement, utilities, janitorial, parking, and taxes is \$12,847,000 as shown on Enclosure B-1. The proposed lease amendment costs will be funded by 80.11 percent State and Federal funds and 19.89 percent that is already included in DPSS' existing budget. DPSS will not be requesting additional net County cost for this action.

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

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease amendment on March 14, 2024, the annual rental rate will increase from \$28.14 per square foot, per year to \$28.44 per square foot, per year. Base rent is subject to annual increases based on the Consumer Price Index capped at 4 percent per annum.
- The Landlord will provide a \$577,990 (\$10 per square foot) base Tenant Improvements allowance to refurbish and update the Premises as outlined in the proposed lease amendment.
- The Landlord is responsible for all operating and maintenance costs of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.

- Parking cost is included in the base rent at no additional cost.
- A comparison of the existing lease and the proposed lease amendment terms is shown in Enclosure B-2.
- The County has the right to terminate the proposed lease amendment early any time after October 1, 2028, and prior to March 30, 2029, with 90 days' notice subject to payment of a termination fee not to exceed \$206,425.
- Holdover at the proposed lease amendment expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will be at the base rent at the time of the proposed lease amendment expiration.
- The County will have the Right of First Offer to lease any available contiguous space to the Premises.
- The proposed lease amendment will be effective upon approval by the Board and full execution of the proposed lease amendment.

All other terms of the existing lease not amended by the proposed amendment will remain in effect.

DPSS desires to renew the existing lease for the Premises. The Chief Executive Office conducted a market search of available office space for lease, but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$28.80 and \$33.12 per square foot, per year. The base annual rental rate of \$28.44 per square foot, per year for the proposed lease amendment represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Co-working space was not considered for this requirement because DPSS requires a secured site to access the personal and confidential data of program participants.

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

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

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

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

ENVIRONMENTAL DOCUMENTATION

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

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

The Honorable Board of Supervisors
February 6, 2024
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IMPACT ON CURRENT SERVICES (OR PROJECTS)

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

Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

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

Enclosures

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

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
9451 CORBIN AVENUE, NORTHRIDGE**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	Yes	No	N/A
A	Does lease consolidate administrative functions? ²			X
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions?			X
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 115 square feet per person however, DPSS has implemented telework and has resulted in space efficiency		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? 291 spaces provide 5/1,000sf parking ratio		X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>			
A.	Is it a substantial net County cost (NCC) program?		X	
B	Is this a long-term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report attached as Enclosure C?	X		
G	Was build-to-suit or capital project considered?			X
3.	<u>Portfolio Management</u>			
A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
B	Was the space need justified?	X		
C	If a renewal lease, was co-location with other County departments considered?	X		
D	Why was this program not co-located with other County departments?			
	1. ____ The program clientele requires a "stand alone" facility.			
	2. X No suitable County occupied properties in project area.			
	3. X No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full-service lease? ²	X		
F	Has growth projection been considered in space request?		X	
G	¹ Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As approved by the Board of Supervisors 11/17/98				
² If not, why not?				

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

9451 Corbin, Chatsworth
Department of Public Social Services

Leased Area (sq. ft.) 57,799
Term (Months) 84
Estimated Commencement Date 4/1/2024

Base Rent (Full Service Gross) \$28.44
Annual FSG Base Rent Adjustment 4.00%

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year
Base Rent ¹	\$1,643,804	\$1,709,556	\$1,777,938	\$1,849,055	\$1,923,018	\$1,999,938	\$2,079,936
Rent Abatement ²	(\$136,984)						

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 9451 Corbin Avenue Northridge	Proposed Lease Amendment: 9451 Corbin Avenue Northridge	Change
Area (Square Feet)	57,799	57,799	No change
Term (years)	7 years	7 years	No change
Annual Base Rent (Base rent includes 291 parking spaces)	\$1,627,000	\$1,644,000 ⁽¹⁾	+\$17,000 annually
County's TI Cost	None	None	No change
Annual Parking Cost	\$0	\$0	No change
Total Annual Lease Costs payable to Landlord	\$1,626,650.76	\$1,506,820 ⁽¹⁾	-\$119,830.76
Rental rate adjustment	Annual CPI adjustments capped at 4 percent with no minimum.	Annual CPI adjustments capped at 4 percent with no minimum.	No change

⁽¹⁾ Rent in first year includes one month of rent abatement of \$137,000.

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
SPACE SEARCH – SAN FERNANDO VALLEY VICINITY**

Laco	Name	Address	Gross SF	Net SF	Ownership	VACANT SQ FT
A477	ASSESSOR-NORTH DISTRICT OFFICE	13800 BALBOA BLVD, SYLMAR 91342	37,000	33,300	LEASED	NONE
A549	San Fernando MHC	10605 BALBOA BLVD., GRANADA HILLS 91344	25,996	23,396	LEASED	NONE
0427	OLIVE VIEW-FINANCE BUILDING	14445 OLIVE VIEW DR, SYLMAR 91342	12,925	11,633	OWNED	NONE
T535	OLIVE VIEW-HOSPITAL TRAILER #2	14445 OLIVE VIEW DR, SYLMAR 91342	12,000	9,650	OWNED	NONE
X254	OLIVE VIEW-NORTH ANNEX BUILDING	14445 OLIVE VIEW DR, SYLMAR 91342	7,920	7,128	OWNED	NONE
Y297	SYLMAR JUV CRTHSE/B J NIDORF ADMIN BLDG-1	16350 FILBERT ST, SYLMAR 91342	36,692	32,008	OWNED	NONE
Y651	BARRY J NIDORF JUV HALL-N AREA SCHOOL OFFIC-4	16350 FILBERT ST, SYLMAR 91342	5,158	4,402	OWNED	NONE
0246	DHS-SAN FERNANDO HEALTH CENTER	1212 PICO ST, SAN FERNANDO 91340	22,144	8,493	OWNED	NONE
A523	PUBLIC LIBRARY-SAN FERNANDO LIBRARY	217 N MACLAY AVE, SAN FERNANDO 91340	8,601	6,881	LEASED	NONE
A386	ALT PUBLIC DEFENDER-SAN FERNANDO OFFICE	303 N MACLAY AVE, SAN FERNANDO 91340	3,040	3,040	LEASED	NONE
Y481	SAN FERNANDO COURTHOUSE	900 3RD ST, SAN FERNANDO 91340	203,225	132,127	FINANCED	NONE
5858	PH-PACOIMA PUBLIC HEALTH CENTER	13300 VAN NUYS BLVD, PACOIMA 91331	5,404	3,098	OWNED	NONE
A239	PROBATION(AB-109) SAN FERNANDO REG OFFICE	13557 VAN NUYS BLVD, PACOIMA 91331	12,189	11,580	LEASED	NONE
X368	PH-SUN VALLEY HEALTH CENTER	7223 N FAIR AVE, SUN VALLEY 91352	10,659	10,245	JPA	NONE
A641	DPSS - GROW OFFICE	9188 GLENOAKS BLVD, SUN VALLEY 91352	24,780	23,541	LEASED	NONE
B356	PH-ENVIRONMENTAL HLTH OFFICE	14500 ROSCOE BLVD, PANORAMA CITY 91402	11,668	11,085	LEASED	NONE
E111	CSS AND PROBATION-JUVENILE DAY REPORTING CTR	6640 VAN NUYS BLVD, VAN NUYS 91405	5,812	5,522	LEASED	NONE
5273	VAN NUYS COUNTY ADMINISTRATIVE CENTER BLDG	14340 W SYLVAN ST, VAN NUYS 91401	9,849	6,087	OWNED	NONE
4400	VAN NUYS COURTHOUSE - WEST	14400 ERWIN ST MALL, VAN NUYS 91401	320,391	172,053	FINANCED	NONE
Y476	VAN NUYS COURTHOUSE-BUILDING E	6280 SYLMAR AVE MALL, VAN NUYS 91401	3,373	1,987	OWNED	NONE
X368	PH-SUN VALLEY HEALTH CENTER	7223 N FAIR AVE, SUN VALLEY 91352	10,659	10,245	JPA	NONE
A641	DPSS - GROW OFFICE	9188 GLENOAKS BLVD, SUN VALLEY 91352	24,780	23,541	LEASED	NONE
X014	PH-BURBANK PUBLIC HEALTH CENTER	1101 W MAGNOLIA BLVD, BURBANK 91502	5,864	3,640	OWNED	NONE
A501	DCSS-BURBANK ADULT PROTECTIVE SERVICES REG I	2501 W BURBANK BLVD, BURBANK 91502	5,702	5,132	LEASED	NONE
3599	BURBANK COURTHOUSE	300 E OLIVE AVE, BURBANK 91502	66,697	48,924	FINANCED	NONE
A481	DPSS-GLENDALE FAMILY SERVICE CENTER	4680 SAN FERNANDO RD, GLENDALE 91204	80,000	70,420	LEASED	NONE
4295	PH-GLENDALE PUBLIC HEALTH CENTER	501 N GLENDALE AVE, GLENDALE 91206	15,217	8,043	OWNED	NONE
A215	ALT PUBLIC DEFENDER-PASADENA OFFICE	221 E WALNUT ST, PASADENA 91101	3,200	2,960	LEASED	NONE
5397	PASADENA COURTHOUSE	300 E WALNUT ST, PASADENA 91101	228,638	126,899	OWNED	NONE
A426	DCFS-PASADENA (SPA 3)	532 E COLORADO BLVD, PASADENA 91101	75,235	70,721	LEASED	NONE
F359	PW FLOOD-EATON YARD OFFICE	2986 E NEW YORK DR, PASADENA 91104	4,130	3,717	OWNED	NONE
D465	DPSS-PASADENA AP DISTRICT OFFICE	955 N LAKE AVE, PASADENA 91104	36,224	25,372	OWNED	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Lease for the Department of Public Social Services – 9451 Corbin Avenue, Los Angeles – Third District.

- A. Establish Service Function Category** – Regional and local public service function.
- B. Determination of the Service Area** – The proposed lease amendment will allow DPSS to continue services located within Service Planning Area 2.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Continued need for operation in SA 2 region for DPSS programs.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., bus routes and the Metro G Line.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet DPSS' space needs.
- Compatibility with local land use plans: The City of Los Angeles has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease amendment over the entire term is \$12,847,000.

D. Analyze results and identify location alternatives

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$28.80 and \$33.12 per square foot, per year. The base annual rental rate of \$28.44 per square foot, per year for the proposed lease amendment represents a rate that is below market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease amendment will provide adequate and efficient office space for 502 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**SECOND AMENDMENT TO LEASE NO. 75573
DEPARTMENT OF PUBLIC SOCIAL SERVICES
9451 CORBIN AVENUE, NORTHRIDGE, CA**

This **SECOND AMENDMENT TO LEASE NO. 75573** ("**Second Amendment**") is made, entered and dated as of this _____ of _____, 2023, by and between **CORBIN NORTHRIDGE LP**, a California limited partnership and **RONALD HOLMAN, TRUSTEE OF THE HOLMAN FAMILY TRUST** (collectively the "**Landlord**"), and the **COUNTY OF LOS ANGELES**, a body corporate and politic ("**Tenant**"), for those certain premises located at 9451 Corbin Avenue, City of Los Angeles, County of Los Angeles, State of California (the "**Property**").

RECITALS:

A. WHEREAS, Landlord's predecessor in interest, Corbin Northridge LP, Charles Dunn Company Fund VI, a California limited partnership, and William P. Harrison III and Mary P. Harrison, Co-Trustees of the Rick and Mary Harrison Trust dated May 28, 1992, and Tenant entered into that certain lease agreement dated February 14, 2006 (the "**Original Lease**").

B. WHEREAS, Charles Dunn Company Fund VI, a California limited partnership, and William P. Harrison III and Mary P. Harrison, Co-Trustees of the Rick and Mary Harrison Trust dated May 28, 1992, assigned their interest in the Lease to Ronald Holman and Linda Holman, Trustees of the Holman Family Trust on or about May 31, 2006 ("**Lease Assignment**"), with Ronald Holman currently remaining as the only surviving Trustee of the Holman Family Trust.

C. WHEREAS, Corbin Northridge LP and Ronald Holman, Trustee, The Holman Family Trust and Tenant entered into a First Amendment to Lease dated January 9, 2017, to extend the term of the Lease through March 31, 2024 ("**First Amendment**"). The Original Lease, Lease Assignment, and First Amendment shall be collectively referred to as the "Lease."

D. WHEREAS, Landlord and Tenant desire to, among other matters, extend the Term of the Lease and desire to amend the Lease as set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and mutual covenants, promises, and conditions hereinafter contained, the parties hereby agree, to amend the Lease as follows:

1. EXTENSION OF THE LEASE TERM. The Term of the Lease shall be extended by a period of seven (7) years commencing on the later March 14, 2024 or the mutual execution of this Second Amendment and approval by the Los Angeles County Board of Supervisors (the "**Commencement Date**"). The period commencing on the Second Amendment Commencement Date and terminating on the last day of the seventh (7th) year following the Commencement Date shall be referred to herein as the "**Second Amendment Extension Term**."

2. RENT. Effective upon the Second Amendment Extension Term Commencement Date, paragraph 5, RENT, of the Lease is hereby deleted in its entirety and following paragraph shall be added as a new paragraph 5, RENT, to the Lease:

"5. RENT. Tenant agrees to pay as Basic Rent for the Premises during the Second Amendment Extension Term, the sum of One Hundred Thirty-Six Thousand Nine Hundred Eighty-Three and 63/100 Dollars (\$136,983.63) per month (i.e., \$2.37 per rentable square foot per month), for approximately 57,799 square feet of office space, payable by the 15th day of the month, after a claim therefor for each such month has been filed by the Landlord with the Auditor-Controller of the County of Los Angeles, per the terms of the Lease..

Commencing on the first anniversary of the Second Amendment Commencement Date, and on each subsequent anniversary of the Second Amendment Commencement Date, the Basic Rent shall be adjusted as follows:

(a) CPI. Commencing after the first anniversary of the Second Amendment Commencement Date, on the first day of the first full calendar month thereafter (the "**Adjustment Date**") and on every anniversary of the Adjustment Date thereafter, Basic Rent shall be adjusted by applying the CPI Formula set forth below. The "**Basic Index**" shall be the Index published for the month the Lease commences.

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

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

$$\frac{\text{New Index}}{\text{Basic Index}} \times \$136,983.63 \text{ (Basic Rent)} = \text{Monthly Basic Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Basic Rent adjustment based upon the CPI Formula result in an annual increase greater than four percent (4%) per year of the Basic Rent. In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Basic Rent than was payable during the previous full calendar year."

3. RENT ABATEMENT. The Basic Rent for first (1st) month of the Second Amendment Extension Term shall be abated. Tenant shall have the option to convert all or any portion of its rental abatement toward an increase in its "**Tenant Improvement Allowance**," as defined below.

4. **EARLY TERMINATION.** Effective upon the mutual execution of this Second Amendment and approval by the Los Angeles County Board of Supervisors, paragraph 1.1(j), EARLY TERMINATION, of the Lease is hereby deleted in its entirety and following paragraph shall be added as a new paragraph 1.1(j), EARLY TERMINATION:

"(j) Early Termination Date: During the Second Amendment Extension Term, Tenant shall have the right to terminate this Lease for any reason after October 1, 2028, and prior to March 30, 2029. Such right may be exercised by Tenant on ninety (90) days' written notice to Landlord executed by Tenant's Chief Executive Office and payment of a lease termination fee equal to the sum of unamortized Tenant Improvement Allowance on a straight-line no interest basis, which termination fee shall not to exceed the sum of \$206,425."

5. **LANDLORD'S WORK LETTER.** Effective upon the Second Amendment Commencement Date, the "Landlord's Work Letter" attached to the Lease, shall be deleted in their entirety and replaced with the "Landlord's Work Letter" attached to this Second Amendment as Exhibit "A," attached hereto and incorporated herein by this reference.

6. **TENANT IMPROVEMENTS.** Effective upon the Second Amendment Commencement Date, paragraph 1.2(a) of the Lease, shall be deleted in their entirety and the following paragraph is substituted therefor within, paragraph 1.2(a) of the Lease:

"1.2(a) Landlord, after receipt of a duly executed copy of this Second Amendment to Lease, shall begin work on tenant improvements within a commercially reasonable period of time per forthcoming County plans and specifications, up to a maximum cost of \$577,990, i.e., ten dollars (\$10.00) per rentable square foot (the "**Tenant Improvement Allowance**"). Said tenant improvements shall consist of certain improvements to the Premises related to paint, carpet and other deferred maintenance items as Lessee desires ("**Improvements**"), which may include new furniture, fixtures and equipment. The Improvements shall be performed by and under the authority of the Lessor, or its authorized agent, and approved by a designated representative of the Chief Executive Office. Any unused portion of the Tenant Improvement Allowance may be used to offset Basic Rent, per an itemized breakdown of such Improvements. Improvements shall be in compliance with all applicable laws, codes and ordinances and subject to the terms of Landlord's Work Letter."

7. **LANDLORD WORK.** Landlord shall complete the following base building improvements ("**Landlord Work**") within one hundred and twenty (120) days of the mutual execution of this Second Amendment:

- a. Refurbish and update the common area men's and women's restrooms (new floor tile, partitions, countertops, lighting, lavatories, and towel & soap dispensers).
- b. Within the first twelve (12) months of the Extended Term, or sooner, Landlord shall replace the remainder of all existing non-LED lights with new LED Title 24 compliant lights. Landlord has already replaced approximately 25% of the lights in the Premises with LED Title 24 compliant lights and the remaining lights shall be replaced within the period time provided above.

- c. Assess the condition of the HVAC systems serving Tenant's telecommunication rooms and repair systems as needed.
- d. Have third-party elevator vendor assess elevators and recommend/fix any deficiencies and refurbish elevator cabs with new flooring, lighting and walls as needed.
- e. Replace all window coverings with new mecho style shades.
- f. Restripe and slurry seal the parking lot serving the Building in compliance with Americans With Disabilities Act code requirements.

Landlord shall complete the above scope of work with regard to the deferred maintenance as soon as commercially reasonable but in no event longer than twelve (12) months from the execution of this Second Amendment.

8. CONSTRUCTION OF PREMISES. Landlord shall construct and deliver the Premises in accordance with the terms of the Lease, mutually approved plans per County specification, and Landlord's Work Letter. Landlord and Landlord's contractors shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. Seq., if applicable. Should Tenant be required under the Lease to contribute towards any tenant improvement work, Landlord shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. Seq.

9. REPORTS. Landlord has agreed to provide Tenant with the following Required Reports ("**Reports**"), which are outlined below, for the Premises only, at Landlord's sole cost and expense. Tenant will not execute the Lease prior to Tenant's review and approval of the Reports, which approval shall not unreasonably withheld, conditioned, and delayed. Landlord, at its sole cost, will pay for any legally required corrections identified within such Reports.

A. Hazardous Materials Asbestos Containing Materials. Landlord shall provide Tenant an asbestos report for the Building. Further, Landlord shall represent, to the best of its actual knowledge and without any independent investigation, that there are no hazardous or asbestos containing materials ("**ACM**") located within the entire structure and provide all necessary certificates to indicate same.

b. Americans with Disabilities Act. Landlord shall provide Tenant an Americans with Disabilities Act ("**ADA**") report for the Building. Further, Landlord, at its cost, shall resolve any noncompliant conditions in common areas described within such report. Landlord shall resolve any such ADA issues as soon as commercially reasonable but in no event longer than twelve (12) months from the execution of this Second Amendment.

10. RIGHT OF FIRST OFFER. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES. Effective upon the Second Amendment Extension Commencement Date, the Lease shall be amended by inserting a new paragraph 36 to the Lease which shall read as follows:

"36. **RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.**

(a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term, Landlord intends to offer leasable space located contiguous to the Premises (the "Additional

Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("**Landlord's Lease Notice**"). Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have ninety (90) days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "**Expansion Commitment**").

(b) If Tenant delivers to Landlord the Expansion Commitment within such ninety (90) day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.

(c) Except as otherwise set forth in Landlord's Lease Notice, possession of the Additional Premises shall be delivered to Tenant on an "**as-is**" basis. Landlord shall prepare and Landlord and Tenant shall execute and deliver a written agreement modifying and supplementing the Lease and specifying that the Additional Premises are part of the Premises and, except as otherwise specified in Landlord's Lease Notice, subject to all of the terms and conditions of the Lease.

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the ninety (90) day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 34 shall not apply to any sales or similar transfers of the Additional Premises."

11. SMOKING PROHIBITION. Effective upon the Second Amendment Extension Commencement Date, the Lease shall be amended by inserting a new paragraph 35 to the Lease which shall read as follows:

"35. **SMOKING IN COUNTY FACILITIES.** The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of

its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, the rights and comfort of all employees shall be respected. Reasonable effort shall be made to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California – Code of Ordinances Chapter 2.126 ("**LAMC 2.126**"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California – Code of Ordinances Chapter 2.126.)"

12. BROKERS. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Second Amendment other than Cushman & Wakefield, Inc ("**Tenant's Agent**") and Dunn Property Group ("**Landlord's Agent**") and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. The terms of any commissions due shall be pursuant to a separate commission agreement by and among Landlord, Landlord's Agent and Tenant's Agent.

13. AUTHORITY. Only the County's Board of Supervisors ("**Board of Supervisors**") has the authority, by formally approving and/or executing this Second Amendment, to bind Tenant to the terms included herein. Landlord understands that no material terms of this Second Amendment may be altered or deleted, nor may any new material terms be added to this Second Amendment, without the express written approval of the Board of Supervisors, either through an amendment to the Second Amendment or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Second Amendment, and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Second Amendment including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "**Chief Executive Office**") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Second Amendment. Each individual executing this Second

Amendment on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Second Amendment on behalf of Landlord, and that this Second Amendment is binding upon Landlord in accordance with its terms.

14. LEASE IN FULL FORCE AND EFFECT. Except as expressly amended as set forth in this Second Amendment, the terms and conditions of the Lease remain unmodified and in full force and effect. Except as expressly modified by this Second Amendment, all other terms and conditions of the Lease are hereby ratified and affirmed. In the event of any express conflict or inconsistency between the terms of this Second Amendment and the terms of the Lease, the terms of this Second Amendment shall control and govern. Any defined terms that are not defined in this Second Amendment shall have the meanings ascribed thereto in the Lease unless the context clearly indicates otherwise.


15. COUNTERPARTS; ELECTRONIC SIGNATURES. This Second Amendment and any other document necessary for the consummation of the transaction contemplated by this Second Amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Second Amendment and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Second Amendment had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Second Amendment is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intend to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Second Amendment based on the foregoing forms of signature. If this Second Amendment has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("**E-SIGN**") and California Uniform Electronic Transactions Act ("**UETA**") (Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

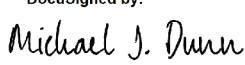
IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the date first above set forth.

LANDLORD:

CORBIN NORTHRIDGE LP,
a California limited partnership

DocuSigned by:

By: DE54B64F9D46444...
Name: Michael J. Dunn
Title: President, Jodu, Inc., General Partner

RONALD HOLMAN, TRUSTEE OF THE HOLMAN FAMILY TRUST

By: Dunn Property Group, Inc. FKA The Dunn Company, Inc.
ITS:  rager
BY: DE54B64F9D46444...
Name: Michael J. Dunn
Title: President, Dunn Property Group, Inc.

TENANT:

COUNTY OF LOS ANGELES,
a body politic and corporate

FESIA A. DAVENPORT
Chief Executive Officer


By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

Roberto Saldana
2024.01.03
11:33:27 -08'00'

EXHIBIT A
LANDLORD'S WORK LETTER

LANDLORD'S WORK LETTER

For

**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AND AGREEMENT**

DEPARTMENT: PUBLIC SOCIAL SERVICES, as Tenant

**LANDLORD: CORBIN NORTHRIDGE LP, a California limited partnership and RONALD
HOLMAN, TRUSTEE OF THE HOLMAN FAMILY TRUST**

9451 CORBIN AVENUE, NORTHRIDGE

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease (the "Lease") dated _____, 20__, executed concurrently herewith, by and between CORBIN NORTHRIDGE LP, a California limited partnership and RONALD HOLMAN, TRUSTEE OF THE HOLMAN FAMILY TRUST, collectively the "Landlord," and COUNTY OF LOS ANGELES, as "Tenant," covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

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

- | | |
|--|--|
| (a) <u>Base Tenant Improvement Allowance</u> | \$577,990 (i.e., \$10.00 per rentable square foot of the Premises) |
| (b) <u>Additional Tenant Improvement Allowance</u> | N/A |
| (c) <u>Maximum Change Order Allowance</u> | \$50,000 |
| (d) <u>Additional Tenant Improvement and Change Order Amortization Rate:</u> | N/A |
| (e) <u>Basic Rent Reduction per \$1,000</u> | N/A |
| (f) <u>Tenant's Work Letter Representative</u> | Nevin Harrison or an assigned staff person of the Chief Administrative Office-Real Estate Division |
| (g) <u>Landlord's Work Letter Representative</u> | Matthew Dunn or an assigned staff person of the Landlord |
| (h) <u>Landlord's Address for Work Letter Notice</u> | Matthew Dunn
1200 Wilshire Blvd., Suite 208
Los Angeles, CA 90017 |
| (i) <u>Tenant's Address for Work Letter Notice</u> | Board of Supervisors
Kenneth Hahn Hall of Administration
Room 383
500 West Temple Street
Los Angeles, California 90012 |

With a copy to:

Chief Administrative Office-
Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Senior Manager

(j) Addenda

Addendum A: Landlord Work
Addendum B: Tenant Improvements
Addendum C: Form of Budget

2. **Construction of the Building.**

2.1 **Landlord Work Improvements.** Landlord shall construct the Landlord Work improvements as a part of the Building described on Addendum A hereto (the "Landlord Work Improvements"). To the extent that the Landlord Work Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall be considered Tenant Improvements (as defined below) only to the extent such changes or additions are specifically described in Addendum B hereto.

2.2 **Additional Costs Not Tenant Improvement Costs**

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

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, or (iv) supervision or overhead costs of Landlord.

3. **Selection of Architect and Engineer.** If required by the scope of the Tenant Improvements, Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects ("Architect") and engineers ("Engineer") familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings as defined below. The Architect and the Engineer shall be selected by Landlord subject to Tenant's consent, which consent shall not be unreasonably withheld, and which consent (or refusal to consent for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the Architect and the Engineer to Tenant together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until the Architect and the Engineer is/are finally approved by Tenant and written consent has been delivered to and received by Landlord.

4. **Selection of Contractor.** The Final Plans, as defined below, and a proposed construction contract approved by Tenant, shall be submitted to contractors, selected by Landlord and approved by Tenant, sufficient in number so that a minimum of three (3) bids are received. Each approved contractor shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord shall designate) to construct the Tenant Improvements designated on the Final Plans. Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

5. **Preparation of Plans and Specifications and Construction Schedule.**

5.1 **Preparation of Space Plan.** Concurrently with the execution of this Lease, Tenant shall submit to Landlord an improvement plan and specifications for the Premises listing all improvements required by Tenant (the "Improvement Plan").

5.2 **Preparation and Approval of Working Drawings.** If warranted by the scope of the Improvement Plan, within ten (10) days of the date the Improvement Plan is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of Working Drawings (the "Working Drawings"), which shall be compatible with the design, construction and equipment of the Building, comply with all applicable laws, be capable of physical measurement and construction, contain all such information as may be required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion as has from time to time been submitted, for review. Landlord shall be solely responsible for insuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect.

5.3 **Preparation and Approval of Engineering Drawings.** If warranted by the scope of the Improvement Plan, Landlord shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings") to be integrated into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review.

5.4 **Integration of Working Drawings and Engineering Drawings into Final Plans.** After Tenant has approved the Engineering Drawings, Landlord shall cause the Architect to integrate the approved Working Drawings with the approved Engineering Drawings (collectively "Final Plans") and deliver five (5) sets of the Final Plans to Tenant. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Landlord Work Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements) and power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements.

5.5 **Approval of Plans by Tenant.** Approval by Tenant shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements.

5.6 Schedule. Within thirty (30) days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule, subject to approval by Tenant which approval shall not be unreasonably withheld, setting forth the dates specific completion of certain project benchmarks including, but not limited to, completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of construction contract, construction commencement, construction completion, Projected Commencement Date and other similar dates. As the construction continues, Landlord shall amend the schedule from time to time to reflect any changes to the projected dates.

6. Final Construction Budget and Payment of Tenant Construction Costs

6.1 Construction Budget. Within fourteen (14) days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary budget (the "Preliminary Budget") in a format similar to Addendum C attached hereto. Such budget shall be revised into final form within ten (10) days from the date the Contractor is selected and will be referred to herein as the "Final Construction Budget". Tenant shall have five (5) days from the date of receipt of the Final Construction Budget to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval or disapproval of the Final Construction Budget or the five (5) day period expires without any response from Tenant. In the event Tenant disapproves the Final Construction Budget due to matters related to cost and the Final Construction Budget is ten percent (10%) or more higher in cost than was projected in the Preliminary Construction Budget, then any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. Landlord shall review the Space Plan, Working Drawings, Engineering Drawings and Final Plans at its sole cost and expense. No fee for profit, overhead or general conditions in connection with the construction of the Tenant Improvements shall be included in the Final Construction Budget unless approved by Tenant.

7. Construction of Tenant Improvements

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans that is in excess of the Tenant Improvement Allowance shall be at the cost of the Tenant.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and materials providers providing labor and/or materials for the Tenant Improvements shall be selected only after three (3) bids have been solicited from responsible and qualified persons. Landlord shall submit three (3) sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Three (3) bids for the purchase and installation of the office furniture system, prepared by the furniture dealer, shall be included in the construction estimates, if applicable.

(a) Permits. Landlord shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after approval of the Final Plans.

(b) Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within fifteen (15) days after issuance of all such necessary permits, if required. Landlord shall commence and, once commenced, shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays.

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

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, carpeting and any or all other decorator selection efforts required by Tenant, shall be provided by Landlord at Landlord's expense in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises themselves or in other areas utilized by Landlord or its contractors, and agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up.

(d) Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

7.4 Conformed Plans. If Working Drawings are required for the Tenant Improvement Work, within sixty (60) days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted on industry standard digital plan format.

8. Change Orders. Tenant and Landlord may make changes, additions, deletions or alterations in the Final Plans ("Change Order") provided both Tenant and Landlord approve such changes in writing. The amount of the Maximum Change Order Allowance set forth in Section 1 has been authorized by the Board of Supervisors of the County to be used to pay the costs of all authorized change order but only the Chief Administrative Officer is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the Maximum Change Order Allowance. Tenant may elect to pay for Change Orders (a) in a lump sum upon Substantial Completion of the Tenant Improvements, or (b) amortize the costs over the term of the Lease at the Change Order Amortization Rate per month for each ONE THOUSAND DOLLARS (\$1,000.00) of Change Order costs. Landlord shall submit to the Chief Administrative Officer with each requested Change Order (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Orders previously approved, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Order must be signed and dated by the Chief Administrative Officer.

9. **Intentionally Deleted**

10. **Tenant Improvement Costs Adjustment and Right to Audit.** Within five (5) days of the issuance of a Certificate of Occupancy, or a final sign-off by the City of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing in reasonable detail all Tenant Improvement Costs and the total amount payable hereunder by Tenant to Landlord. Upon approval of the statement by Tenant, payments by either party pursuant to the Lease and this Landlord's Work Letter shall be adjusted a appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of twelve (12) months from the date of acceptance by Tenant of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under the Lease, as supplemented by this Landlord's Work Letter, Tenant shall provide Landlord with a copy of the audit summary and Landlord shall pay Tenant the amount of any over-payment made by Tenant within thirty (30) days and future payments shall be adjusted as appropriate based upon the audit results.

11. **Exclusions.** The Tenant Improvement cost shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

12. **Intentionally Deleted.**

13. **Intentionally Deleted.**

14. **Tenant Remedies.** If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if Tenant Improvements have not been completed within the later of i) one hundred and twenty (120) days from the Projected Commencement Date or one hundred and twenty (120) days from the Landlord's receipt of the Final Plans, Tenant may, at its option:

14.1. Upon thirty (30) days written notice to Landlord, assume the responsibility for providing the Tenant Improvements itself. If Tenant elects to provide tenant improvements itself, then:

(a). Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b). Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for its administrative costs, and including interest at the rate of six percent (6%) ("Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the rent payable hereunder.

Any default by Landlord under the terms of this Landlord's Work Letter shall constitute a default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. **Representatives.**

(a) Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Landlord's Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.

(b) Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Landlord's Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.


16. Intentionally Deleted.

17. Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five (5) days of the date the Contractor is selected.

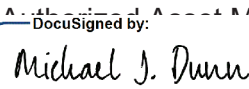
18. Delivery. Delivery of all plans and drawings referred to in this Work Letter shall be by email or personal hand delivery, unless otherwise agreed by Landlord and Tenant.

LANDLORD:

CORBIN NORTHRIDGE LP,
a California limited partnership

DocuSigned by:

By: DE54B64F9D46444...
Name: Michael J. Dunn
Title: President, Jodu, Inc., General Partner

**RONALD HOLMAN, TRUSTEE OF THE HOLMAN
FAMILY TRUST**

By: Dunn Property Group, Inc. FKA The Dunn
Company, Inc.
ITS:  DocuSigned by: ^-----^--nager
BY: DE54B64F9D46444...
Name: Michael J. Dunn
Title: President, Dunn Property Group, Inc.

TENANT:

COUNTY OF LOS ANGELES,
a body politic and corporate

FESIA A. DAVENPORT
Chief Executive Officer


By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel
 Roberto Saldana
2024.01.03
11:34:31 -08'00'
By: _____
Senior Deputy

ADDENDUM A To Landlord's Work Letter

LANDLORD WORK

Landlord will construct the following:

- a. Refurbish and update the common area men's and women's restrooms (new floor tile, partitions, countertops, lighting, lavatories, and towel & soap dispensers);
- b. Within the first twelve (12) months of the Extended Term, or sooner, Landlord shall replace the remainder of all existing non-LED lights with new LED Title 24 compliant lights. Landlord has already replaced approximately 25% of the lights in the Premises with LED Title 24 compliant lights and the remaining lights shall be replaced within the period time provided above.
- c. Assess the condition of the HVAC systems serving Tenant's telecommunication rooms and repair systems as needed.
- d. Have third-party elevator vendor assess elevators and recommend/fix any deficiencies and refurbish elevator cabs with new flooring, lighting and walls as needed.
- e. Replace all window coverings with new mecho style shades.
- f. Restripe and slurry seal the parking lot serving the Building in compliance with Americans With Disabilities Act code requirements.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

Said Improvements shall consist of certain improvements to the Premises related to paint, carpet and other deferred maintenance items as Lessee desires, which may include new furniture, fixtures and equipment.

ADDENDUM C To Landlord's Work Letter

FORM OF BUDGET

Preliminary TI Cost Summary

Final TI Cost Summary

Lease No. _____

Address _____

Cost Category	
Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$

BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	1/17/2024	
BOARD MEETING DATE	2/6/2024	
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input checked="" type="checkbox"/> 5 th	
DEPARTMENT(S)	Internal Services Department	
SUBJECT	San Dimas Communication Tower Demolition	
PROGRAM		
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: \$180,000	Funding source: Internal Services Department Services and Supplies budget, funded by net County cost, to the Capital Project No. 87988
	TERMS (if applicable):	
	Explanation: Approval of the enclosed appropriation adjustment (Enclosure A) will transfer \$180,000 from the Internal Services Department, Services and Supplies budget, which is funded by net County cost, to the San Dimas Communication Tower Demolition, Capital Project No. 87988, to fully fund the proposed Project.	
PURPOSE OF REQUEST	Approval of the recommendations will find the San Dimas Communication Tower Demolition project exempt from the California Environmental Quality Act, establish and approve Capital Project No. 87988, approve the project budget and appropriation adjustment, and authorize the Director of the Internal Services Department, or designee, to deliver the proposed project using a Board-approved Job Order Contract.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The proposed Project will demolish and remove an existing communication tower that is no longer operational. The communication tower is located at 310 Via Blanca, San Dimas, CA 91773. The proposed demolition work includes the removal of an approximately 100-foot tall H-frame communications tower, bolts, cabling, concrete footings, wires, anchor hardware, steel plates, and concrete blocks. All loose and miscellaneous debris will be removed to leave the existing site clean.	
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: - Thomas DeSantis, P&PM Division Manager, (323) 267-3467, TDesantis@isd.lacounty.gov	



County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

SELWYN HOLLINS
Director

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

"Trusted Partner and Provider of Choice"

February 6, 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:

**INTERNAL SERVICES DEPARTMENT
SAN DIMAS COMMUNICATION TOWER DEMOLITION
CATEGORICAL EXEMPTION
ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87988
APPROVE PROJECT BUDGET AND APPROPRIATION ADJUSTMENT
AUTHORIZE USE OF JOB ORDER CONTRACT
(FY 2023-24)
(SUPERVISORIAL DISTRICT 5)
(3-VOTES)**

SUBJECT

Approval of the recommendations will find the San Dimas Communication Tower Demolition project exempt from the California Environmental Quality Act, establish and approve Capital Project No. 87988, approve the project budget and appropriation adjustment, and authorize the Director of the Internal Services Department, or designee, to deliver the proposed project using a Board-approved Job Order Contract.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the proposed San Dimas Communication Tower Demolition project exempt from the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.
2. Establish and approve the proposed San Dimas Communication Tower Demolition project, Capital Project No. 87988 with a total budget of \$180,000.

3. Approve an appropriation adjustment to transfer \$180,000 from the Internal Services Department, Services and Supplies budget, which is funded by net County cost, to the San Dimas Communication Tower Demolition, Capital Project No. 87988.
4. Authorize the Director of the Internal Services Department, or designee, to deliver the San Dimas Communication Tower Demolition project using a Board-approved Job Order Contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommendations will find the proposed San Dimas Communication Tower Demolition project (Project) exempt from the California Environmental Quality Act (CEQA), establish and approve Capital Project No. 87988, approve the project budget and appropriation adjustment, and authorize the Internal Services Department (ISD) to deliver the proposed Project using a Board-approved Job Order Contract (JOC).

The proposed Project will demolish and remove an existing communication tower that is no longer operational. The communication tower is located at 310 Via Blanca, San Dimas, CA 91773. The proposed demolition work includes the removal of an approximately 100-foot tall H-frame communications tower, bolts, cabling, concrete footings, wires, anchor hardware, steel plates, and concrete blocks. All loose and miscellaneous debris will be removed to leave the existing site clean.

The estimated project duration is approximately four (4) months which includes jurisdictional approvals, construction, and project completion.

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: Goal III. Realize Tomorrow's Government Today, Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.2 Manage and Maximize County Assets by properly managing existing County assets in ways that are fiscally responsible and align with the County's highest priority needs.

FISCAL IMPACT/FINANCING

The total cost for the proposed Project is currently estimated at \$180,000, which includes design, construction, change order allowance, inspection/testing, and ISD services (Enclosure A).

Approval of the enclosed appropriation adjustment (Enclosure A) will transfer \$180,000 from the Internal Services Department, Services and Supplies budget, which is funded by net County cost, to the San Dimas Communication Tower Demolition, Capital Project No. 87988, to fully fund the proposed Project.

Operating Budget Impact

The scope of work consists of the demolition of an existing communication tower. Therefore, following the completion of the proposed project, ISD does not anticipate any one-time start-up or additional ongoing costs as a result of the proposed project.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Local and Targeted Worker Hire Policy, updated on June 11, 2019, the proposed Project budget is less than \$500,000; therefore, the "Local Worker" and "Local Targeted Worker" labor hours are not required as part of the project.

In accordance with the Board's Civic Art Policy, adopted on December 7, 2004, and last amended on August 4, 2020, the proposed Project is exempt from the Civic Art Allocation because the estimated eligible project costs are less than \$500,000.

ENVIRONMENTAL DOCUMENTATION

The proposed Project is categorically exempt from CEQA. The scope of work consists of the demolition and removal of an existing communication tower. Therefore, the work is within certain classes of projects that have been determined not to have a significant effect on the environment in that it will meet the criteria set forth in Sections 15301 and 15304 of the State CEQA Guidelines and Classes 1 and 4 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G because it includes repairs and minor alterations to existing public facilities with negligible or no expansion of use and the minor alteration in the condition of land which do not involve removal of mature scenic trees.

In addition, based on the records of the proposed project, it will comply with all applicable regulations, it is not in a sensitive environment and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historic resource that would make the exemptions inapplicable.

Upon the Board's approval of the proposed project, ISD will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with section 21152 of the California Public Resources Code and will post the Notice to its website in accordance with section 21092.2.

CONTRACTING PROCESS

The proposed Project will be delivered using an ISD Board-approved JOC for the construction. The standard Board-directed clauses, including those that provide for contract termination and hiring qualified displaced county employees, are included in all JOCs.

The JOC contractor who will perform the work is required to fully comply with applicable legal requirements, which among other things, include Chapters 2.200 (Child Support Compliance Program)

and 2.203 (Contractor Employee Jury Service Program) of the Los Angeles County Code, and Section 1774 of the California Labor Code pertaining to payment of prevailing wages.

For this Project, ISD has made the determination that the use of a JOC is the most appropriate contracting method to perform the tasks involved. Specifically, to the extent the project entails repair, remodeling, refurbishment, or alteration, and the cost of such project exceeds \$50,000, such project would have to be performed via a competitively-procured construction contract, such as a JOC, not by county employees, due to the "Force Account" limitations set forth in the Public Contract Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will have minimal impact on current county services.

CONCLUSION

Please return one adopted copy of the board letter to the following: ISD Operations Service, and the Chief Executive Office – Capital Programs Division.

Respectfully submitted,

Selwyn Hollins
Director

SH:MO:ME:TD:sy

Enclosures

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

**PROJECT INFORMATION SHEET
SCHEDULE AND BUDGET SUMMARY**

PROJECT :	ISD San Dimas Communication Tower Demolition
CAPITAL PROJECT NO. :	87988

I. PROJECT SCHEDULE		
Project Activity	Duration	Scheduled Completion Date
Complete Construction Documents	N/A	N/A
Jurisdictional Approval	1 month following Board approval	March 2024
Award Construction Contract	2 months following Board approval	April 2024
Substantial Completion	3 months following Board approval	May 2024
Project Acceptance	4 months following Board approval	June 2024

II. BUDGET SUMMARY	
Budget Category	Proposed Budget
Construction	
Construction	\$ 111,000.00
Change Orders (Contingency)	\$ 13,000.00
Subtotal	\$ 124,000.00
Civic Art (if not exempt)	\$ -
Plans and Specifications	\$ -
Jurisdictional Review/Plan Check/Permits	\$ 4,000.00
County Services (ISD Indirect)	\$ 52,000.00
Total Project Budget	\$ 180,000.00

December 19, 2023

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

INTERNAL SERVICES DEPARTMENT

AUDITOR-CONTROLLER:
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE
FY 2023-24
3 - VOTES

SOURCES		USES	
INTERNAL SERVICES A01-IS-2000-13100 SERVICES & SUPPLIES DECREASE APPROPRIATION	180,000	INTERNAL SERVICES DEPARTMENT SAN DIMAS COMMUNICATION TOWER DEMOLITION A01-CP-6014-65049-87988 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	180,000
SOURCES TOTAL	\$ 180,000	USES TOTAL	\$ 180,000

JUSTIFICATION
Reflects the transfer of \$180,000 in net County cost from the Internal Services Department, Services and Supplies budget, to the San Dimas Communication Tower Demolition, Capital Project No. 87988, to fully fund the proposed project.

Sabra
Johnson

Digitally signed by Sabra
Johnson
Date: 2023.11.09
08:03:04 -08'00'

AUTHORIZED SIGNATURE SABRA JOHNSON, ISD ADMIN. DEPUTY

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

AUDITOR-CONTROLLER

B.A. NO. 051

☐ ACTION

☒ RECOMMENDATION

BY Andrea Turner

DATE 11/22/23

☒ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

DATE 11/27/23

Digitally signed by
Amir Alam
Date: 2023.11.27
08:57:42 -08'00'

BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter

☒ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	1/17/2024		
BOARD MEETING DATE	2/6/2024		
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	CHIEF EXECUTIVE OFFICE RISK MANAGEMENT ANNUAL REPORT, FISCAL YEAR 2022-23 (ITEM NO 30-A, BOARD MEETING OF FEBRUARY 6, 2018)		
PROGRAM			
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	This annual report is due to the Board the first week of February.		
COST & FUNDING	Total cost: N/A		Funding source: N/A
	TERMS (if applicable): N/A		
	Explanation:		
PURPOSE OF REQUEST	The purpose of the report is to inform the Board of a summarized Cost of Risk in Liability and Workers' Compensation exposures; assist departments to recognize the nature and extent of their exposures and losses; and provide direction on risk management strategies to be taken in the current and subsequent fiscal years.		
BACKGROUND (include internal/external issues that may exist including any related motions)	<p>Details of the number, type, and cost of claims are included in the annual report, along with risk categories and prevention activities implemented by CEO Risk Management.</p> <p>The total of all costs related to Liability and Workers' Compensation increased by 25.4% over Fiscal Year 2022-23.</p> <p>Total liability (Automobile, General, Medical Malpractice) claim expenses increased 95.3% from FY 2021-22 to FY 2022-23.</p> <p>Workers' Compensation claim expenses increased 10.3% from FY 2021-22 to FY 2022-23.</p> <p>The County's Total Cost of Risk increased from 2.01% to 2.23% of the County's operating budget; this represents a 10.9% increase over Fiscal Year 2022-23.</p>		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Destiny Castro, Manager, CEO Ph. (213) 738-2194 Email: DCastro@ceo.lacounty.gov		



Chief Executive Office.

COUNTY OF LOS ANGELES

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

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

February 1, 2024

DRAFT

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

From: Fesia A. Davenport
 Chief Executive Officer

CHIEF EXECUTIVE OFFICE RISK MANAGEMENT ANNUAL REPORT, FISCAL YEAR 2022-23 (ITEM NO 30-A, BOARD MEETING OF FEBRUARY 6, 2018)

Attached is the *Chief Executive Office Risk Management Annual Report, Fiscal Year 2022-23*. The purpose of the report is to inform the Board of Supervisors (Board) of a summarized Cost of Risk in Liability and Workers' Compensation exposures; assist departments to recognize the nature and extent of their exposures and losses; and provide direction on risk management strategies to be taken in the current and subsequent fiscal years (FYs).

It was previously reported to the Board that as the County of Los Angeles (County), State, and federal courts resume pre-pandemic operations, there would be the expectation that paid losses would increase. This year's report reflects these expectations, both in frequency of claims and the cost to resolve the claims.

Details of the number, type, and cost of claims are included in the attached report. The following is a summary of the risk categories.

Total Cost of Risk

The total of all costs related to Liability and Workers' Compensation increased by \$202 million to \$998 million, which represents a 25.4 percent increase over FY 2021-22. The County's Total Cost of Risk increased from 2.01 to 2.23 percent of the County's operating budget; this represents a 10.9 percent increase over FY 2021-22. The Total Cost of Risk is measured as a percentage of the County's operating budget.



Vehicle Liability¹

Vehicle accident claims increased by 250 to 1,069, which represents a 30.5 percent increase over FY 2021-22. The cost of claims and lawsuits decreased by \$11 million to \$15.5 million, which represents a 42 percent decrease over FY 2021-22.

Other General Liability¹

These claims have increased by 4,752 to 15,292, which represents a 45.1 percent increase over FY 2021-22. The increase in Other General Liability claims is due to the Dominguez Hills/Carson odor incident. The cost of claims and lawsuits increased by \$87.2 million to \$126 million, which represents a 226.7 percent increase over FY 2021-22.

Employment Practices Liability (non-Workers' Compensation)¹

These claims have increased by 17 to 206, which represents a 9 percent increase over FY 2021-22. The cost of claims and lawsuits increased by \$12.5 million to \$37.4 million, which represents a 50.1 percent increase over FY 2021-22. This risk category has been low for several years; however, we experienced several older claims from years 2013-2018 being resolved this FY.

Law Enforcement Liability¹

These claims have increased by 190 to 764, which represents a 33.1 percent increase over FY 2021-22. The cost of claims and lawsuits increased by \$50.3 million to \$108 million, which represents an 86.7 percent increase over FY 2021-22. The cost increase can be attributed to three cases that were resolved for approximately \$72 million.

Medical Malpractice Liability¹

These claims have increased by 75 to 165, which represents an 83.3 percent increase over FY 2021-22. The cost of claims and lawsuits increased by \$5.6 million to \$9.1 million, which represents a 161.5 percent increase over FY 2021-22.

¹ In FY 2020-21, County Counsel implemented a new system to manage litigation activities and CEO implemented a new system to manage claim activities with data exchange between the two systems. These systems allow the County to generate more accurate reporting and classification studies based on our specific needs. Therefore, these reports will have different costs associated with the departments. CEO reports on tort liability and Worker's Compensation claims, while County Counsel reports on both non-tort and tort liability cases and does not report on Workers' Compensation matters. County Counsel's Annual Litigation Cost Report should be utilized to evaluate trends related to litigation expenses, and the CEO Risk Management Annual Report should be used to analyze Workers' Compensation and Liability claims trends.

Workers' Compensation

These claims have decreased by 2,196 to 11,611, which represents a 15.9 percent decrease over FY 2021-22. The cost of claims and lawsuits increased by \$48 million to \$516 million, which represents a 10.3 percent increase over FY 2021-22. The cost increase can be attributable to statutory changes in physician charges and payments to injured workers.

The Chief Executive Office – Risk Management Branch continues to work with departments to prevent injuries and lower costs through guided assistance, and training and education initiatives, including:

- Collaboration with departments to create and implement effective Corrective Action Plans to improve policies and training to prevent future liabilities.
- Collaboration with the County's medical provider departments to create and foster "Just Culture" which improves communication and best practices that have shown to ultimately lower our overall risk.
- Measurement of departments' risk performance and focused loss prevention efforts to improve departments experiencing higher loss trends.

Furthermore, as directed by the Board on March 9, 2021, the Chief Executive Office – Risk Management Branch and the Department of Human Resources, developed metrics to rank departmental risk management performance by clusters and provided consultative services to the lower performing (bottom 10%) for each cluster. The results of the performance metrics and prevention activities are included in this report.

This report represents the combined efforts of the entire Chief Executive Office – Risk Management Branch team. Input and analysis were provided by staff of Liability Claims and Recovery, Loss Control and Prevention, Office of Privacy, Risk Management Finance, Risk Management Inspector General, Risk Transfer, and Workers' Compensation.

Should you have any questions concerning this matter, please contact me or Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346 or SRobles@ceo.lacounty.gov.

FAD:JMN
STR:DC:sg

Attachment

c: All Department Heads



County of Los Angeles

Risk Management

DRAFT

Inside County Risk FY 2022-23 Annual Report

Steven T. Robles
County Risk Manager
February 1, 2024

LA County Library

Youth Development

Public Social Services

Economic Opportunity

Medical Examiner

Auditor-Controller

Board of Supervisors

Regional Planning

Public Defender

Museum of Art

LACERA

Assessor

Public Works

District Attorney

Beaches and Harbors

Health Services

Sheriff

Fire

County Counsel

Chief Executive Office

Alternate Public Defender

Public Health

Child Support Services

Animal Care and Control

Agricultural Commissioner/Weights and Measures

Treasurer and Tax Collector

Arts and Culture

Parks and Recreation

Mental Health

Probation

Human Resources

**RISK
MANAGEMENT**

Justice, Care and Opportunities

Aging and Disabilities

Consumer and Business Affairs

Superior Court

Children and Family Services

Museum of Natural History

Military and Veterans Affairs

Registrar-Recorder/County Clerk



Hilda L. Solis
First District



Holly J. Mitchell
Second District



Lindsey P. Horvath
Third District



Janice Hahn
Fourth District



Kathryn Barger
Fifth District

COUNTY OF LOS ANGELES
BOARD OF SUPERVISORS



CHIEF EXECUTIVE OFFICE
RISK MANAGEMENT BRANCH

2022-23

Inside
County Risk
Risk Management Annual Report



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RISK HORIZON

The number and type of losses we experience are generally predictable over the horizon of many years. However, there are events and risks that we have identified that will increase these losses both in frequency and severity. Below you will find a synopsis of exposures on the horizon.

Privacy Protection and Cyber Security

Privacy legislation and restrictions associated to personal data continue to increase at an exponential rate. The resulting litigation and costs will increase our cost of risk unless we match the increased restrictions with specific actions to reduce the opportunities for unauthorized release of information. This includes:

- Identification of high-risk operations and coordination of a comprehensive data protection implementation plan to staff, train, and appropriately fund privacy and data security teams in those departments;
- Implementation of proactive cybersecurity and data protection infrastructure;
- Regularly performing risk assessments of business processes involving County data, systems, and information assets;
- Provide ongoing employee privacy and cybersecurity training; and
- Deploying specific policies and procedures to decrease and avoid data and cybersecurity privacy risks.

Legislative

Legislative agendas continue to contain legislation that increases costs, as follows:

- Workers' Compensation legislation and regulations have increased Workers' Compensation costs over \$30 million in the last two years.

- California's Child Victims Act (AB 218) allowed claims/lawsuits to be filed against the County with no statute of limitations. The County is managing thousands of claims that will significantly increase costs primarily to the Department of Children and Family Services and the Probation Department over the next several years.

Risk Structure

As illustrated in this Annual Report's Risk Manager's Message, the County of Los Angeles has accomplished several risk management goals and objectives over the last 10+ years. However, risk to the County changes and unless the management of those exposures change with them, the County will no longer be able to structurally prevent the increased risks of the future. To enhance risk management in the future, the County will need to advance its program, as follows:

- Formalization of a Risk Management Policy for the County and alignment of the Privacy policies within Risk Management.
- Provide appropriate authority to the Risk Manager to formally manage the intricacies of the Risk Management Program and align outdated Workers' Compensation and other risk-related policies under the auspices of the Risk Manager.
- Create a Risk Financing plan to manage the losses of the future that hold departments accountable for not appropriately managing their risks while protecting the County from catastrophic losses that will occur.

RISK MANAGER'S MESSAGE

The County Chief Executive Office – Risk Management Branch (CEO Risk Management) is pleased to provide its Risk Management Annual Report for FY 2022-23. In this message, we will highlight the accomplishments of CEO Risk Management and the County over the last 10+ years.

Insurance

Ten years ago, the County only purchased insurance when required by institutions or legislative mandates. However, when the County experienced perils such as fires, floods, aircraft crashes, and other large losses, we were immediately impacted financially because of our lack of an insurance program. CEO Risk Management and County stakeholders saw this as an opportunity to stabilize our losses with a cost recovery program that includes insurance. Today, virtually all large losses are covered by insurance which affords the County the ability to provide more services to constituents while protecting against catastrophic loss.

Workers' Compensation

The County's self-insured Workers' Compensation Claim Administration Program is the largest such local governmental program in the State of California. As a mandated employer-funded benefit program, it is responsible for administering approximately 33,200 open Workers' Compensation claims. As this is a mandated program, lowering costs while providing appropriate care is a challenge. However, CEO Risk Management has implemented several initiatives that have mitigated cost escalation while increasing oversight and improving care, as follows:

- Lowering caseloads of those who administer the benefits to our injured workers so they can focus on employee care.
- Settling old Workers' Compensation cases to ultimately close our responsibility while providing conclusion to the injured worker.
- Insuring catastrophic losses are capped and cannot run out beyond the County's anticipated losses.
- Consolidating Workers' Compensation Third Party Administrators to lower our overall costs and to provide consistent care to all injured workers.
- Eliminating the exposure of over 200,000 old workers' compensation cases by utilizing advanced risk financing techniques without any effect on injured workers.

Data Management

Data management associated with claims and litigation is vital to proper claims and litigation management. CEO Risk Management launched and implemented the most advanced claims and litigation management system in the country, which retired six legacy systems into a comprehensive Risk Management Information System (RMIS) that has been proven to be flexible, reliable, and user friendly. Ultimately, RMIS will give the County a 360° view of losses and trending factors to allow for appropriate risk management policies to prevent incidents and lower future losses.

RISK MANAGER'S MESSAGE (CONTINUED)

Data Analytics

The full implementation of our RMIS platform allows us to compile loss data and trends beyond spreadsheets and graphs. We have completed the second generation of Fraud, Waste, and Abuse analytics that allows the County to utilize artificial intelligence (AI) and machine learning to continuously audit the touch points within our systems to insure the best possible outcomes, system integrity, loss recovery, and trend identification for prevention efforts. AI in Risk Management is where we are heading, and we must continue to be the industry leader in the development of AI for public entities.

Recoveries

All initiatives above focus on lowering our overall cost of risk by insuring our large losses, administering smart claims management, predicting future losses, and recovering funds when available. In the last ten years, we have been able to recover funds more than \$500 million, as follows:

- Lowering our overall cost of risk through effective Risk Management training and techniques of approximately \$124 million.
- Recovering insurance and subrogated losses for fires, floods, injuries, and other catastrophic losses of approximately \$100 million.
- Eliminating future losses by settling Workers' Compensation claims of approximately 4,000 claims which resolved an estimated \$283 million in ultimate potential exposure.

Many opportunities to lower our overall costs remain. The remainder of this report outlines our key objectives for the upcoming fiscal year and the specific cost drivers impacting our overall Cost of Risk.

*The County's objective
is to minimize the
Cost of Risk*

KEY OBJECTIVES—FISCAL YEAR 2023-24

CEO Risk Management provides leadership and direction for the County's Risk Management and Privacy programs. Key objectives for FY 2023-24 include:

- Implement performance, audit, and fraud digital monitoring of our Third-Party Administrators (TPAs) and vendors to increase performance, lower costs, and provide better services to our injured workers.
- Diagnose and implement any remaining improvements to the Risk Management Information System and Fraud, Waste, and Abuse platform.
- Provide streamlined guidance to County departments on privacy-focused and HIPAA-focused initiatives, policies, training, risk assessments, audits, and compliance.
- Implement unified and minimum standards across County departments for protecting County Information and Personal Information against unauthorized access and releases.
- Provide technical guidance on the County's contract provisions to ensure the protection of County's data and Protected Health Information and assist with privacy risk assessments of the County's third-party vendors.
- Provide incident response training and table-top exercises for County stakeholders in response to privacy and cyber breach events.
- Continue to lower the unfunded liabilities in Workers' Compensation by closing claim exposures, funding liabilities, and capping losses with catastrophic loss insurance.
- Continue to execute risk financing strategies to permanently close long-term Workers' Compensation exposures.
- Assist departments with training and installation of Automated External Defibrillators in all buildings occupied by County employees.
- Implement system and software upgrades to incorporate a framework of accountability to include auditing, tracking, and compliance elements of all Corrective Action Plans.
- Incorporate County Counsel's Workers' Compensation Division and Fire Department's Return-To-Work efforts into the comprehensive Risk Management Information System to improve workflow, track capabilities, and promote efficiencies.



PREVENTION

IDENTIFY

SOLUTION

RECOVERY

COST

COST OF RISK

The Cost of Risk is the ratio of the expenditures for the County's various cost of claims paid, divided by the County's Operating Budget in a specific FY. The effectiveness of the County's risk management programs, policy decisions, and the effects of State and federal regulations are reflected in the Cost of Risk since it includes paid Workers' Compensation claims, General Liability claims, and the cost to defend a myriad of tort and non-tort-related claims. The Cost of Risk also includes the costs associated with loss control and prevention programs, insurance premiums, and operational and administrative expenses.

During FY 2022-23, the County experienced an increase in the Cost of Risk of 11.1%.

THE COUNTY'S OBJECTIVE IS TO MINIMIZE ITS TOTAL COST OF RISK

Detailed information is listed in the "Statistics" section of this report regarding the number of claims and expenses for each of the last three FYs by department for Workers' Compensation, State of California Labor Code (LC) 4850 and Salary Continuation, Automobile Liability, General Liability, Employment Practices Liability, Law Enforcement Liability, and Medical Malpractice.

The table on the next page illustrates the totality of all categories of risk as related to the County's Operating Budget.



COST OF RISK₁

Category	FY 2020-21	FY 2021-22	FY 2022-23
Workers' Compensation			
Workers' Compensation Expense	\$409,016,919	\$468,381,386	\$516,434,811
Labor Code 4850/Salary Continuation	\$133,418,720	\$162,510,229	\$169,637,324
Workers' Compensation Expense Total	\$542,435,639	\$630,891,615	\$686,072,135
Liability			
Liability Expense Total	\$144,939,061	\$173,641,389	\$321,049,517
Purchased Insurance (premium and fees)	\$28,476,443	\$28,476,443	\$32,312,000
Cost of Risk	\$715,851,144	\$804,533,003	\$1,007,121,652
Cost of Risk (excluding non-County agencies)	\$706,762,945	\$795,422,715	\$997,710,154
Total County Operating Budget (000)	\$35,328,479	\$39,576,967	\$44,642,000
Cost of Risk (Excluding non-County agencies as a percentage of the County's Operating Budget)	2.00%	2.01%	2.23%

1. Detailed Cost of Risk Information can be found in Exhibit G of this report.
2. Labor Code 4850 benefits are provided to defined safety officers. The benefit pays full salary tax free for one year while they are disabled due to an industrial injury and cannot work. The County provides certain employees salary continuation benefits that restore 70% of their wages tax free while they are unable to work due to an industrial injury. The benefit is available for one year from the date of the industrial injury.

RISK FINANCING

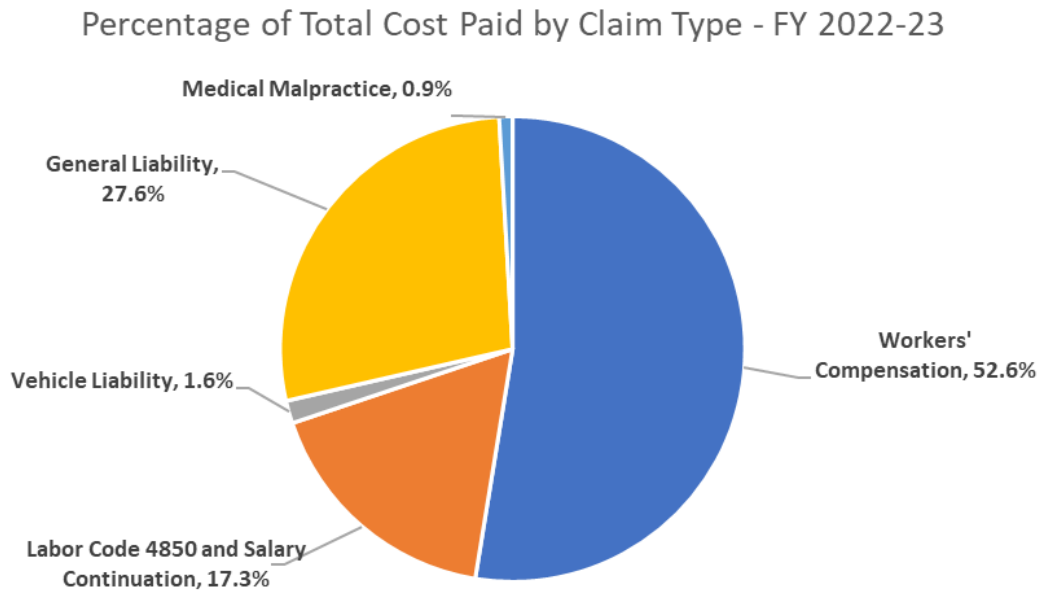
The County currently finances nearly all losses on a cash basis; therefore, any liability or Workers' Compensation claim that arises is subject to cash payment by the County, regardless of size. Based on the nature and scope of County operations, natural disasters, and external influences, County departments will be susceptible to large claims that significantly impact expenses. The results of FY 2022-23 illustrate this susceptibility as the top-10 claims of each expense category accounted for significant portions of expense, as follows: Law Enforcement top-10 claims accounted for 85.2% of expenses; General Liability top-10 claims accounted for 75.6% of expenses; Automobile Liability top-10 claims accounted for 57.6% of expenses; Medical Malpractice top-10 claims accounted for 79.9% of expenses; and Employment Liability top-10 claims accounted for 47.3% of expenses. The County has instituted several risk management techniques to manage the cost of large loss claims outside of litigation management. Minimizing the frequency of claims minimizes the possibility of one of those claims becoming a large loss. The County currently utilizes loss control and prevention best practices specific to departments that are coordinated through the CEO, as follows:

- Corrective Action Plans and/or Summary Corrective Action Plans are required for all settlements with an indemnity amount in excess of \$100,000 and as requested by the Risk Management Inspector General (RMIG). These plans summarize the nature of the claim and identify the root cause of the problem and corrective action steps to be taken by the department, or the County as a whole, to minimize the potential for similar events to occur.
- CEO Risk Management's Loss Control and Prevention Unit updated several online training modules to address the risk factors that contribute to vehicle accidents, and issued notices to departments that were experiencing increased claims.
- Risk Management Plans are developed by each department on an annual basis. These plans provide an overview of each department's risk management program, significant risk issues for that department, and mitigation measures or goals designed to prevent or minimize the given exposure.
- CEO Risk Management provides reporting and early trend analysis capabilities through departmental-specific dashboards. This includes a drill-down capacity to identify the "Top-5 Causes of Concern" for each type of loss.
- Contractual risk transferring of large loss potential involves reviewing, recommending, and constructing departmental insurance contract language, including indemnification language and proper endorsement usage that is consistent throughout the County and formulated to provide protection to the various contractors and the County, should an adverse event occur. County Counsel and CEO Risk Management collaborate with departments in this endeavor.

OVERALL COSTS

The overall Cost of Risk graph below illustrates that Workers' Compensation accounts for 52.6% of the Cost of Risk. For FY 2022-23, this represents approximately \$516 million.

PERCENTAGE OF TOTAL COST PAID BY CLAIM TYPE – FY 2022-23



CLAIM SEVERITY (TOTAL COST PAID) - ALL CLAIMS 1,2,3 - FY 2020-2021 THROUGH FY 2022-23

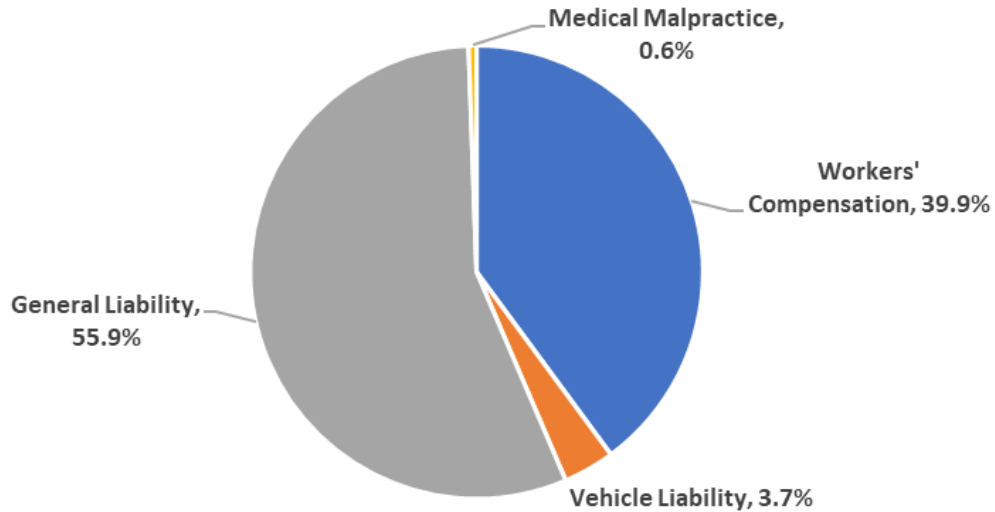
Claim Type	FY 2020-21	FY 2021-22	FY 2022-23
Workers' Compensation	\$409,016,919	\$468,381,387	\$516,434,811
Labor Code 4850 and Salary Continuation	\$133,418,720	\$162,510,229	\$169,637,324
Vehicle Liability	\$15,685,346	\$26,706,747	\$15,487,137
Law Enforcement Liability	\$35,150,030	\$58,073,978	\$108,436,291
Employment Practices Liability	\$16,816,246	\$24,897,057	\$37,378,021
Other General Liability	\$51,547,333	\$38,489,633	\$125,737,213
Medical Malpractice	\$4,579,751	\$3,489,914	\$9,125,855
TOTAL	\$666,214,345	\$782,548,944	\$982,236,652

1. Data does not include unemployment costs.
2. Data includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments (i.e., MTA, Foothill Transit). This information includes County Counsel tort claims.
3. Amount Paid is the total of the transactions paid by coverage code in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of occurrence date; does not include Reported But Not Paid (RBNP) or Incurred But Not Reported (IBNR) reserves.
4. Workers' Compensation paid does not reflect State of California Labor Code 4850 and Salary Continuation payments, which are shown separately.

CLAIM FREQUENCY BY CLAIM TYPE – FY 2022-23

In further demonstrating the impact of Workers' Compensation on the total risk management program, the graph below illustrates that Workers' Compensation accounts for over half of all claims.

Percentage of Claim Frequency by Claim Type - FY 2022-23



CLAIM FREQUENCY (TOTAL NUMBER OF CLAIMS FILED) BY CLAIM TYPE FY 2020-21 THROUGH FY 2022-23

Claim Type ^{1,2}	FY 2020-21	FY 2021-22	FY 2022-23
Workers' Compensation	12,147	13,807	11,611
Vehicle Liability	805	819	1,069
Law Enforcement Liability	575	574	764
Employment Practices Liability	116	189	206
Other General Liability	2,255	10,540	15,292
Medical Malpractice	142	90	165
TOTAL	16,040	26,019	29,107

1. Total number of claims filed by fiscal year regardless of date of occurrence; count includes all suffixes.

2. Includes County Counsel tort claims, but not agencies that are not County departments (i.e., MTA, Foothill Transit).

Note: Increase in Other General Liability claims is due to the Dominquez Hills/Carson odor complaints.

The methods and activities of managing the overall Cost of Risk are outlined in the remainder of this FY 2022-23 Annual Report.

WORKERS' COMPENSATION PROGRAM

The County's self-insured Workers' Compensation Claim Administration Program is the largest such local governmental program in the State of California. As a mandated employer-funded social benefit program, it is responsible for administering approximately 33,200 open Workers' Compensation claims with over 11,540 new claims reported in FY 2022-23. Statutorily mandated benefits are delivered through processes established under four Third-Party Administrator (TPA) contracts, three Medical Management and Cost Containment contracts (MMCCs), and a Pharmacy Benefit Management (PBM) Network. CEO's Workers' Compensation On-Site County Representatives (OSCRs) aid TPA staff, County departments, and injured workers. In addition, OSCRs authorize high-value settlements and payment transactions, perform fiscal reconciliation services, and act as liaisons between departments, defense counsel, and TPAs. The Office of the County Counsel (County Counsel) staff and contracted defense attorneys provide legal support.

Workers' Compensation expenses are generally separated into three categories: 1) allocated benefit expenses [ABE]; 2) allocated loss adjustment expenses [ALAE]; and 3) unallocated loss adjustment expenses [ULAE]. ABE include medical benefits, salary continuation and temporary disability benefits, permanent disability benefits, and death benefits. Such expenses are charged to the Workers' Compensation claim file.

ALAE include non-benefit payments to contract law firms, investigation firms, and other ancillary service providers. These expenses are also charged to the Workers' Compensation claim file. ULAE include the cost of TPAs, MMCCs, County Counsel's Workers' Compensation Division staff, CEO Risk Management staff, State User Assessments, claims administration system, excess insurance, and other overhead charges required to administer or provide risk protection for the Workers' Compensation Program. Such expenses are not charged or allocated to individual Workers' Compensation claims.

Total Workers' Compensation expenses paid in FY 2022-23, excluding Labor Code Section 4850 and Salary Continuation benefits, were \$516 million. This represents a 10.2% increase in Workers' Compensation expenses from FY 2021-22, which totaled \$468 million. The annual increase over the last two fiscal years is extraordinary as Program expenses have been stable for the last 19 years.

DISABILITY



MANAGEMENT

BENEFITS

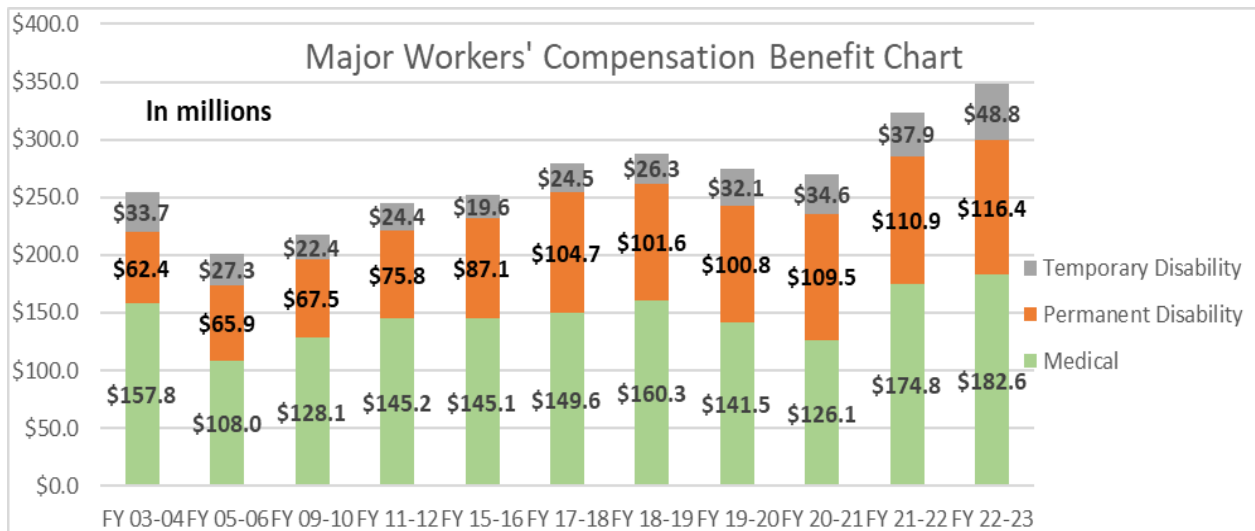
WORKERS' COMPENSATION PROGRAM—MAJOR ALLOCATED BENEFIT EXPENSES

In FY 2022-23, total medical expenses equaled \$182.9 million. This represents a 4.6% increase from the total medical expense of \$174.8 million experienced in FY 2021-22. Overall medical cost increases over the last two fiscal years were partially due to medical facilities providing services delayed during the pandemic. Additionally, medical costs were impacted by a regulatory increase in payments to medical-legal reporting physicians. The regulatory increase to the California medical-legal fee schedule added an approximate \$30 million to medical costs in the last two fiscal years.

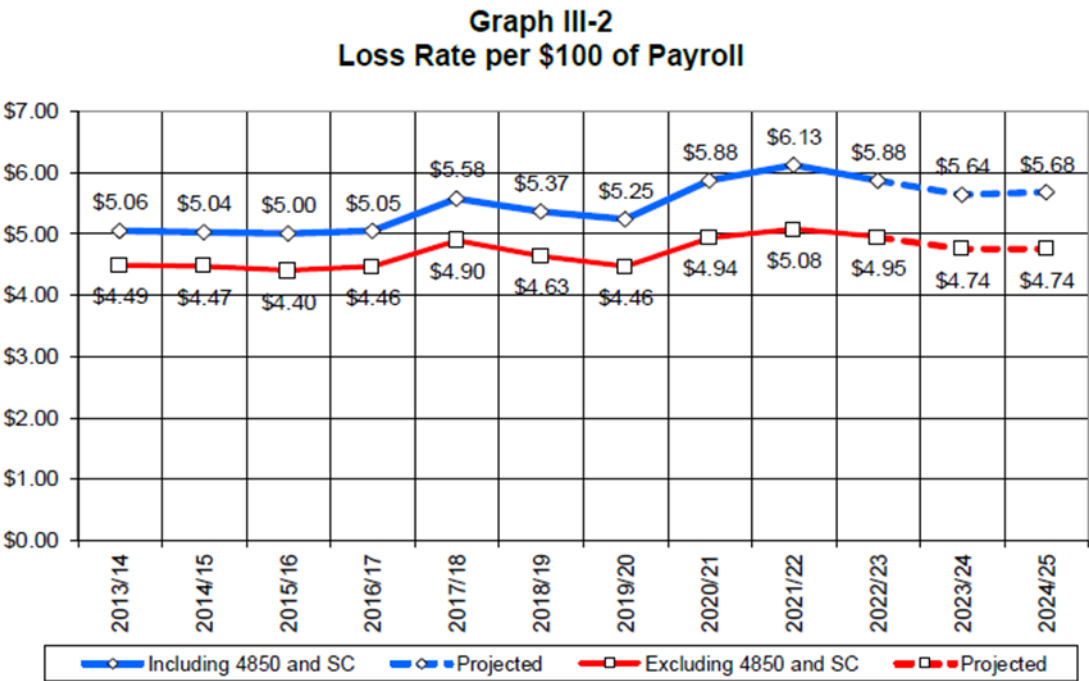
Temporary disability expenses increased from \$37.9 million in FY 2021-22 to \$49.4 million in FY 2022-23, an increase of 30.3%. This increase was driven by unprecedented increases in the State temporary disability rate of 13.5% and 5.2% in calendar years 2022 and 2023, respectively. Salary continuation and Labor Code (LC) 4850 expenses (predominately driven by LC 4850 benefits) increased 4.4% from the \$162.5 million in FY 2021-22 to \$169.6 million in FY 2022-23. CEO Risk Management continues to believe the LC 4850 expense is driven by the demographics of an aging public safety population.

Permanent disability expenses increased 6%, from \$110.9 million in FY 2021-22 to \$117.6 million in FY 2022-23. CEO Risk Management believes increases in permanent total disability payments will be experienced based on the statutory increases bound to increases in the State Average Weekly Wage. Overall permanent disability obligations are impacted by the aging public safety population.

Changes to the permanent disability rating and payment schedule under SB 863 significantly increased an employer's exposure to Workers' Compensation disability payments. As an example, a firefighter with a presumptive industrial heart condition with a 40% whole person impairment would be entitled to \$87,835 in permanent disability prior to the passage of SB 863. The same exact disability under the SB 863 provisions will entitle that firefighter to \$206,307.50 in permanent disability and life pension benefits.



Workers’ Compensation Program — Major Allocated Benefit Expenses (Continued)



Note: Loss rates excluding 4850 and salary continuation per \$100 of payroll are from Exhibit WC-10, columns (4) and (7).
Loss rates including 4850 and salary continuation per \$100 of payroll are based on Exhibits WC-10, WC-4850-10, and WC-SC-10, columns (4) and (7).

FINANCE

COMPENSATION

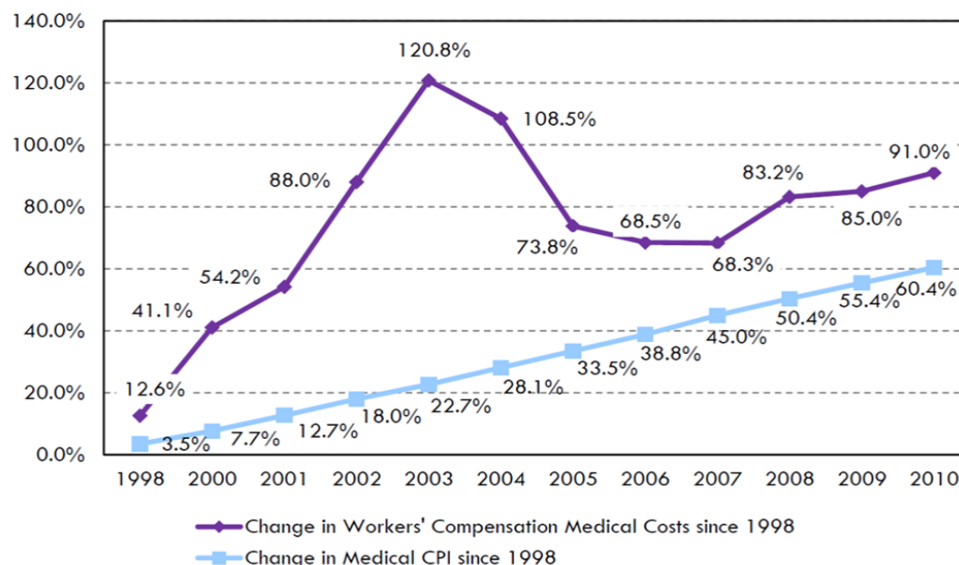


WORKERS' COMPENSATION PROGRAM—ALLOCATED AND UNALLOCATED LOSS ADJUSTMENT EXPENSES

Traditionally, the County Workers' Compensation Program's allocated and unallocated loss adjustment expenses account for approximately 20-22% of overall Program expenses. The ALAE and ULAE represent the legal, administrative, and operational costs to deliver balanced Workers' Compensation benefits. In FY 2022-23, the combined ALAE and ULAE represented 21.9% of Program expenses. This includes approximately \$5.5 million for excess insurance and \$3.1 million for the comprehensive RMIP and data analytic services. The County Workers' Compensation Program's allocated and unallocated loss adjustment expenses compare favorably to loss adjustment expenses experienced by California Workers' Compensation insurers and other self-insured employers. The California Commission on Health and Safety and Workers' Compensation (CHSWC) 2021 Annual Report reflected ALAE and ULAE accounted for 36.4% of overall Workers' Compensation systemwide expenses in calendar year 2021.

Over the last 19 years, County Workers' Compensation loss adjustment expenses have increased, in part, due to medical management cost containment strategies that include utilization review. CEO Risk Management believes California's implementation of evidence based medical guidelines have stabilized the Workers' Compensation inflationary trends experienced in the late 1990s and early 2000s. The graph below demonstrates the impact of Workers' Compensation legislation that became effective in 2004, and its impact on cost stabilization.

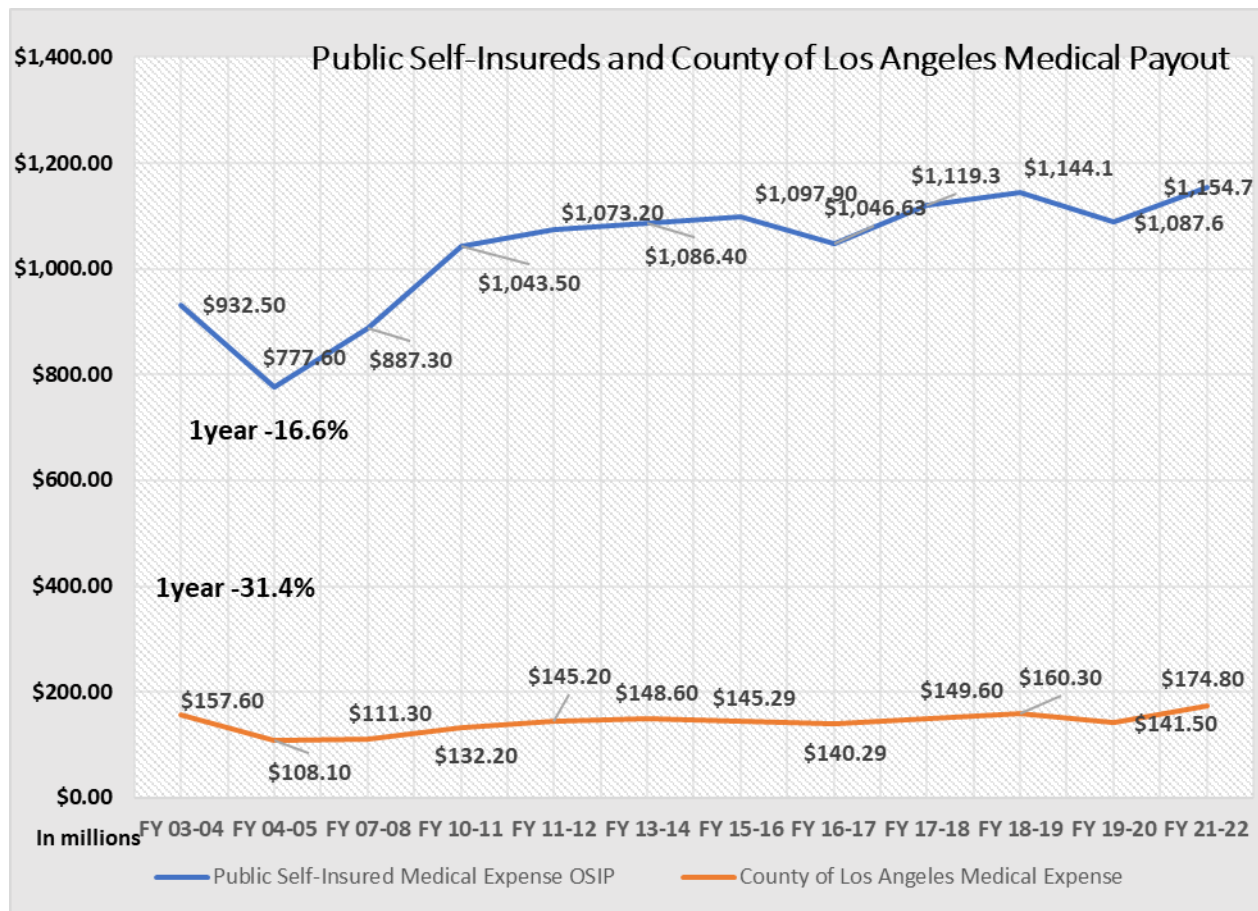
**WORKERS' COMPENSATION MEDICAL EXPENSES VS. MEDICAL INFLATION
SINCE 1998**



WORKERS' COMPENSATION — EXPENSES

The County Workers' Compensation medical spending has remained relatively stable as demonstrated by the chart below (as noted, FY 2021-22 reflected a significant cost in medical spending). The chart below reflects aggregate public agency Workers' Compensation medical payment data (including the County's Workers' Compensation payment amounts) and the County's annual Workers' Compensation medical payments since FY 2003-04.

CEO Risk Management believes the significant decrease in Workers' Compensation medical cost experienced between FY 2003-04 and FY 2004-05 was a direct result of urgency legislation implemented to address the California "Workers' Compensation Crisis." Aggregate Office of Self-Insurance Plan (OSIP) FY 2022-23 payment information was not available at the time of the printing of this report.

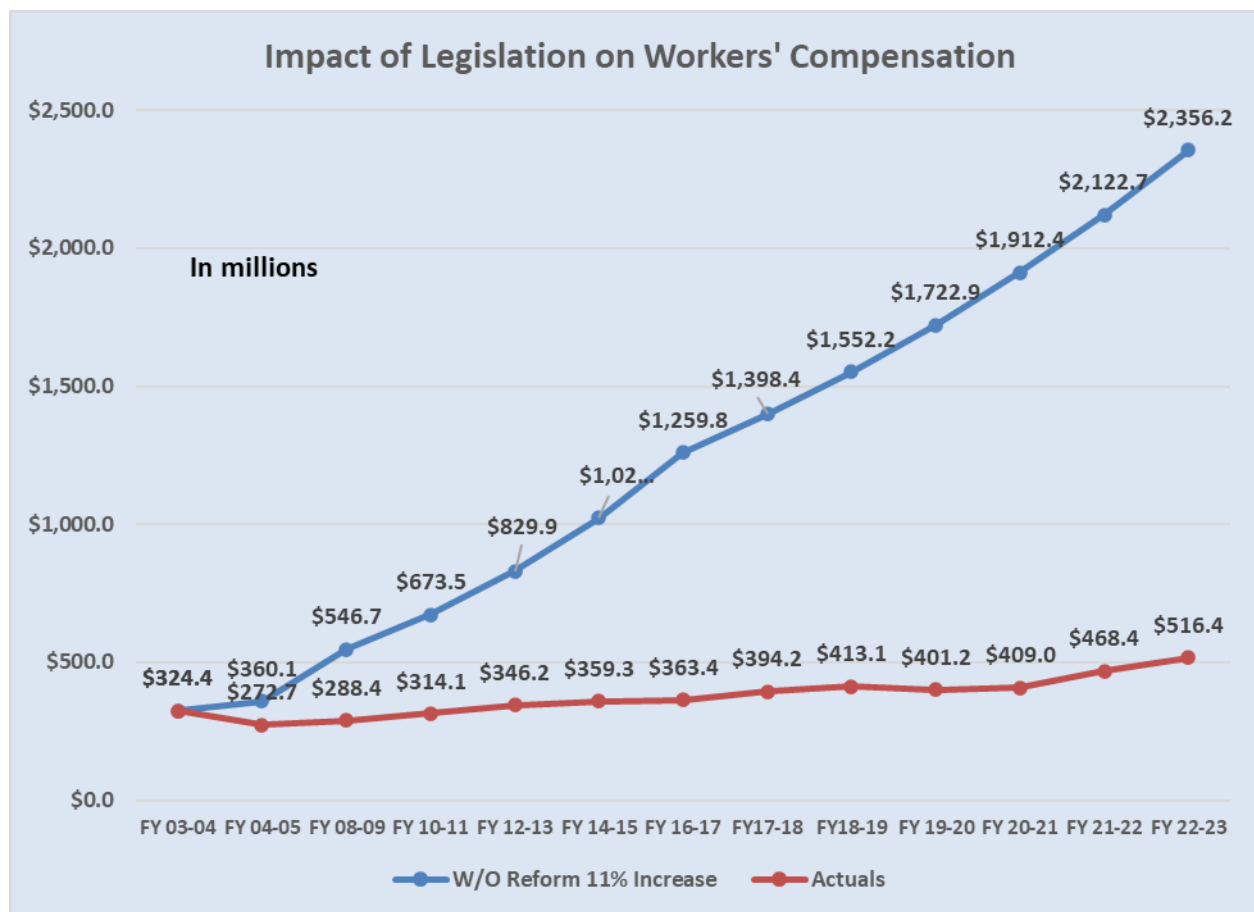


WORKERS' COMPENSATION — EXPENSES (CONTINUED)

From FY 1998-99 through FY 2002-03, the County's Workers' Compensation medical costs increased 133.8%. During that period, County Workers' Compensation Program costs, excluding salary continuation and LC 4850 benefits, experienced double-digit inflation.

The following chart estimates that escalation absent cost avoidance strategies afforded under the FY 2003-04 legislation compared to actual costs. FY 2022-23 actual costs contain a premium payment for excess insurance that did not exist in FYs prior to FY 2016-17. Regardless of the cost of this additional protection and the FY 2022-23 increase, the Workers' Compensation Program's annual increase since FY 2003-04 calculates to approximately 3%.

WORKERS' COMPENSATION EXPENSES (EXCLUDING SALARY CONTINUATION AND LABOR CODE 4850) COMPARISON - ESTIMATED WITHOUT REFORM AND ACTUAL EXPENSES



WORKERS' COMPENSATION — MEDICAL MANAGEMENT COST CONTAINMENT AND OUTSTANDING LIABILITIES

Medical Management Cost Containment

In FY 2022-23, medical expenses were the largest, single component of the County's Workers' Compensation Program costs. During FY 2022-23, the Program received approximately 519,717 (increase of 9% over FY 2021-22) bills accounting for 1,612,446 lines of procedures, services, or supplies from medical service providers. Such bills were for medical services to treat injured workers that included inpatient hospital services, nursing care, surgery, physician visits, physical therapy, chiropractic care, durable medical equipment, and drug therapy. Each bill is reviewed to ensure charges are paid at or below the State Official Medical Fee Schedule. Total medical charges billed exceeded \$617 million with recommended allowances of slightly over \$170 million.

The County's Workers' Compensation Program applies utilization review (UR) processes to assess certain physician treatment requests. UR is the process used by California Workers' Compensation insurers and administrators to determine if requested medical care is consistent with the California Medical Treatment Utilization Schedule. CEO Risk Management and MMCC staffs collaborate with respected physicians to determine reasonable utilization review triggers to ensure medical treatment can be delivered in an unencumbered manner. The evaluation of UR triggers is an ongoing process and protocols are assessed periodically and influenced by physician prescribing patterns.

Outstanding Liabilities

As reflected in the Workers' Compensation Actuarial Study, the Program's outstanding liabilities, as of June 30, 2023 were approximately \$3.52 billion (at a 50% confidence level). This represents an increase of 3.25% over the estimated outstanding liabilities of \$3.41 billion, as of June 30, 2022.

As of June 30, 2004, the actuarial study established future outstanding liabilities were \$2.63 billion (including the Courts) and, as of June 30, 2023, the outstanding liabilities were \$3.57 billion (including the Courts). This equates to an increase of 35.7% over a 19-year period. CEO Risk Management continues to evaluate various alternate risk techniques to stabilize exposures and expenses, including a loss portfolio transfer and lump-sum settlements for high exposure Workers' Compensation claims. During the last six FYs, the County Workers' Compensation Program processed approximately \$129 million in such settlements, which impacted approximately 4,000 claims and resolved an estimated \$283 million in ultimate potential exposure (this includes the settlement amount).

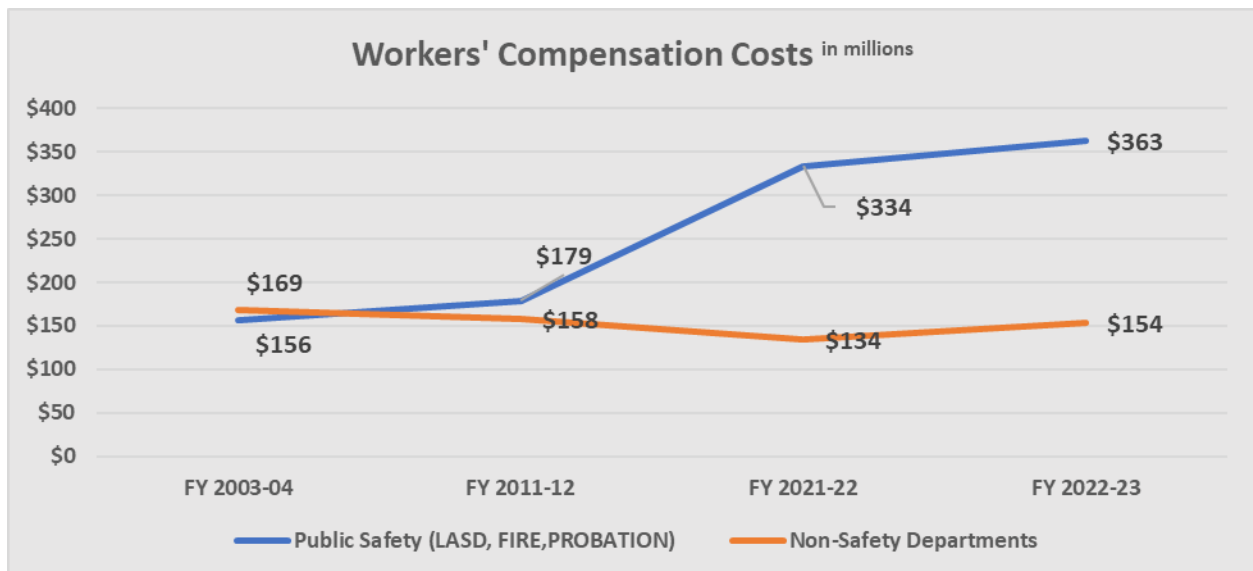
Actuarial analysis of the County Workers' Compensation Program's last 20 years of loss distribution reflects approximately 16.6% of Workers' Compensation claims account for 82.3% of the total incurred (paid to date and remaining reserves). Additionally, 19% of payments (excluding salary continuation/LC 4850) in FY 2022-23 were issued from claims older than 10 years. Overall, the actuarial study underscores the long-tail nature of Workers' Compensation exposures and expenses.

WORKERS' COMPENSATION — PUBLIC SAFETY DEPARTMENTS

The nature of the job duties County employees perform significantly impact Workers' Compensation Program expenses. Many County employees subject themselves to dangerous situations on behalf of the public. Those exposures and some of the presumptions afforded to public safety employees, because of such, are reflected in Countywide Workers' Compensation expenses.

The charts below demonstrate the association between County public safety departments (defined as Fire, Probation, Sheriff) and rising Workers' Compensation costs. As previously indicated, FYs 2003-04 and 2011-12 are notable because of the passage of significant legislation that impacted the California Workers' Compensation system. Those FYs were selected to show how such legislation impacted Workers' Compensation costs to County public safety and non-public safety departments.

While non-public safety departments (including the Courts) saw a 8.9% decrease in Workers' Compensation payouts over the last 19 years, safety departments saw a 132.7% increase. Those increases were significant enough to drive overall Workers' Compensation Program payout increases.

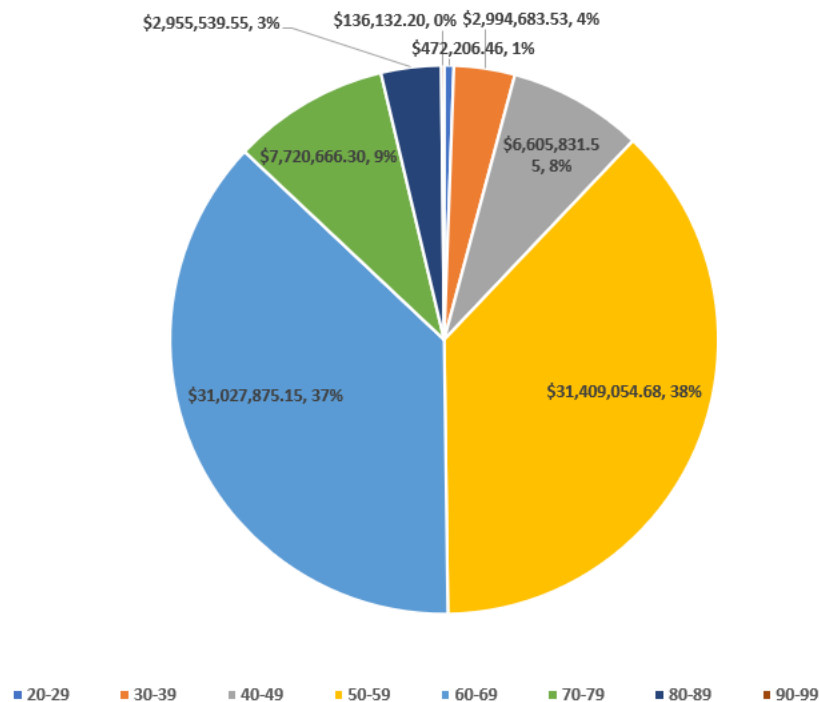


WORKERS' COMPENSATION — PUBLIC SAFETY DEPARTMENTS (CONTINUED)

CEO Risk Management believes public safety Workers' Compensation expense increases are driven, in part, by an aging workforce that maximizes benefit utilization. For example, the number of Fire Department staff reporting Workers' Compensation claims between FY 2019-20 and FY 2021-22, was 5,175. Of these Workers' Compensation claims, approximately 47% were files by individuals 50 years of age or older. In the 3-year period between FY 2004-05 and FY 2006-07, the number of reported Workers' Compensation claims was 3,952 with approximately 28% filed by individuals 50 years of age or older. In FY 2022-23, the trend continued with approximately 47% of all Fire Department reported Workers' Compensation claims being filed by employees age 50 years or older.

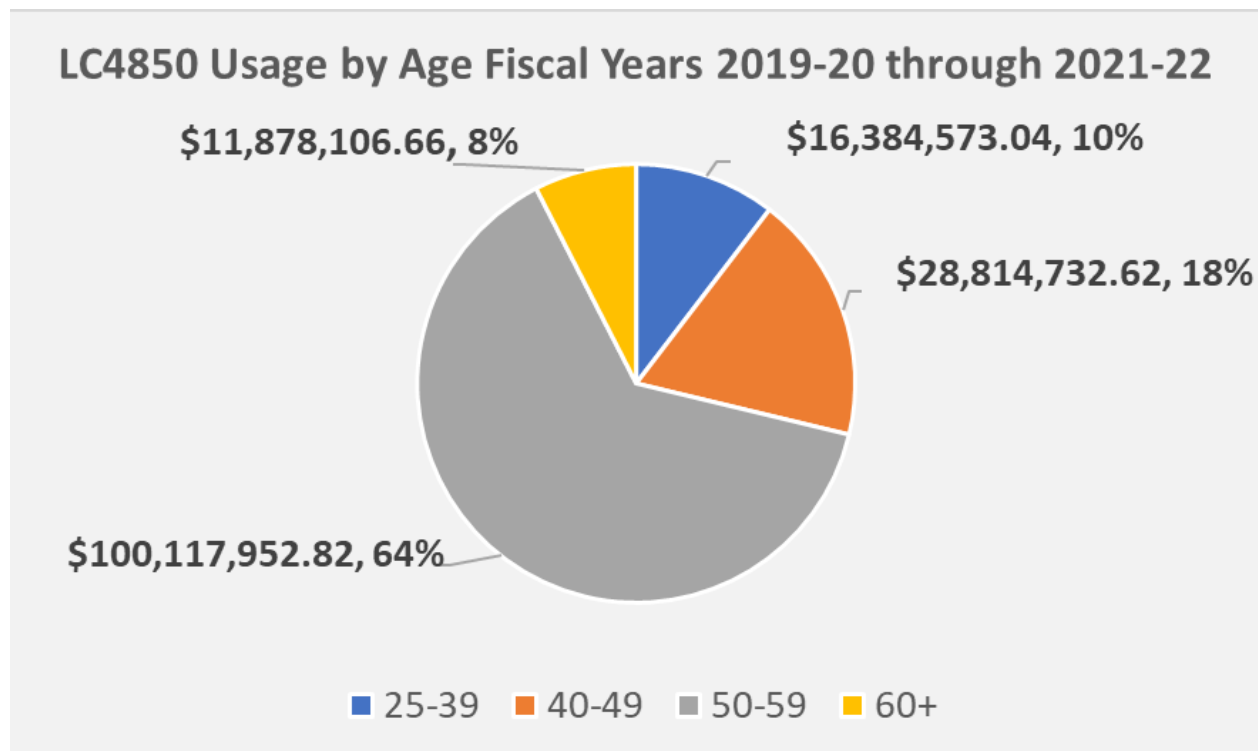
The relationship between age and Workers' Compensation benefit utilization is demonstrated by a review of Fire Department data. In FY 2022-23, approximately 92% of Workers' Compensation expenses (excluding LC 4850 and Unallocated Loss Adjustment Expenses) were paid on claims where the injured worker was 50 years old or older. In the three-year period between FYs 19-20 through 21-22, Fire Department employees used approximately \$157.2 million in LC 4850 benefits. Approximately, 72% of LC 4850 payments were made to employees 50 years old or older. The percentage increases to approximately 83% for firefighters 45 years old or older.

Fire Department WC Payout by Age of Injured Worker



WORKERS' COMPENSATION — PUBLIC SAFETY DEPARTMENTS (CONTINUED)

In the 3-year period between FY 2010-21 and FY 2021-22, Fire Department employees used approximately \$157.2 million in LC 4850 benefits. The chart below reflects that 72% of LC 4850 payments were made to employees 50 years of age or older. The percentage increases to approximately 83% for firefighters 45 years of age or older.



WORKERS' COMPENSATION — IMPACT OF COVID-19 PANDEMIC

Like many programs and operations, the pandemic has significantly impacted the County Workers' Compensation Program. Traditionally, operations were brick and mortar with claims staff working on-site. Due to the pandemic and social distancing requirements, most claims staff and OSCRs teleworked during FY 2022-23. This arrangement has promoted a movement away from paper processes and implementation of document management systems that enable staff to work remotely. Internal control processes have been maintained and the impact on injured workers and benefit delivery have been minimal.

As of June 30, 2023, there were 6,959 COVID Workers' Compensation claims filed. The total payout on those claims exceeded \$28.1 million with estimated total incurred costs of \$66.5 million.

HEALTH



CARE

Workers' Compensation Cost Trends and Influencing Factors

As indicated in the FY 2021-22 Chief Executive Office Risk Management Annual Report, cost escalation is driven by several factors:

- Significant increase to certain indemnity payments effective January 1, 2022. Such increases will continue to have an inflationary impact on workers' compensation program costs. The Labor Code requires the maximum and minimum weekly earnings upon which certain indemnity payments are based to increase by an amount equal to percentage increase in the State Average Weekly Wage (SAWW) compared to the prior year. In calendar years 2022 and 2023, the SAWW increase was calculated at an unprecedented 13.5% and 5.2%, respectively (usual increases are 2-4%). These will influence future costs related to some temporary disability, life pension, permanent total disability, and death benefits.
- Aging workforce.

WORKERS' COMPENSATION PROGRAM — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23

- | | |
|---|---|
| <ul style="list-style-type: none">• Continued to collaborate with County Counsel Workers' Compensation Division to mitigate costs associated with high exposure workers' compensation claims.• Continued to partner with the TPA to improve communication and customer satisfaction to injured workers.• Continued to evaluate, test, and recommend enhancements to the Workers' Compensation claim module of the comprehensive RMIP.• Continued to work with public and private sector employers to evaluate and influence Workers' Compensation legislation and regulation development to ensure such promotes the timely provision of benefits that is balanced with employee and employer needs. | <ul style="list-style-type: none">• Evaluated and reported the Workers' Compensation cost drivers impacting the Fire Department. Included recommendations to improve processes and influence cost escalation (see link below). <p>http://file.lacounty.gov/SDSInter/bos/bc/1135006_12.29.22ReportBackonAssessme ntofChallengesandOpportunitiesinLACFIRE.bm.pdf</p> <ul style="list-style-type: none">• Assisted in evaluating the feasibility of implementing a Loss Portfolio Transfer of select Workers' Compensation liabilities. |
|---|---|

Workers' Compensation Program — Objectives FY 2023-24

- | | |
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| <ul style="list-style-type: none">• Execute a Loss Portfolio Transfer, transferring select Workers' Compensation liabilities to an approved and qualified excess insurance carrier. This is planned to occur in January 2024.• Assist Fire Department's Disability Management and Compliance Section (Fire DM) in retiring their current Workers' Compensation tracking system and leveraging the economies and capabilities of the Ventiv Claims Enterprise (VCE) system.• Continue to evaluate VCE robotic process automation capabilities to reduce resources related to mundane claims management tasks. | <ul style="list-style-type: none">• Continue to work with public and private sector employers to evaluate Workers' Compensation legislation, regulation development, and critical issues impacting the County Workers' Compensation Program.• Continue to engage Fire Department's executive team to increase focus and influence on legislation that impacts their Workers' Compensation costs.• Evaluate implementing data analytic tools to improve reserving and identifying high-cost Workers' Compensation claims. |
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LIABILITY CLAIMS AND RECOVERY

The Liability Claims and Recovery Unit assists in overseeing administration services for incidents, claims, and lawsuits, for automobile, employment, general liability, medical malpractice, and hospital liability matters. These services are performed under contract by two TPAs, Carl Warren and Company (Carl Warren) and Intercare Holding Insurance Services (Intercare). In addition, CEO Risk Management staff represents the County in cases that are filed in the Superior Court Small Claims Division.

Carl Warren provides administration services for incidents, claims, and lawsuits, for automobile, employment, and general liability matters. In addition, Carl Warren provides County Counsel with litigation management and support services for automobile, general liability, employment, and social services matters. These services include tracking litigation costs and expenses, participating in roundtable meetings, and attending and/or monitoring legal proceedings.

During the first half of FY 2022-23, Intercare Insurance Services, Inc., was responsible for medical malpractice, hospital liability, and limited general liability incident reporting, claim administration, and litigation management support services. As a result of the County's solicitation process, these responsibilities were transferred to Sedgwick Claims Management Services (Sedgwick) on January 1, 2023. These services include early investigation that is defined as contractor-initiated activity resulting from the decision to set up a claim file, or the immediate recognition of extraordinary case circumstances. The activities include immediate contact with those employees, witnesses, and other individuals having any involvement in, or knowledge of, an incident.

Additionally, Sedgwick staff participate in roundtable meetings and present a medical/legal analysis of the incident and provide a recommendation on best resolution opportunities.

Liability Claims and Recovery staff work closely with County Counsel staff to ensure litigation management processes are operating efficiently and providing attorneys with required services. Staff review liability and medical malpractice claims weekly in triage meetings to identify high-exposure claims for monitoring. The triage meetings are attended by the County Risk Management Inspector General and Loss Control and Prevention staffs to ensure the information is shared with appropriate CEO Risk Management personnel.

Recovery is a critical component of the Liability Claims and Recovery Unit. Recovery staff focus efforts on identifying, analyzing, and implementing plans of actions necessary to pursue recoveries. These recoveries can result from asserting subrogation rights, protections afforded under contractual indemnification provisions, insurance contracts, contribution obligations, and identifying and pursuing responsible parties for damages and costs.

ACTIONS



LIABILITY CLAIMS AND RECOVERY (Continued)

LIABILITY CLAIMS

While all liability claim types experience an increase in frequency, general liability claims saw a higher rise of approximately 45% (see table below). This increase was caused by the filing of 12,281 environmental hazard claims. These claims were the result of an unprecedented incident that occurred in September 2021, which caused noxious odor in a stretch of the Dominguez Channel near the City of Carson. County Counsel, Carl Warren, and Liability Claims and Recovery staff partnered to address the multitude of claims that arose from this event. The filing of such claims stabilized by the second half of FY 2022-23, recording 671 new claims in the third quarter and no additional claims in the fourth quarter.

RECOVERY



COST

Claim Type Frequency	FY 2020-21	FY 2021-22	FY 2022-23
Vehicle Liability	805	819	1,069
Law Enforcement Liability	575	574	764
Employment Practices Liability	116	189	206
Other General Liability	2,255	10,540	15,292
Medical Malpractice	142	90	165
TOTAL	3,893	12,212	17,496

Medical Malpractice claims saw an increase of reported claims from 90 in FY 2021-22 to 165 in FY 2022-23. This represents an increase of approximately 83%. The communication and optimal resolution process (CANDOR) was implemented on 10 claims. Six of those claims settled with legal and cost expense avoidance estimated between \$50,000 to \$100,000 per claim.

Primary Cause	Claim Count	Medical Malpractice Liability Causes
Bodily Injury Only Accident	13	7.88%
Procedure (including surgery)	18	10.92%
Diagnostic Cases	45	27.27%
Wrongful Death	9	5.45%
Other	80	48.48%
Total	165	100.00%

LIABILITY CLAIMS AND RECOVERY (Continued)

SMALL CLAIMS UNIT

The Small Claims Unit represents the County in cases filed in the Superior Court Small Claims Division. The Unit also administers lost or stolen property claims filed against the departments of Health Services and Sheriff. In FY 2022-23, the Unit represented the County in 50 small claims court actions and prevailed in 90% of the those.

The Small Claims Unit staff administer recovery efforts made on behalf of the Department of Public Works and assist in large property claims made against the County. In addition, the Unit provides reimbursement recommendations to line departments on claims related to the County's mileage permittee program.

RECOVERY UNIT

A fundamental function of the Recovery Unit is to identify opportunities to recover funds from various sources. As indicated, those sources include parties that are totally or partially responsible for the loss, insurance, and contractual indemnification obligation. To maximize outcomes, the Recovery Unit partners with TPAs, insurance claims experts, and County Counsel staff to ensure the County's recovery rights are protected.

Workers' Compensation subrogation rights are outlined in the California Labor Code. The Recovery Unit developed procedures to maximize subrogation identification and recovery. This includes coordinating efforts with the Workers' Compensation TPA, contract law firms, and CEO Risk Management staff. In FY 2022-23, there was \$2,373,452 in Workers' Compensation recovery, which includes but is not limited to excess Workers' Compensation insurance recovery.

In FY 2022-23, there were combined recoveries of \$15,872,182 on the Liability Program. This was driven, in part, by two major property insurance recoveries, specifically: 1) Recovery of \$3,627,325 on the Library Headquarters' loss from the fire that occurred on November 9, 2021; and 2) Recovery of 10, 000,000 from the Department of Public Social Services' building fire that occurred on March 8, 2023.

RESOLUTION



ACTION

LIABILITY CLAIMS AND RECOVERY—ACCOMPLISHMENTS FY 2022-23

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| <ul style="list-style-type: none">• Staffed all critical vacancies caused by retirements and properly trained the new employees.• Continued to assist in the administration and management of liability and medical malpractice/hospital liability claims.• Continued to monitor and enhance, as needed, VCE Module 1 – Liability Claims.• Continued to collaborate with RMIG staff to ensure costly and sensitive claims are identified as early as possible.• Continued to work with County Counsel staff to ensure litigation management processes are robust and effective.• Successfully transitioned to a new Medical Malpractice and Hospital Liability Claims TPA. | <ul style="list-style-type: none">• Actively collaborated with the CEO Contracts Unit on releasing a Request for Proposals for the Automobile and General Liability and Legal Defense Management Services contract.• Responded to the urgent claims administration and litigation management needs caused by the Dominguez Channel noxious odor incident related to the California new Assembly Bill 218 law.• Collaborated with County Counsel staff to leverage existing processes related to County excess insurance recovery identification and pursuit. |
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LIABILITY CLAIMS AND RECOVERY—OBJECTIVES FY 2023-24

- | | |
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| <ul style="list-style-type: none">• Staff a vacant position caused by an incumbent's promotion.• Cross-train staff in commercial insurance claims and mileage permittee program to optimize unit resources, efficiency, and effectiveness.• Continue to work with CEO Risk Management Fiscal to ensure sound fiscal policies are implemented and improve the estimation of future outstanding liabilities. | <ul style="list-style-type: none">• Continue collaborate with County Counsel staff to leverage existing processes related to County excess insurance recovery identification and pursuit.• In conjunction with the CEO Contracts Unit, finalize a selection of a new TPA for the Automobile and General Liability and Legal Defense Management Services contract.• Facilitate a seamless transition to the selected TPA for Automobile and General Liability and Legal Defense Management Services contract. |
|--|--|

TREND ANALYSIS

WORKERS' COMPENSATION

CAUSES OF INCIDENTS

The County employs over 100,000 employees with diverse occupational exposures and thousands of job descriptions. While each department has hazards that pose specific risks to its employees, the overall exposure in FY 2022-23 can be summarized into the following six classifications for approximately 88.3% of the injuries sustained by County employees.

ASSAULT (12.0% of all claims)

Assaults include all aspects of a third party combating with County employees. Departments with the majority of assaults include: Sheriff (63.0%), Probation (18.5%), and Health Services (15.1%).

CUMULATIVE TRAUMA/BODILY INJURY (14.5% of all claims)

Cumulative trauma and bodily injury include injuries that are sustained over time due to the repetitive motion of the work performed on the job. Departments with the most cases include: Sheriff (40.9%), Fire (17.0%), Health Services (13.9%), and Public Social Services (6.2%).

EXPOSURE (27.1% of all claims)

This category includes exposure to physical hazards which involves particulates, fumes, and chemicals; environmental exposure including heat, cold, sun, and noise; and biological hazards including blood, body fluids, viral, and bacterial exposures. Departments with the most exposure cases include: Sheriff (73.2%), Fire (14.0%), and Health Services (7.2%). This includes most COVID-19 claims.

OVEREXERTION (21.1% of all claims)

Overexertion includes those that involve strain or injuries due to lifting, carrying, pushing, or pulling. Departments with the most cases include: Fire (28.8%), Sheriff (28.1%), Public Social Services (11.0%), and Health Services (8.1%).

STRUCK BY/OR AGAINST (5.7% of all claims)

This category includes injuries resulting from being struck/crushed by a human, animal, or inanimate object, or by force that is not vehicle related. Additionally, this can include injuries caused by striking against something or someone, or from flying or falling objects. Major Injury Cause categories include: Struck or Injured By, Rub or Abraded By, and Struck Against or Stepping On. Departments with the most cases include: Health Services (29.0%), Sheriff (17.5%), and Fire (14.5%).

FALL, SLIP, OR TRIP (7.8% of all claims)

This category includes falling down in the office environment which includes stairs, chairs, escalators, elevators, and over various floor surfaces. Externally, this includes falling from vehicles, ladders, rooftops, and surfaces in parking lots, sidewalks, and in rough terrain. Departments with the most cases include: Sheriff (30.5%), Health Services (24.1%), and Fire (12.7%).

OTHER (11.7% of all claims)

This category includes all other causes, including, but not limited to: presumptive injuries, cardio-vascular-related injuries, caught in or between injuries, and transportation-related injuries. Departments with the most cases include: Sheriff (57.8%), Health Services (25.1%), and Fire (5.2%).

TYPES OF WORKERS' COMPENSATION CLAIMS BY DEPARTMENT

Types of Claims by Department:					
	Fire	Health Services	Probation	Public Social Services	Sheriff
Assault	0.3%	13.0%	1.4%	48.7%	15.3%
Cumulative Trauma	16.7%	14.5%	19.5%	7.0%	12.0%
Exposure	25.6%	13.9%	4.7%	5.7%	40.1%
Fall, Slip, or Trip	6.7%	13.5%	14.2%	9.8%	4.8%
Overexertion	41.0%	12.3%	50.2%	19.5%	12.0%
Struck By/Or Against	5.0%	5.1%	6.1%	3.5%	1.7%
All Other Claims	4.8%	27.9%	3.8%	5.9%	14.0%
	100.0%	100.0%	100.0%	100.0%	100.0%
Top six types of claims account for 88.3% of all claims in FY 2022-23.					

PREVENTION

MEDICAL



CARE

AVOIDANCE

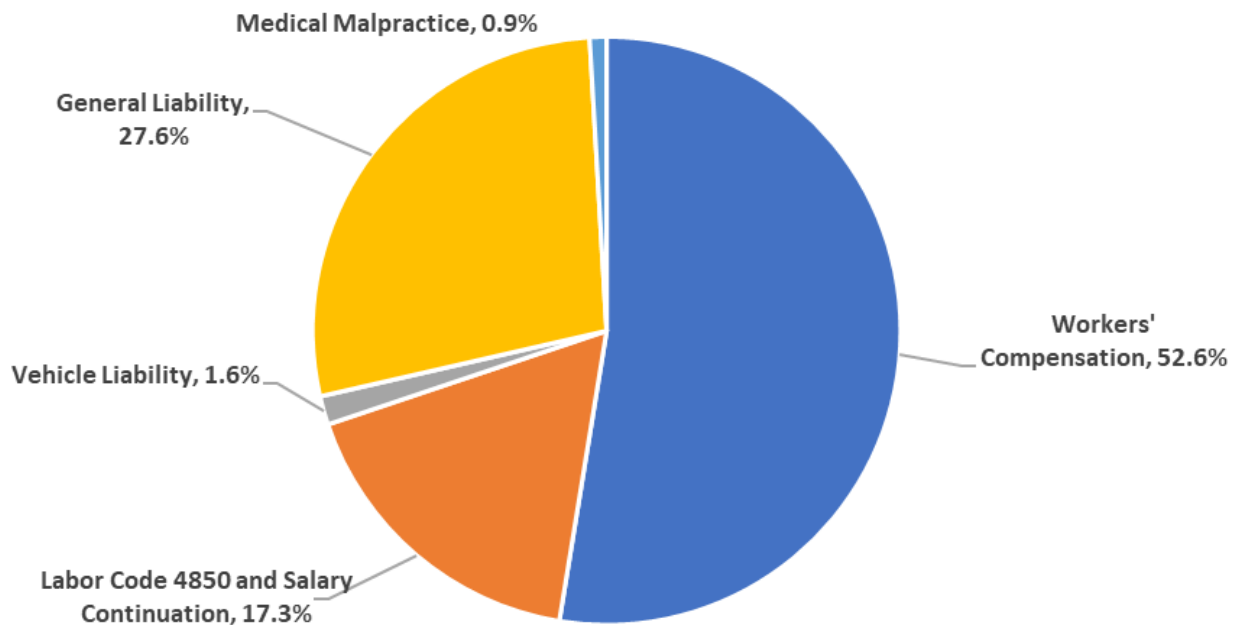
LIABILITY CAUSE ANALYSIS

The operations and functions of the departments expose the County to several risk factors that result in liability. While each department has risks specific to their operation, the overall exposure can be summarized into five liability classifications:

- 1) Employment Practices Liability
- 2) Law Enforcement Liability
- 3) Medical Malpractice
- 4) Other General Liability
- 5) Vehicle Liability

Liability exposures account for 30.2% of the County's Total Cost of Risk.

Total Cost of Risk as illustrated in the chart below.

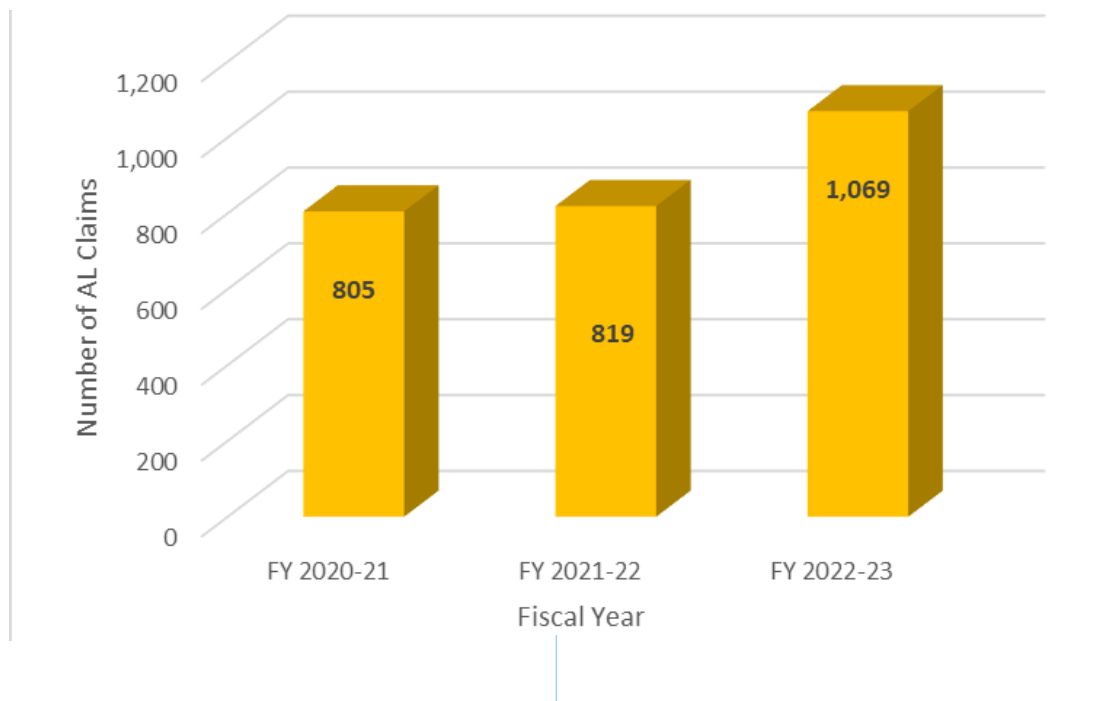


VEHICLE LIABILITY CLAIMS

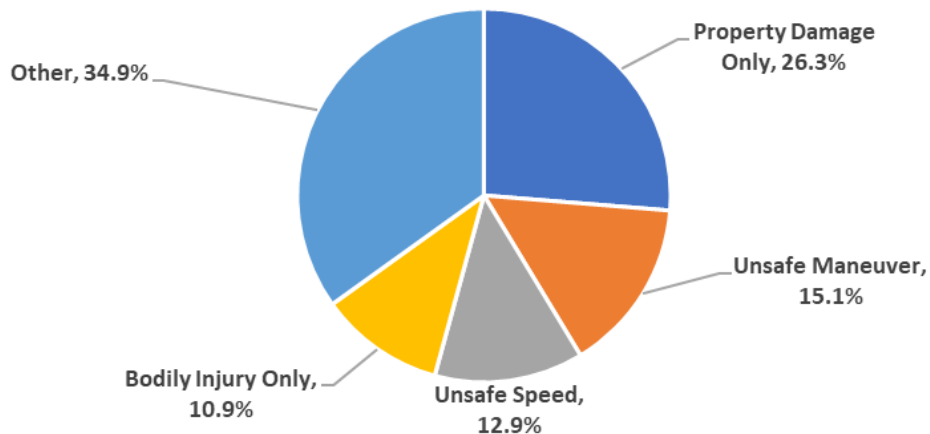
The County's Vehicle Liability frequency increased 30.5% from FY 2021-22 to FY 2022-23. The cost of Vehicle Liability claims decreased by approximately 42.0% during the same time period.

Data shows there were increases in all types of Vehicle Liability accidents in FY 2022-23. Unsafe maneuvers and unsafe speeds account for about a third of all accidents.

Vehicle Liability represents approximately 1.6% of the County's Total Cost of Risk.



Vehicle Liability Causes



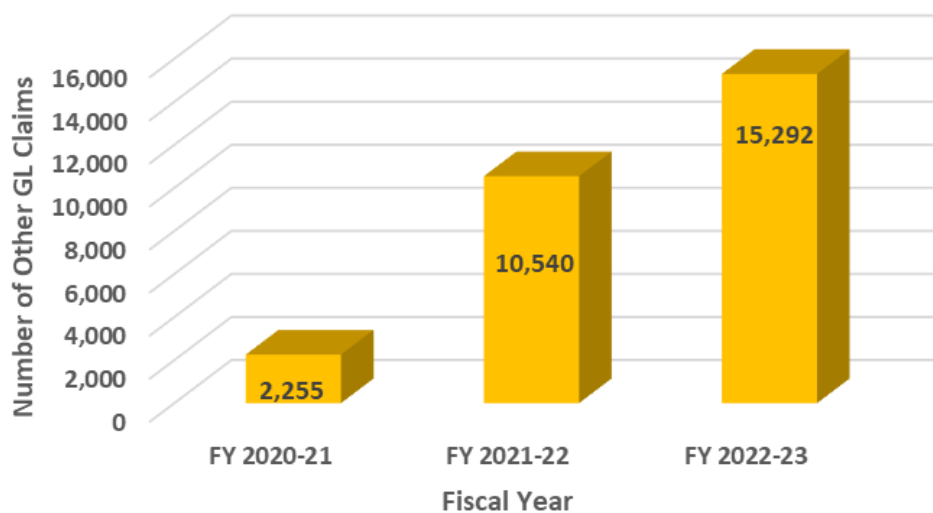
OTHER GENERAL LIABILITY CLAIMS

Other General Liability includes all claims filed against the County that are not classified as Employment Practices, Medical Malpractice, Vehicle, or Law Enforcement. This includes dangerous conditions and property-related claims. Claims in this category also include non-tort claims, which include taxation, elections, redevelopment, and billing disputes.

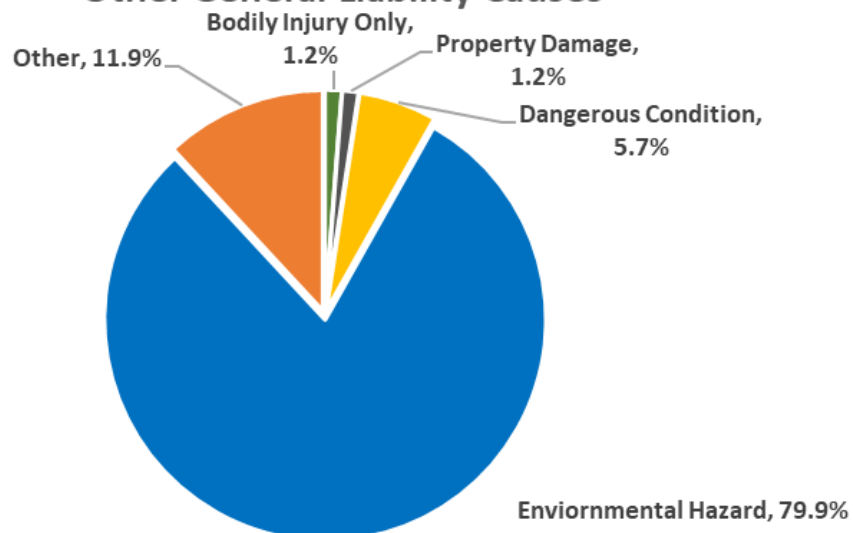
The Other General Liability frequency increased by approximately 45.1% from FY 2021-22 to FY 2022-23.

Other General Liability represents 12.8% of the County's Total Cost of Risk.

Other General Liability Claims Frequency Trend



Other General Liability Causes

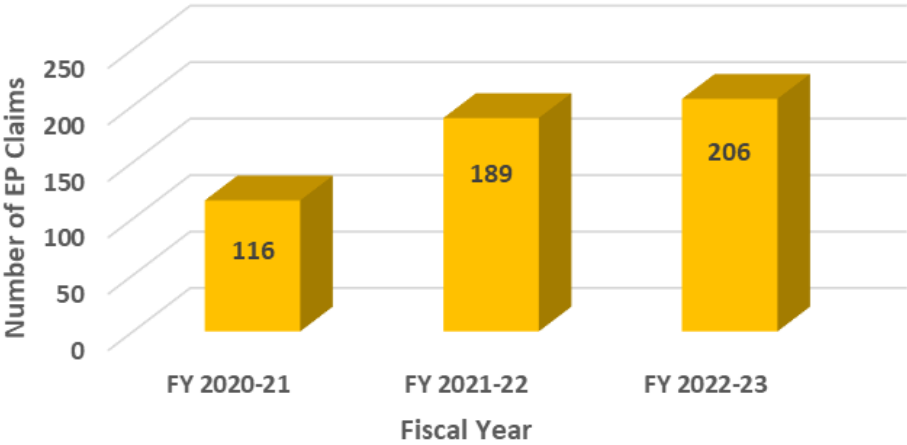


EMPLOYMENT PRACTICES LIABILITY CLAIMS

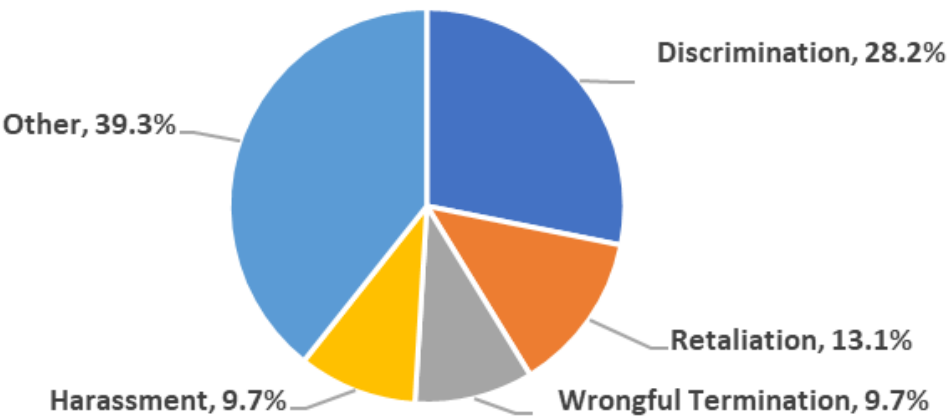
The County’s Employment Practices Liability frequency increased by 9.0% from FY 2021-22 to FY 2022-23. The County’s overall Employment Practices Liability expenses increased by 50.1%.

Employment Practices Liability represents 3.8% of the County’s Total Cost of Risk.

**Employment Practices Liability Claims
Frequency Trend**



Employment Practices Liability Causes

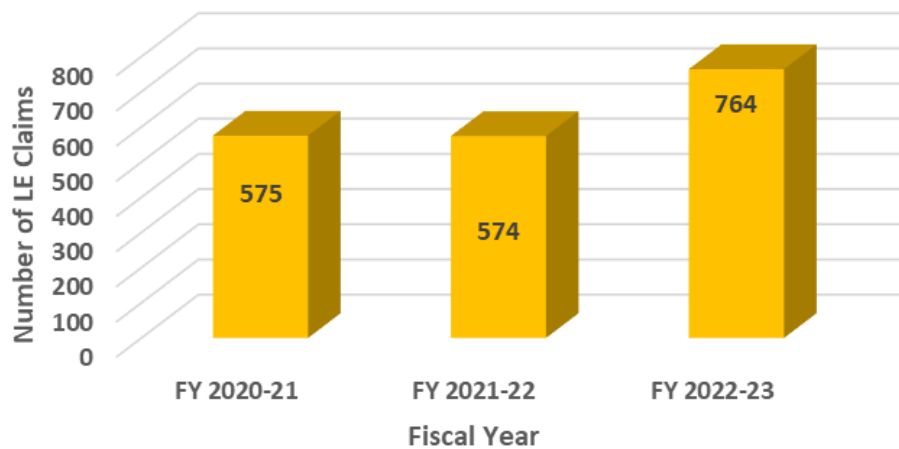


LAW ENFORCEMENT LIABILITY CLAIMS

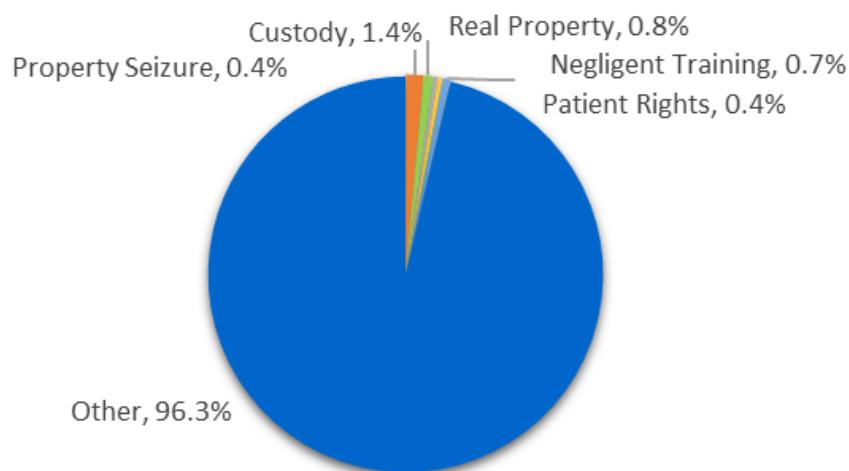
The County's Law Enforcement Liability frequency rate increased by 33.1% for FY 2022-23, compared to the previous FY, and paid expenses increased by 86.7%.

Law Enforcement Liability represents 11.0% of the County's Total Cost of Risk.

Law Enforcement Liability Claims Frequency Trend



Law Enforcement Liability Causes



■ Custody ■ Real Property ■ Property Seizure ■ Patient Rights ■ Negligent Training ■ Other

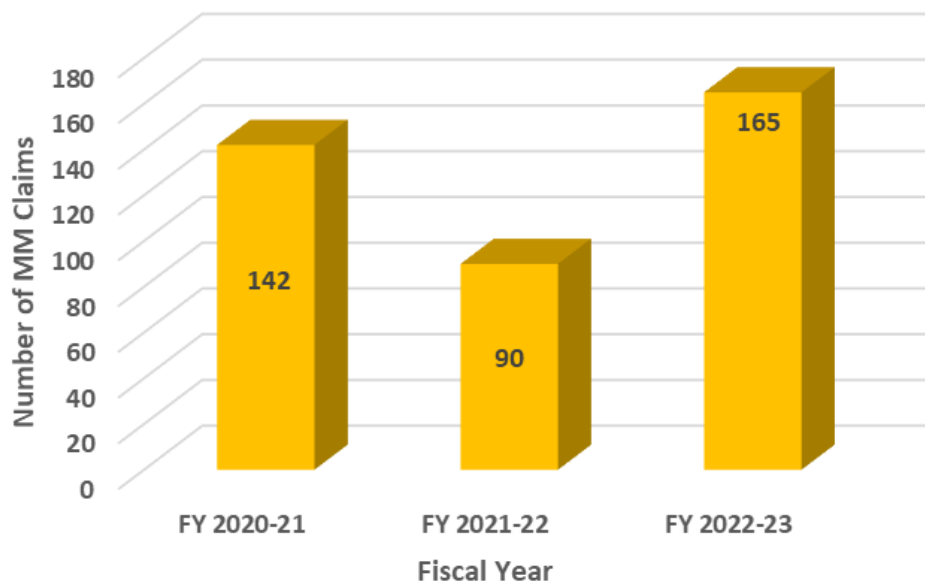
MEDICAL MALPRACTICE CLAIMS

Medical Malpractice Liability loss is attributable to various departments; however, the majority of the loss is related to care in hospitals. Hospital exposures are those related to patient contact; therefore, the more patients seen, the more probability that claims will arise.

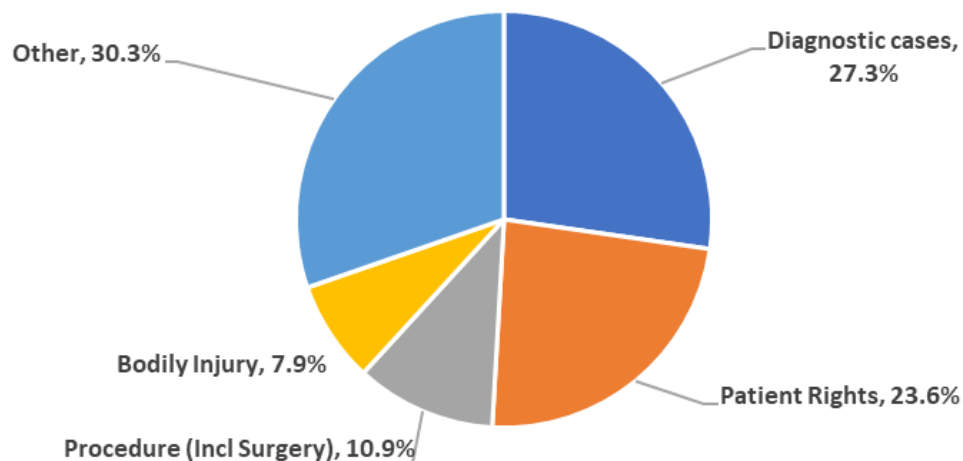
The County's Medical Malpractice Liability overall frequency increased 83.3% from FY 2021-22 to FY 2022-23. The primary type of claim filed against the County was for patient rights and diagnostic cases.

Medical Malpractice Liability represents 0.9% of the County's Total Cost of Risk.

Medical Malpractice Claims Frequency Trend



Medical Malpractice Liability Causes



LOSS CONTROL AND PREVENTION

The Loss Control and Prevention (LCP) Unit provides risk analysis and consultative assistance to find effective solutions for root causes of loss and training for all departments to ensure a safe and healthful environment for County employees and the public. LCP's efforts focus on departments with high-risk activities; however, regular assistance/support is provided to all departments upon request.

LCP's activities include the following:

- Addressing cost drivers associated with issues driving Workers' Compensation and tort liability costs, including vehicle, general, employment practices, and medical malpractice liability costs.
- Serving as subject matter experts on risk management and loss control issues involving California Occupational Safety and Health Administration (Cal/OSHA) inspections, inquiries, and informal conferences.
- Enhancing loss control and prevention knowledge and capabilities within County departments through Health and Safety Coordinators meetings, participation in departmental safety and risk management committees, and Countywide education and training efforts, which include:
 - Development of training videos, courses, and related content for placement and distribution through the Learning Link and the online Risk Management University.
 - Creating model guidance documents, policies, best practices, and safety bulletins on pertinent loss control issues, including new or amended regulations, or current issues affecting the County.
- Address cost drivers associated with issues driving Workers' Compensation and tort liability costs, including vehicle, general, employment practices, and medical malpractice liability costs.
- Coordinate risk management and loss control efforts with County departments by participating or leading agendas with Risk Managers, Safety Officers, Disability Management Coordinators, and safety committees.
- Establishing County loss control and prevention standards and assisting departments with their risk management related needs.
- Evaluating proposed legislation involving liability and safety for applicability to County departments' operations.
- Providing statistical risk management information to departments and assisting with the interpretation of the statistics.
- Enhancing and maintaining the Risk Management Branch's Internet site and the Joint Labor-Management Committee on Office Ergonomics Intranet site with new and updated material.

LOSS CONTROL AND PREVENTION — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23

LCP focused efforts on assisting County departments in compliance with new standards and regulations, as well as with existing standards in a diverse and dynamic work environment. Other significant accomplishments include:

Regulatory Compliance and Operational Effectiveness

- Provided over 500 consultations to departments on a variety of issues, ergonomics and telework, risk assessments, data analysis and interpretation, Cal/OSHA compliance, and occupational health, safety, and liability.
- Focused on departmental frequency and severity drivers through the development and implementation of training programs, policies, and guidelines, as well as field visits targeted to the source of risk.
- Monitored new or revised safety-related regulations and provided County departments with regular updates through emails, webinars, safety bulletins, trainings, and other related meetings to ensure compliance.
- Coordinated Quarterly Health and Safety Coordinators meetings attended by over 300 County Risk Managers, Safety Officers, Human Resources personnel, and others with safety responsibilities. The meetings covered:
 - Cal/OSHA standards and regulations including the Injury and Illness Prevention Program
 - Teleworking and Ergonomics
 - Cal/OSHA Regulatory Updates
 - Industrial Hygiene

- Served as liaison between County departments in multi-tenant locations to ensure that each department's efforts work in unison with each other, maximizing effectiveness and reducing redundancies.
- Actively worked with County departments, subject matter experts, and vendors to coordinate training video development to enhance the educational opportunities on Risk Management's education library.

Cumulative Trauma Disorders/Overexertion Claims

- Developed and gathered resources for County departments to utilize to ensure employees performed their work-related duties in a safe and healthful manner in telework assignments.
- Presented at several Departmental Human Resources Managers' and Telework Managers' meeting to discuss County responsibilities and safety strategies related to telework and remote work locations.
- Worked with County departments through meetings, webinars, and other opportunities to ensure telework and ergonomics policies, procedures, and guidelines are in adherence with regulatory requirements and established best practices.
- Continued to enhance the Joint Labor-Management Committee on Office Ergonomics website to include information on telework, self-assessment evaluation software, and training opportunities.

Training and Development of Countywide Risk Management Staff

- Served as subject matter experts in the recruitment, screening, and interview process for potential risk management staff at County departments.
- Enhanced the standard product list for ergonomic equipment used by departments and the County's Workers' Compensation Third-Party Administrators as part of an integrated cost containment strategy related to ergonomic evaluations for Workers' Compensation cases.
- Actively worked with County departments, subject matter experts, and vendors to coordinate training video development to enhance the educational opportunities on the Risk Management Branch's education library.

- Participated in Countywide safety and risk management committees which provided networking opportunities for risk management personnel in social service departments.
- Utilized the virtual Quarterly Health and Safety Coordinators Meetings to provide County risk management personnel with regulatory updates and pending legislation.

COLLABORATION

PREVENTION

PREDICT

RESOLUTION

LOSS CONTROL AND PREVENTION — OBJECTIVES FY 2023-24

To aid departments in their efforts to reduce overall trends, LCP will focus on the following:

Automated External Defibrillators (AEDs) and Hands-Only CPR

- Assist departments in meeting the requirements of the Board motion which required AEDs installation in all buildings occupied by County employees.
- Coordinate the establishment of a Master Agreement for the procurement of AEDs and necessary installation equipment (including signage and cabinets) as well as replacement parts after use or expiration.
- Assist in the creation of the e-Learning course to be offered through the Learning Link for both AED use and Hands-Only CPR.
- Develop memorandum for Countywide distribution summarizing all resources available for meeting requirements of the Board motion.

Regulatory Compliance and Operational Effectiveness

- Work with departments to ensure their Occupational Safety and Health programs are revised and effective through regular meetings with department risk management staff and analysis of risk management related loss data.
- Assist departments in developing their Risk Management Plans and Risk Management Plan Status updates.
- Monitor new or revised safety-related regulations and provide impacted County departments with regular updates through safety bulletins, trainings, and other related meetings to ensure compliance.

- Continue to advise departments on regulatory compliance related to new or revised standards, Senate Bills, or other related legislation.

Telework and Ergonomics Compliance

- Provide departments with guidance on the County's responsibilities related to ergonomics and telework assignments.
- Work with other County departments through meetings, webinars, and other opportunities to ensure telework and ergonomics policies, procedures, and guidelines are in adherence with regulatory requirements and established best practices.
- Continue enhancement of the Joint Labor-Management Committee on Office Ergonomics website to include information on telework, self-assessment evaluation software and training opportunities.

EFFECTIVENESS

SCOPE

EFFICIENCY

RISK MANAGEMENT INSPECTOR GENERAL

The role of the CEO's Risk Management Inspector General (RMIG) is multi-faceted; first, it is responsible for assisting County departments in the development and approval of Corrective Action Plans (CAPs) and Summary Corrective Action Plans (SCAPs); second, it uses the information from the CAPs and SCAPs to foster liability loss control measures. Finally, RMIG collaborates with departments, CEO Liability Claims Management, and County Counsel to meet the mandates established by the Board of Supervisors (Board).

This includes the requirement of all County departments to include a SCAP approved by RMIG as part of any claim settlement over \$100,000.

Accordingly, RMIG manages CAPs and SCAPs through the following processes that incorporate all of the elements of loss control, claims management and Board mandates, as follows:

- Weekly review of all liability claims entered in the claims management system to determine early intervention, prevention, and containment efforts.
- Conduct detailed analysis of liability incident reports, claims, significant incidents, and adverse events, including monitoring adverse verdicts and items reported through various sources.
- Consult with departments and assist with their development of remedial corrections, CAPs and SCAPs.
- Assist in expediting claim settlements by pre-approving all CAPs and SCAPs prior to submission to the County Claims Board and/or the Board.

- Escalate requests for CAP and SCAP information through department management and the Board, as necessary.
- Conducts audits and investigations of liability issues at the direction of the Board, and/or those issues which RMIG deems appropriate.

RMIG participates in all cluster meetings (agenda and policy committees) which involve in-depth discussions of CAPs/SCAPs and case facts. These cluster meetings are attended by Board Deputies, departments, County Counsel, and CEO. The purpose of the meetings is to brief the Board Deputies on all relevant information, so they can brief the Board before final Board approval is sought for a case.

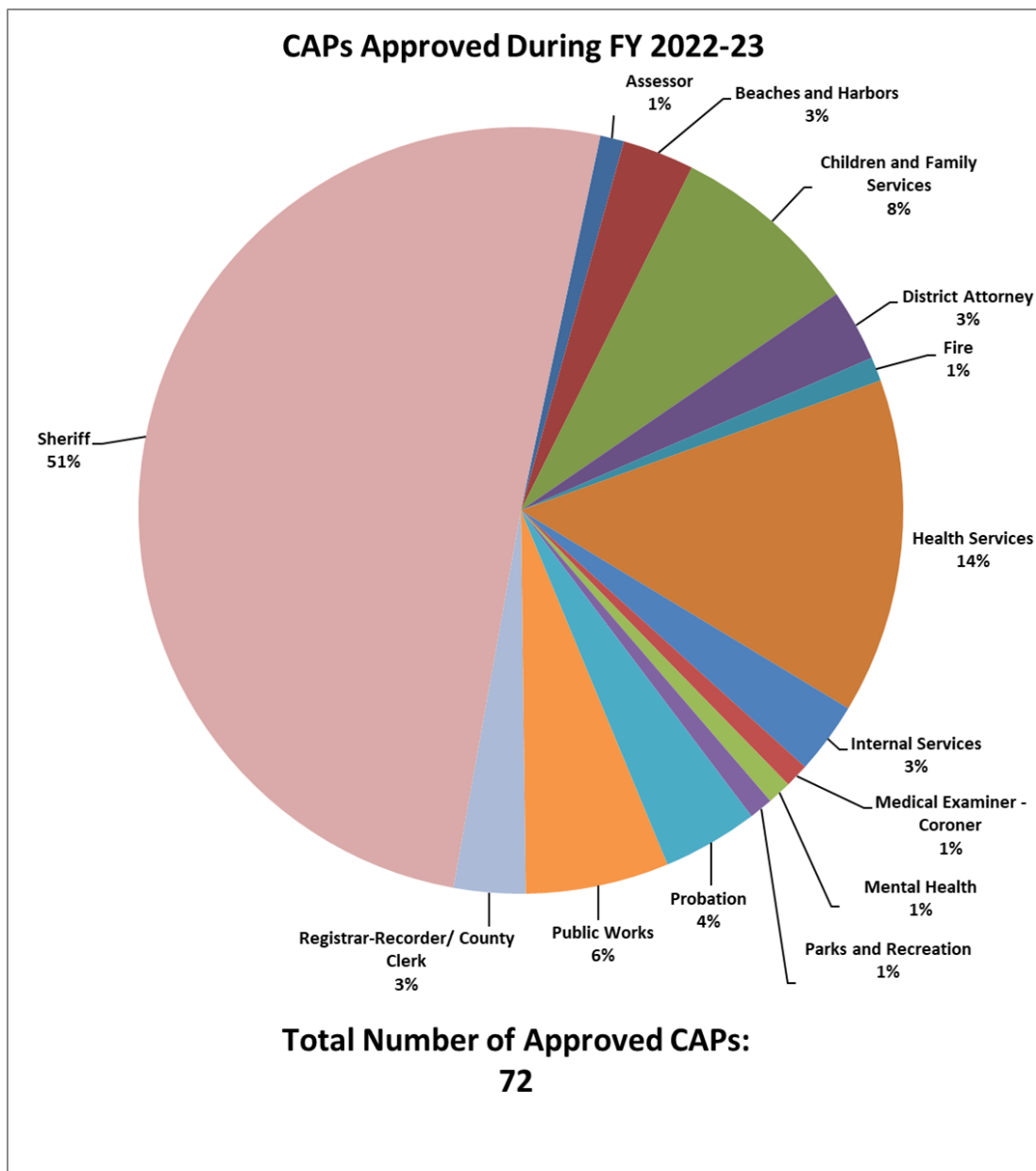
The number of CAPs approved by the Board during FY 2022-23 is illustrated on the next page.

AVOIDANCE



ACTIONS

CORRECTIVE

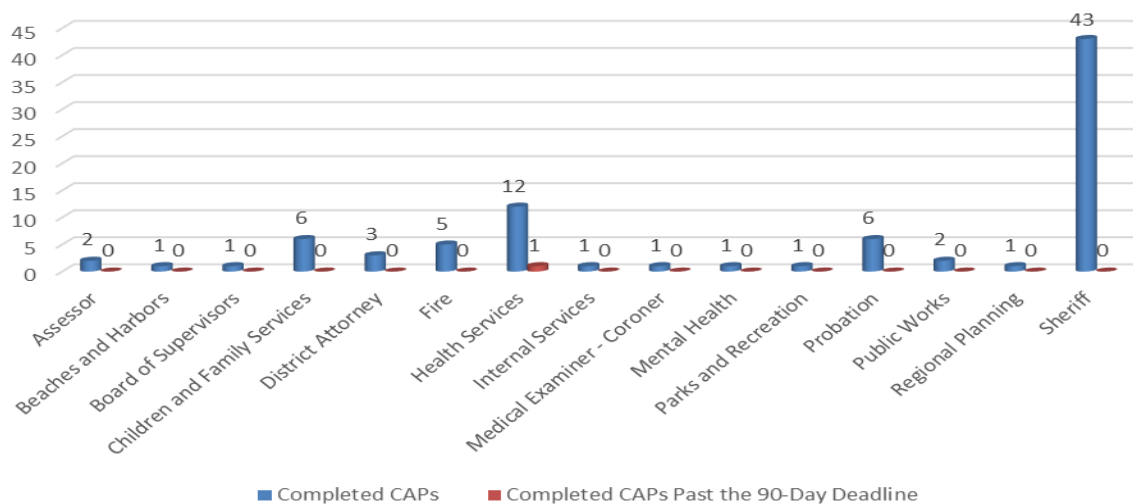


RISK MANAGEMENT INSPECTOR GENERAL — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23

RMIG collaborated with the Board, County Counsel, and various departments to improve the timeliness of CAPs and SCAPs by creating an entire new CAP and SCAP process in 2015. From the date of the notice of settlement, departments have 90 days to submit a final CAP. Since the implementation of the new guidelines, a majority of the departments have met these new deadlines without any challenges.

The charts below illustrate the number of CAPs completed within 90 days for FY 2022-23.

Department	Completed CAPs	Completed CAPs Past the 90-Day Deadline
Assessor	2	0
Beaches and Harbors	1	0
Board of Supervisors	1	0
Children and Family Services	6	0
District Attorney	3	0
Fire	5	0
Health Services	12	1
Internal Services	1	0
Medical Examiner - Coroner	1	0
Mental Health	1	0
Parks and Recreation	1	0
Probation	6	0
Public Works	2	0
Regional Planning	1	0
Sheriff	43	0
TOTAL	86	1



The quality of CAPs has significantly improved since 2015. CAPs now include more robust descriptions, supporting documentation, exhibits, and contain in-depth discussions as to the violations and/or systemic issues that occurred and how suggested corrective actions will address the problems in the present and into the future.

Open communication among departments reached new heights as departments work together on just culture (an approach to management of unintended outcomes in a humane and fair evaluation that identifies and corrects system contributors and human behaviors), CAPs, best practices, and sharing of information. Communication is key to having a strong and healthy organization and RMIG will strive to continually cultivate these open-door discussions.

Over the past several years, RMIG collaborated on the extensive development and implementation of a Comprehensive Claims Management System to integrate the Risk Compliance Management System into applicable claims metrics. RMIG identified methods by which electronic communications with department litigation and risk management staff can be incorporated into this new system. The system was successfully implemented for CEO and RMIG is actively tracking and working on corrective actions inside the new system.

RMIG conducted annual reviews of the departments' Risk Management Plans and determined each departments' risk position from a liability claims perspective. RMIG then scored departments based on multiple factors and worked with the departments to mitigate those potential damages. The factors considered include: 1) whether the department had tort claims filed against it and whether or not corrective measures were taken to mitigate the occurrence of repeat incidents; 2) the implementation of driver-related programs, trainings, and/or policies; 3) the administration and tracking of sexual harassment, discrimination, and Fair Labor Standards Act (FLSA) training; and 4) whether the department has a designated risk manager who participated in trainings offered by the CEO Risk Management Branch.

RMIG has finalized the Countywide Automated External Defibrillators (AEDs) and Hands-Only Cardiopulmonary Resuscitation (CPR) policy to establish fundamental procedures for the management and maintenance of AEDs in collaboration with the CEO Risk Management Branch's Loss Control and Prevention Unit, the Department of Human Resources, and County Counsel. To achieve success in this endeavor, CEO actively engaged with knowledgeable stakeholders from the Departments of Fire, Health Services, Mental Health, and Public Health. Consequently, on June 27, 2023, the Board approved a Board Policy to establish procedures for the placement, management, maintenance, and training on the use of AEDs and hands-only CPR in County facilities (owned and/or leased), for use by both employees and members of the public, should the need arise.

RISK MANAGEMENT INSPECTOR GENERAL — OBJECTIVES FY 2023-24

RMIG will continue to research and develop additional automation methods to incorporate reminders and routine processes into the software. Overall, the new system allows for the creation and tracking of CAPs and will automatically assign CAPs to relevant business areas and organizational structures. The new system is expected to generate a variety of status reports based on the progress of corrective actions and will further assist in correlating the impact of the CAP to other loss measurements. Additionally, the system provides a single clearinghouse for the storage of all reference documents and exhibits related to the CAP process.

Pursuant to a Board motion issued on June 6, 2023, RMIG will explore timeline feasibility of implementing system and software upgrades to incorporate a framework of accountability to include auditing, tracking, and compliance elements of all CAPs after Board approval is obtained. CEO will categorize all CAP steps into types, so that this can be reported back to Department Heads and/or their Risk Management designee(s), annually.



ACTIONS

RMIG continues to focus on liability loss control and incorporating data integration, tracking, and trending this fiscal year. RMIG will focus on proactive liability loss control measures instead of reactive measures which traditionally has been the practice. This will now also include identification and CAP audits of the five most risk-vulnerable County departments using liability claims data, which will be reported every other year beginning in FY 2023-24. For any CAPs that were not timely implemented by the identified risk-vulnerable departments, those departments will be deemed responsible to provide CEO with a written report back once pending corrective action steps and plans have been fully completed and implemented.

In collaboration with the CEO Risk Management Branch's Liability Claims and Recovery Unit, RMIG will continue reviewing, revising, and updating high-priority claims on a bi-weekly basis, as well as notifying executive management of any lawsuits settling for over \$5 million.

RMIG will continue to host presentations on topics of interest to departments.

Finally, RMIG will continue to conduct annual reviews of the departments' Risk Management Plans to determine each departments' risk position from a liability claims perspective. RMIG will score departments based on multiple factors and will work with the departments to mitigate potential damages.

RISK TRANSFER

The Risk Transfer Unit is responsible for purchasing commercial insurance Countywide, handling/issuing certificates of self-insurance Countywide, conducting insurance compliance reviews Countywide, and providing indemnification and insurance expertise to all County departments.

The County strives to obtain commercial insurance for multiple risks that could negatively affect the County. Examples of the types of commercial insurance procured are: Automobile, Aviation, Cyber, Crime, Fiduciary, Earthquake, General Liability, and Property. The County is constantly analyzing the risks and benefits by which obtaining insurance provides additional financial stability to the County and its constituents. The purchasing of insurance allows the County better protection when conducting day-to-day activities, as well as allowing the County to better serve its constituents by taking more proactive roles in public safety and health initiatives that may be of a higher risk but of a greater public value.

HIGH-RISK



FINANCE

RISK TRANSFER— SIGNIFICANT ACCOMPLISHMENTS FY 2022-23

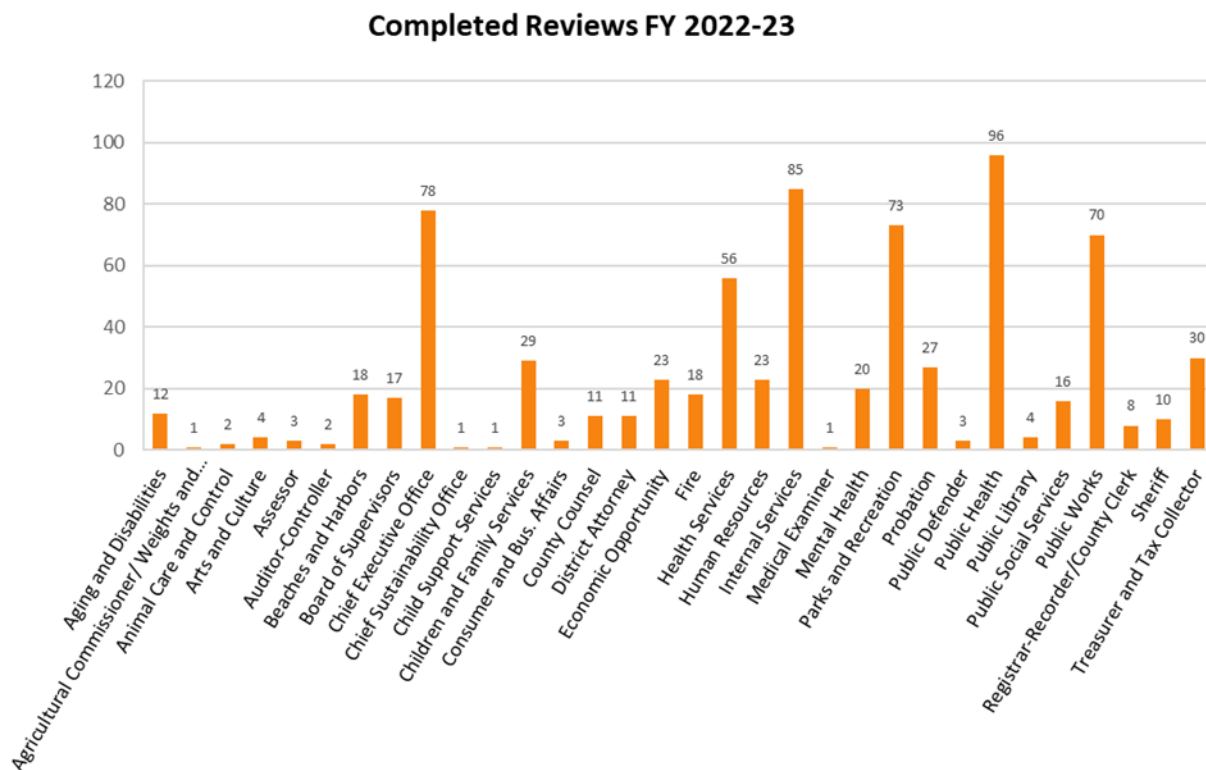
The Risk Transfer Unit reorganized the various insurance coverages and procured more robust insurance policies to better protect the County from emerging risks and losses caused by catastrophic events. The enhanced policies cover losses emerging from cyber-attacks, fire, flood, earthquake property damage, catastrophic workers' compensation losses, sexual misconduct liability, and general liability.

Risk Transfer created a triage system to determine high risk and essential buildings within the County of Los Angeles to assess the need to cover them with commercial insurance. This was accomplished in partnership with County departments, using the Deferred Maintenance Building Condition Assessments and the Asset Management Database. This fiscal year, the Risk Transfer Unit, working in conjunction with the Property Insurance broker and underwriters, continued to assess County properties and update building values.

Risk Transfer continued to provide Countywide insurance compliance reviews, indemnification and insurance trainings, and advice to all County departments on acceptable risk transfer techniques to protect the County from indemnity and legal costs associated with claims which may arise from the activities of County contractors.

RISK TRANSFER — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23 (CONTINUED)

Risk Transfer conducted 756 indemnification and insurance reviews for departments during FY 2022-23. Departments were advised on possible risks associated with various projects and were provided recommendations on how to decrease such risks. The graph below illustrates the number of reviews completed per department.



A sizeable portion of indemnification and insurance reviews for departments was related to the ongoing public health initiatives for the response to the COVID-19 pandemic, as well as increased Countywide initiatives related to creating housing and economic opportunities for the homeless population.

Risk Transfer implemented an online Certificate of Self-Insurance system in January 2017. As a result, the operating costs associated with the County Self-Insurance Certificate program decreased. All County departments can now more efficiently produce Certificates of Self-Insurance to meet their respective departmental needs.

Departments are often required to provide these certificates to various public and private entities for the County to conduct business on their property and/or for the public's benefit. Currently, all departments have access to the automated system and can produce their own Certificates of Self-Insurance within the requirements established by the County Risk Manager. This allows certificates to be expedited as needed and creates a more efficient way of conducting business. Tracking of the certificates is fully automated and certificates can be created and sent via email within minutes.

RISK TRANSFER — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23 (CONTINUED)

Risk Transfer continues to train departments on the Certificate of Self-Insurance system upgrades that were completed at the end of the last fiscal year and provides ongoing technical and administrative support.

The chart below illustrates the number of County Certificates of Self-Insurance completed during Fiscal Year 2022-23. A total of 698 certificates were completed by departments within this timeframe.

Department	Number of Certificates
Aging and Disabilities	4
Agricultural Commissioner/Weights and Measures	2
Animal Care and Control	6
Beaches and Harbors	1
Board of Supervisors, Executive Office	10
Chief Executive Office	124
Children and Family Services	25
Consumer and Business Affairs	2
District Attorney	3
Economic Opportunity	9
Fire	33
Health Services	53
Human Resources	2
Internal Services	10
Library	14
Mental Health	70
Parks and Recreation	18
Probation	9
Public Defender	1
Public Health	82
Public Social Services	31
Public Works	66
Regional Planning	2
Registrar-Recorder/County Clerk	73
Sheriff	48
Grand Total	698

RISK TRANSFER — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23 (CONTINUED)

During FY 2022-23, Risk Transfer participated in two Countywide trainings hosted by the Internal Services Department, with presentations dedicated to insurance and indemnification requirements for County contracts to County departments.

Risk Transfer was asked to collaborate with other departments on various projects, including, but not limited to, the following:

- Insurance requirements for Schools Use of Parks Program Memorandum of Agreement for the Department of Parks and Recreation;
- Public Records Act Requests related to the Public Officials Bond and Crime Insurance;
- Revisions to Cyber Insurance standard requirements in County contract and solicitation templates; and
- Changes to the insurance portion of the Guns and Ammunitions Dealer License Ordinance requested by the Treasurer and Tax Collector.

Risk Transfer has started drafting a comprehensive Insurance Manual for County Commercial Insurance and collaborating on the implementation of the comprehensive Risk Management Information System to integrate insurance policy management and asset management into the system's Loss Prevention module.

IDENTIFY

COLLABORATION



PREDICT

RISK TRANSFER — OBJECTIVES FY 2023-24

The Risk Transfer Unit will strive to insure as much County liability as is deemed financially responsible to protect County assets from unforeseen disasters. Continuing with this strategy, Risk Transfer is now in the process of obtaining higher limits of commercial excess coverage for Sexual Misconduct Liability and Cyber Liability, to further reduce risk to the County. Risk Transfer will continue to work in partnership with the Claims Unit on assessing the need for Excess Medical Malpractice insurance. Risk Transfer will also continue to collaborate with the departments on their department-specific commercial insurance needs and obtain department-specific insurance policies on an as-needed basis.

Risk Transfer will continue evaluating properties to determine high risk and essential County buildings. Decisions to add County buildings to the property insurance policy will be made from a risk management perspective and will consider various factors such as location, population, and function of the buildings to ensure that all properties have the necessary coverage.

Risk Transfer will continue to conduct live webinars and online training on topics of interest to departments as part of our ongoing training program. The training objective is to provide holistic risk management and risk transfer perspectives to the departments' contract administrator functions with the goal of mitigating the contractual risks for the County.

Risk Transfer will continue to collaborate with other departments on various Countywide projects to help assess potential risks and transfer them using diverse risk transfer techniques. Risk Transfer will continue building a partnership with the Office of the County Counsel and the Internal Services Department to combine legal, contracting, and risk management expertise to help the County improve its contracting solicitation, administration, and monitoring practices with small, medium, and minority-owned businesses.

Risk Transfer will continue to assist in the development of the Insurance module of the comprehensive Risk Management Information System by integrating County commercial insurance policies into the system. Risk Transfer objectives for the system are:

- To retain all County commercial insurance policies in electronic format for easy location, reference, and complete searchability.
- Maintain a complete list of the County properties covered by hazard insurance, including property values and business interruption values, for easy access related to claims.

Risk Transfer will revise and update the Insurance Manual for County Contracts with Vendors. In addition, Risk Transfer will complete the comprehensive Insurance Manual for County Commercial Insurance.

OFFICE OF PRIVACY

The Office of Privacy (OOP) is a division within Risk Management, and oversees the Countywide Privacy Program and privacy risk management activities among the County's 39 departments. OOP is led by the County's Chief Privacy Officer, who manages the development of the Countywide Privacy Program and ensures protection of the County's data and information from unauthorized access, modification, misuse, or destruction. The mission of OOP is to protect the County's data and information through centralized oversight of privacy and cybersecurity risk mitigation protocols, and focused governance over privacy program operations.

Privacy risk management functions depend on a unique interplay between the distinct objectives of OOP, the Internal Services Department's Cybersecurity Governance and Operations Branch (ISD-CGO), and the Office of the Chief Information Office (OCIO). While the OCIO and ISD-CGO are focused on the security of the County's information technology systems, infrastructure, and cybersecurity operations, OOP is focused on protection of the County's data and information that is processed and stored within those systems. The respective objectives of both OOP and OCIO provide holistic privacy and cybersecurity risk management functions with the goal of mitigating these risks for the County.

OOP also ensures Countywide compliance with federal requirements under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act. In addition, OOP oversees the Countywide HIPAA program, regulatory reporting activities, and coordinates with the County's HIPAA-covered departments to ensure compliance with applicable laws, regulations, and County policies.

OFFICE OF PRIVACY AND HIPAA

KEY PRIVACY OBJECTIVES

OOP manages the Countywide Privacy Program operations, with several key objectives:

- **Privacy and HIPAA Program Development**

Responsible for Countywide privacy policy development and program management, including Countywide HIPAA Privacy policies. The Countywide Privacy Program policies were approved by the Board of Supervisors on August 9, 2022, to establish unified and minimum standards across County departments for protecting County Information and Personal Information. OOP is engaging a consultant to implement programmatic requirements across the organization and ensure compliance with these policy requirements.

- **Centralized Oversight and Compliance**

Provide streamlined guidance to County departments on privacy-focused and HIPAA-focused initiatives, policies, training, risk assessments, audits, and compliance with applicable laws, regulations, and County policies. Collaborate with the County's Risk Manager to procure cyber-liability insurance coverage for the County. In FY 2022-23, OOP hired a contractor to assess County departments' compliance with HIPAA regulations as part of the HIPAA audit plan implementation, and the current audits are expected to continue through FY 2024-25.

- **Countywide Employee Training**

Deployment of enhanced Countywide Privacy Awareness Training and HIPAA Privacy and Security Training for applicable departments. In 2023, 70% of County employees completed the annual Countywide Privacy Awareness training, and 81% completed the required HIPAA Training.

OFFICE OF PRIVACY AND HIPAA KEY PRIVACY OBJECTIVES (CONTINUED)

- **Privacy Incident and Breach Response**

Ongoing development of incident response and breach response protocols for privacy and/or HIPAA-related incidents, along with consultation with the County's Incident Response Teams, for timely response actions, to ensure compliance with applicable laws, regulations, and policies, and any breach response obligations, as applicable.

- **Third-Party Vendor Management**

Provide technical guidance on the County's contract provisions to ensure the protection of County's data and Protected Health Information, assist with privacy risk assessments of the County's third-party vendors, review Business Associate Agreements, and provide guidance on privacy risk assessments of the County's third-party vendors.

OFFICE OF PRIVACY—OBJECTIVES FOR FY 2023-24

OOP's objectives are centered around the ongoing development of a Countywide Privacy Program that provides a foundation for the appropriate management and protection of County Information, including Personal Information and Protected Health Information. The Countywide Privacy Program is guided by the principles of protection of County Information, ethics regarding the use of Personal Information, transparency about the collection and use of County Information.

OOP plays a vital role in managing risks associated with privacy and cybersecurity for the County. Following the Board of Supervisors' recent adoption of a new chapter of Board policies pertaining to Privacy (Chapter 10) in FY 2022-23, OOP will continue overseeing department-wide implementation of these policy requirements. To ensure compliance with Board Privacy policies and applicable laws and regulations, OOP is implementing several enterprise-wide protocols, which include ongoing updates to incident and breach response procedures, deployment of privacy threshold and privacy impact assessment tools, enhanced privacy awareness training and HIPAA training for employees, and other privacy program initiatives.

In addition, the County's HIPAA-covered departments are undergoing HIPAA audits, in accordance with the County's HIPAA audit plan, to ensure that the necessary controls are in place to safeguard the privacy and security of all health information, as mandated by HIPAA regulations. OOP will continue to collaborate with individual County departments to address their specific privacy requirements while maintaining an enterprise-wide perspective on the County's privacy framework and programs.

OVERSIGHT



RISK

AUTHORITY

RISK MANAGEMENT FINANCE

The Risk Management Finance Unit (Finance) provides general accounting and internal auditing services for the various programs within CEO Risk Management. General accounting services include budget, department billing, vendor request processing, warrant service requests, invoice payments, County fund transfers, and direct deposit assistance for vendors and claimants.

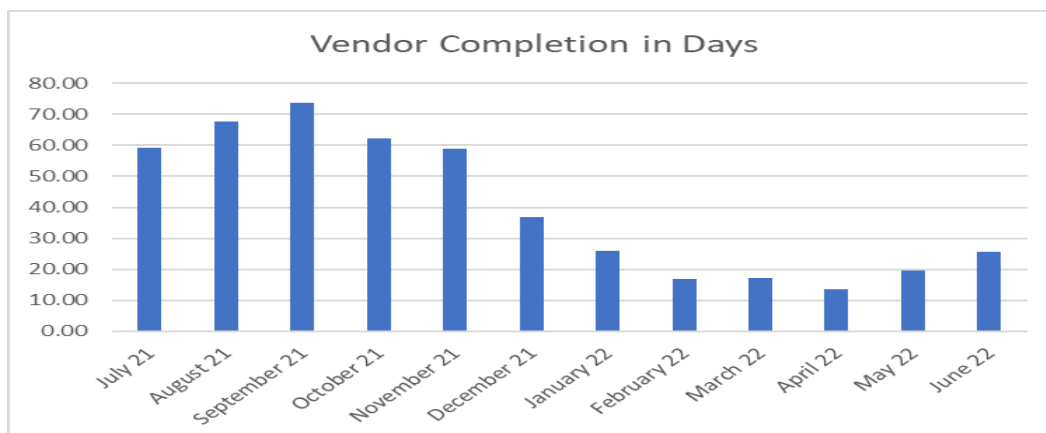
Internal auditing services include performing Workers' Compensation payment reviews, contract invoice reviews, and internal control reviews, amongst others.

Additionally, Finance provides accounting services for the County's Disability Management Program, which is overseen by the Department of Human Resources.

RISK MANAGEMENT FINANCE — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23

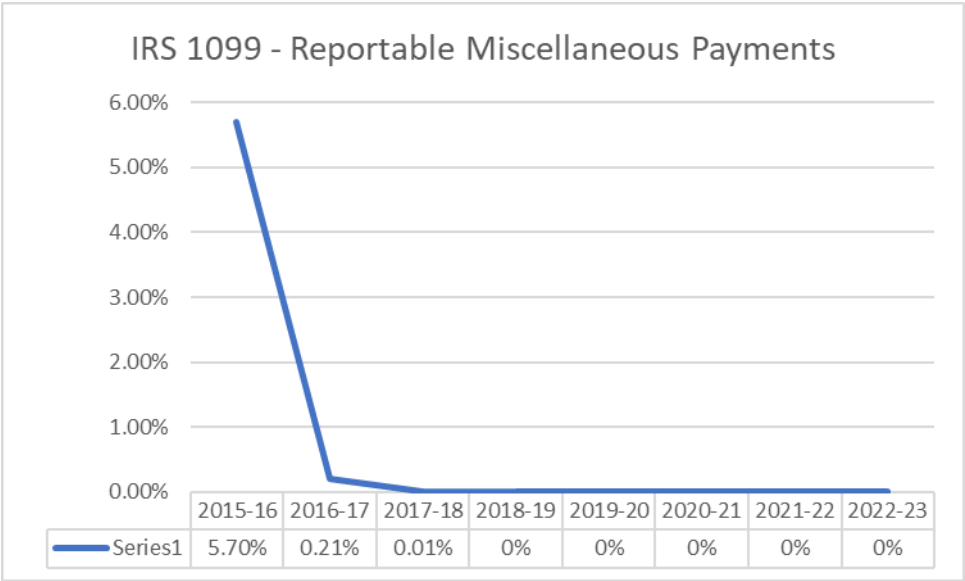
In February 2021, the Ventiv Claims Enterprise (VCE) Workers' Compensation module went live. This module is regularly used by Finance. Improvements continued as Finance staff became more skilled at using VCE in tandem with the upgrades that have rolled out:

- Continued low error rate of incorrect vendor data entry. Since VCE interfaces with eCAPS, the County's financial system, the previous procedure of duplicate vendor data entry was eliminated; thereby providing a time saving benefit and a low vendor data entry error rate.
- Continued low number of manual 1099 reporting to the Auditor-Controller. A vast majority of 1099 reporting to the Auditor-Controller is performed in VCE. Only a small number of manual 1099 reporting was completed in December 2022.
- Vendor table is continually updated. VCE successfully receives vendor post-back files, which automatically activates and deactivates vendors resulting in a vendor table that is regularly updated. Maintaining a current vendor table decreases fraud and prevents payments from being rejected due to an inactive eCAPS vendor status.



RISK MANAGEMENT FINANCE — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23
 (CONTINUED)

Since FY 2016-17, Finance continued to maintain a low percentage of payments issued as miscellaneous and considered Internal Revenue Service 1099-reportable. For FY 2022-23, there were 0% IRS 1099-reportable miscellaneous payments. Maintaining a low percentage decreases the risk of fraudulent payments as miscellaneous payments are made to vendors that are not in eCAPS and therefore have not been screened.



RISK MANAGEMENT FINANCE — SIGNIFICANT ACCOMPLISHMENTS FY 2022-23 (CONTINUED)

- | | |
|---|---|
| <ul style="list-style-type: none"> • Throughout FY2022-23, Finance experienced significant staffing shortages, specifically in budget and the processing unit. However, Finance was fully staffed by the end of the fiscal year. • Continued to assist County departments recover funds that were erroneously intercepted by Medicare and streamlined an internal process of handling a department's Medicare reimbursement request. • In collaboration with Auditor-Controller and CEO's Information Technology Services, resumed the Workers' Compensation Direct Deposit Pilot Program for Fire Department claimants, making significant progress. On June 30, 2023, all vendors had been created. • Processed 1,495 vendor requests. • Processed 261 retro Temporary Disability (TD) requests. | <ul style="list-style-type: none"> • Completed four Workers' Compensation third party administrator duplicate/overpayment reviews. No high-priority findings. • Completed two Workers' Compensation eCAPS payments internal control plan reviews. No high-priority findings. • For FY2022-23, the Internal Audit Unit began performing Contract Invoice Payment Reviews. From July 1, 2022 through December 31, 2022, reviewed invoice payments for nine contracts. No high-priority findings. From January 1, 2023 through June 30, 2023, reviewed invoice payments for 12 contracts. No high-priority findings. • Continued reviewing the Provider Suspension List identified by the State of California, Department of Industrial Relations to determine if any of the providers are County vendors. |
|---|---|

RISK MANAGEMENT FINANCE — OBJECTIVES FY 2023-24

- | | |
|---|---|
| <ul style="list-style-type: none"> • Complete the Workers' Compensation Direct Deposit Pilot Program for Fire Department claimants. • Begin the Workers' Compensation Direct Deposit Pilot Program for Sheriff Department claimants. • Consolidate and reformat the Insurance Budget accounting schedules. • Streamline the Insurance Budget reconciliation and billing process. • Continue to assist County departments with erroneous Medicare interceptions and develop procedures to reconcile the TK7 trust fund. | <ul style="list-style-type: none"> • Transition the finance portion of CEO Claims Unit to Finance. • Continue to integrate the Insurance Budget accounting with the Workers' Compensation Budget accounting. • Continue creating and refining VCE reports for program analysis. • Continue working with the vendor on the Audit Management System. • Cross train new staff. • Update procedure manuals. |
|---|---|

RISK MANAGEMENT PERFORMANCE METRICS

On March 9, 2021, the Board directed the CEO, in collaboration with all County departments, to establish performance metrics to measure departmental risk management performance, including, but not limited to, areas of loss prevention, privacy, and workers' compensation/return-to-work.

CEO Risk Management and the Department of Human Resources convened to establish performance metrics based on several factors to rank departmental risk management performance. Performance metrics included an aggregate score that integrated Workers' Compensation and liability claim performance (weighted 75%) and departmental risk management efforts and activities as identified in departmental Risk Management Plans (weighted 25%), thereby creating a scoring metric that ranked departments through accrued points. Department arduous ratings were also utilized to normalize Workers' Compensation and liability claims performance across all County departments.

Service clusters were used to group departments, determine departmental performance, and identify the lower performing department (bottom ten percent) for each cluster. The following departments ranked in the bottom ten percent for FY 2021-22. CEO Risk Management and the Department of Human Resources met regularly with these departments to better focus their risk management efforts. Some of the activities undertaken by these departments are:

Children and Family Services

(Family and Social Services Cluster)

- Reinstated the Department's Workplace Violence Prevention Committee monthly meetings.
- Implemented an online training for supervisors and managers on the topics of classification/compensation, exams, operations, payroll, performance management, regulatory compliance, Family and Medical Leave Act, health and safety requirements, and Return-to-Work.

Fire

(Public Safety Cluster)

- CEO Risk Management's Loss Control and Prevention Section submitted all preventable accident information directly to the Professional Performance Standards Section for investigative purposes.
- Increased Ergonomic Evaluations by approximately 61% (from 2019-2023) in effort to prevent Cumulative Trauma Injuries (CTI's) and subsequently help reduce Workers' Compensation Claims.
- Utilized a best-practices model to conduct fitness assessments for Lifeguards, Fire Suppression Aids, and Fire Fighter Trainees. This assessment methodology, comparable to the standard used by the United States Army, helps gather key and personalized performance metrics, correlates them with common tasks, integrates functional fitness, and improves overall readiness of personnel.

RISK MANAGEMENT PERFORMANCE METRICS (CONTINUED)

Health Services

(Health and Mental Health Services Cluster)

- Continued with monthly meetings at a department and facility level to discuss risk issues, including ongoing litigation, threatened litigation, and general risk concerns in both the clinical and non-clinical arenas. In addition to assisting with sensitive personnel and clinical risk problems, it also provided a good opportunity to give real time training at the facility level.
- Provided three different levels of workplace violence prevention training to DHS workforce. These trainings were tailored to the health care environment in efforts to mitigate assault and battery incidences by patients and to reduce subsequent Workers' Compensation claims by personnel. Level 1 is a 1-hour web-based awareness training while Levels 2 and 3 are in-person trainings. Level 2 incorporated self-defense tactics and techniques while Level 3 taught defensive control tactics and techniques. The level of training provided corresponds to the type of work performed by each employee.

Regional Planning

(Community and Municipal Services Cluster)

- Established the new Zoning Enforcement Safety Committee to address California Association of Professional Employees union safety concerns/issues for Zoning Enforcement planning staff working predominantly in the field throughout the unincorporated communities of the County, and reinstituted the Department's Safety Committee.

- Developed/implemented new Zoning Enforcement Safety Protocols, implemented field safety/self-defense/de-escalation training program in conjunction with the Sheriff's Department and California Association of Code Enforcement Officers (CACEO), and implemented Nuisance Abatement Team (NAT) Safety Training Program in conjunction with the District Attorney (DA Investigators), Department of Public Health, and Department of Public Works.
- Implemented the County's new Disability Management and Compliance framework in conjunction with the Department of Human Resources and Shaw Human Resources Consulting to strengthen, enhance, and ensure best practices with addressing employee medical work restrictions, conducting Interactive Process Meetings (IPMs), and identifying reasonable accommodations to ensure compliance with the Americans with Disabilities Act and Fair Employment and Housing Act requirements, and help mitigate employment litigation claims.

Registrar-Recorder/County Clerk

(Operations Cluster)

- Developed an incident management reporting system based on Microsoft Forms. The system is accessible to RR/CC supervisors and managers, in real time, via electron means. This will allow CEO Risk Management to have a central location for tracking incidents and storing reporting forms.

RISK MANAGEMENT PERFORMANCE METRICS (CONTINUED)

Registrar-Recorder/County Clerk
(Operations Cluster) [Continued]

- Conducted facility inspections which included checks/inspections on the multi-story storage rack systems, forklifts, industrial wrapping machines, pallet jacks, and other equipment used in logistics operations. Inspected logistics equipment and reviewed machinery certifications, operator licensing, and certification requirements.

CEO Risk Management continues to meet regularly with departments to better focus their risk management efforts in minimizing claim frequency and severity.

In continuance with the Board’s directive, CEO Risk Management will continue to measure departmental risk management performance. The departments listed below ranked in the bottom ten percent for FY 2022-23. CEO Risk Management and the Department of Human Resources will meet regularly with these departments to better focus their risk management efforts in minimizing claim frequency and severity drivers.

Child Support Services
(Family and Social Services Cluster)

Children and Family Services
(Family and Social Services Cluster)

Mental Health
(Health and Mental Health Cluster)

Registrar-Recorder/County Clerk
(Operations Cluster)

Sheriff
(Public Safety Cluster)

RESOLUTION

CARE



HIGH-RISK

REDUCE

STATISTICS

FY 2020-21 TO FY 2022-23

All Claims Frequency and Expense Summary	Exhibit A
Workers' Compensation Claim Frequency and Expense Summary.....	Exhibit B
State of California Labor Code 4850 and Salary Continuation Expense Summary.....	Exhibit C
Vehicle Liability Claim Frequency and Expense Summary.....	Exhibit D
General Liability Claim Frequency and Expense Summary.....	Exhibit E
General Liability/Law Enforcement Liability Claim Frequency and Expense Summary.....	Exhibit E-1
General Liability/Employment Practices Liability Claim Frequency and Expense Summary	Exhibit E-2
Medical Malpractice Claim Frequency and Expense Summary.....	Exhibit F
Cost of Risk Detail.....	Exhibit G

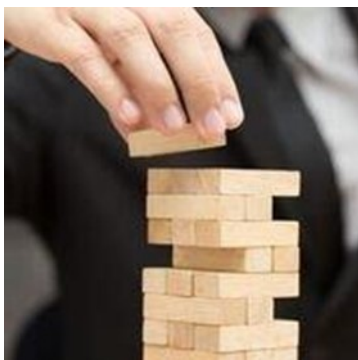


EXHIBIT A

ALL CLAIMS FREQUENCY AND EXPENSE SUMMARY

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	21	\$996,042	15	\$866,640	14	\$709,717
Agricultural Commissioner/Weights and Measures	30	\$616,703	43	\$773,094	26	\$775,422
Alternate Public Defender	5	\$461,878	5	\$532,922	4	\$481,072
Animal Care and Control	88	\$776,086	122	\$1,059,813	111	\$1,147,666
Arts and Culture	0	\$1,016	0	\$1,939	0	\$1,664
Assessor	33	\$2,339,401	23	\$3,456,470	43	\$3,271,795
Auditor-Controller	21	\$626,555	12	\$461,775	26	\$472,271
Beaches and Harbors	36	\$1,163,600	41	\$1,001,341	45	\$1,547,063
Board of Supervisors	41	\$3,355,692	89	\$3,313,006	29	\$2,206,033
Chief Executive Office	85	\$2,134,301	11	\$2,258,273	20	\$24,796,894
Child Support Services	52	\$3,901,068	96	\$4,659,428	88	\$4,558,277
Children and Family Services	291	\$22,960,947	419	\$32,598,552	438	\$55,010,610
Consumer and Business Affairs	76	\$26,147	5	\$268,500	54	\$616,656
County Counsel	17	\$3,072,751	12	\$2,339,877	27	\$1,399,447
District Attorney	132	\$14,016,758	122	\$12,342,156	155	\$13,018,392
Economic Opportunity	0	\$0	0	\$0	2	\$129,468
Fire	1,726	\$138,680,898	2,203	\$189,196,729	1,651	\$199,262,724
Health Services	2,502	\$48,301,853	2,138	\$50,784,135	2,197	\$62,798,000
Human Resources	9	\$861,654	8	\$948,988	9	\$874,699
Internal Services	103	\$2,401,108	88	\$6,367,994	117	\$8,286,249
Justice, Care and Opportunities	0	\$0	0	\$0	0	\$0
LACERA	7	\$636,284	5	\$560,034	10	\$436,487
LA County Library	36	\$980,089	32	\$1,862,483	33	\$1,054,017
Medical Examiner	70	\$1,337,547	88	\$1,779,700	65	\$5,882,881
Mental Health	202	\$8,043,527	182	\$8,820,456	232	\$8,680,725
Military and Veterans Affairs	3	\$205,013	0	\$146,603	2	\$174,345
Museum of Art	1	\$233,599	2	\$242,694	2	\$214,853
Museum of Natural History	0	\$38,131	3	\$47,827	0	\$34,663
Non-Jurisdictional	1,125	\$1,012,342	1,361	\$1,025,868	1,975	\$3,661
Parks and Recreation	172	\$3,948,744	230	\$4,612,524	218	\$5,647,250
Pending Assignment	0	\$0	69	\$0	62	\$0
Probation	584	\$40,306,448	680	\$41,691,924	789	\$50,385,712
Public Defender	32	\$6,892,320	50	\$6,567,804	38	\$2,258,151
Public Health	346	\$8,948,342	233	\$11,679,931	192	\$9,884,941
Public Social Services	524	\$29,191,596	670	\$35,217,131	789	\$40,634,770
Public Works	501	\$18,817,627	8,897	\$13,307,162	12,909	\$29,415,099
Regional Planning	16	\$786,246	20	\$558,644	38	\$1,139,087
Registrar-Recorder/County Clerk	85	\$2,895,819	83	\$2,999,672	110	\$4,361,538
Sheriff	7,255	\$286,194,364	8,457	\$407,587,052	6,417	\$430,225,233
Superior Court	147	\$8,039,792	153	\$8,387,938	133	\$9,035,014
Treasurer and Tax Collector	40	\$1,012,055	25	\$1,703,045	47	\$1,404,107
Youth Development	0	\$0	0	\$0	0	\$0
TOTAL⁴	16,040	\$666,214,345	26,019	\$699,519,896	29,117	\$982,236,652

1. Amount Paid is the total of the transactions paid by coverage code in the fiscal year, regardless of occurrence date plus amounts paid for Workers' Compensation from the Workers' Compensation Status Report. Amount Paid includes indemnity and legal fees and expenses. Does not include Reported But Not Paid (RBNP) or Incurred But Not Reported (IBNR) reserves. Workers' Compensation paid does not reflect State of California Labor Code 4850 or salary continuation payments. Data does not include unemployment costs.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit. This information does include County Counsel tort files. County Counsel expenditures are also included.
3. Amounts valued as of June 30, 2022.

EXHIBIT B**WORKERS' COMPENSATION CLAIM FREQUENCY AND EXPENSE SUMMARY
FY 2020-21 THROUGH FY 2022-23**

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	10	\$532,529	13	\$623,455	11	\$460,541
Agricultural Commissioner/Weights and Measures	19	\$568,030	30	\$720,705	20	\$693,143
Alternate Public Defender	3	\$449,337	4	\$513,458	0	\$476,535
Animal Care and Control	80	\$522,389	112	\$753,798	101	\$839,501
Arts and Culture	0	\$1,016	0	\$1,939	0	\$1,664
Assessor	9	\$684,141	12	\$780,716	15	\$908,085
Auditor-Controller	16	\$200,047	9	\$271,125	8	\$302,409
Beaches and Harbors	16	\$599,806	28	\$689,634	28	\$759,451
Board of Supervisors	7	\$225,457	8	\$388,668	13	\$345,053
Chief Executive Office	4	\$675,344	1	\$566,953	5	\$567,120
Child Support Services	37	\$3,662,584	86	\$4,172,020	69	\$4,183,640
Children and Family Services	181	\$11,827,531	265	\$14,219,485	255	\$15,085,356
Consumer and Business Affairs	0	\$24,002	4	\$48,849	2	\$48,388
County Counsel	9	\$549,703	5	\$776,293	11	\$704,616
District Attorney	68	\$5,325,964	66	\$6,173,303	71	\$6,467,487
Economic Opportunity	0	\$0	0	\$0	2	\$113,760
Fire	1,601	\$85,130,851	2,047	\$103,115,789	1,476	\$111,806,474
Health Services	2,059	\$36,385,401	1,933	\$39,528,618	1,795	\$41,735,932
Human Resources	8	\$779,756	8	\$747,513	7	\$704,390
Internal Services	68	\$3,795,665	67	\$4,255,464	86	\$4,458,050
Justice, Care and Opportunities	0	\$0	0	\$0	0	\$0
LACERA	7	\$617,380	5	\$560,034	10	\$436,106
LA County Library	31	\$793,020	23	\$845,151	27	\$777,916
Medical Examiner	34	\$752,500	72	\$778,660	40	\$824,935
Mental Health	156	\$6,188,524	165	\$7,503,491	192	\$7,479,924
Military and Veterans Affairs	3	\$127,538	0	\$146,603	2	\$174,345
Museum of Art	1	\$223,579	1	\$242,694	2	\$188,443
Museum of Natural History	0	\$34,664	0	\$47,827	0	\$34,663
Non-Jurisdictional	2	\$0	5	\$0	4	\$0
Parks and Recreation	127	\$3,412,748	170	\$3,915,292	152	\$4,142,664
Pending Assignment	0	\$0	0	\$0	3	\$0
Probation	540	\$26,231,626	626	\$28,594,943	729	\$33,261,254
Public Defender	15	\$1,336,689	26	\$1,708,330	23	\$1,676,891
Public Health	158	\$6,658,517	154	\$7,361,887	139	\$8,285,903
Public Social Services	488	\$27,375,118	637	\$31,762,587	719	\$32,522,432
Public Works	163	\$5,578,022	175	\$5,400,730	185	\$6,374,938
Regional Planning	4	\$135,312	6	\$133,316	2	\$157,817
Registrar-Recorder/County Clerk	29	\$2,299,947	58	\$2,552,387	53	\$2,508,564
Sheriff	6,037	\$167,187,771	6,827	\$190,013,562	5,215	\$217,586,666
Superior Court	146	\$7,616,447	153	\$7,726,551	132	\$8,690,211
Treasurer and Tax Collector	11	\$507,966	6	\$739,557	7	\$649,546
Youth Development	0	\$0	0	\$0	0	\$0
TOTAL⁴	12,147	\$409,016,919	13,807	\$468,381,386	11,611	\$516,434,811

1. Amount Paid is the total of the transactions paid for Workers' Compensation in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves. Workers' Compensation paid does not include State of California Labor Code 4850 or salary continuation payments.

EXHIBIT C

STATE OF CALIFORNIA LABOR CODE 4850 AND SALARY CONTINUATION EXPENSE SUMMARY FY 2020-21 THROUGH FY 2022-23

Department	FY 2020-21	FY 2021-22	FY 2022-23
	Amount Paid ¹	Amount Paid ¹	Amount Paid ¹
Aging and Disabilities	\$10,711	\$62,119	\$0
Agricultural Commissioner/Weights and Measures	\$21,431	\$16,182	\$39,512
Alternate Public Defender	\$0	\$0	\$0
Animal Care and Control	\$58,027	\$55,159	\$69,055
Arts and Culture	\$0	\$0	\$0
Assessor	\$8,896	\$0	\$78,639
Auditor-Controller	\$0	\$25,528	\$12,700
Beaches and Harbors	\$0	\$17,500	\$44,875
Board of Supervisors	\$10,108	\$68,717	\$28,243
Chief Executive Office	\$0	\$63,505	\$56,001
Child Support Services	\$119,339	\$50,579	\$73,015
Children and Family Services	\$1,026,565	\$717,204	\$1,168,114
Consumer and Business Affairs	\$0	\$2,772	\$0
County Counsel	\$0	\$0	\$0
District Attorney	\$802,434	\$1,415,121	\$2,351,428
Economic Opportunity	\$0	\$0	\$0
Fire	\$51,562,322	\$61,533,452	\$59,188,984
Health Services	\$2,338,677	\$2,442,860	\$3,140,095
Human Resources	\$0	\$1,938	\$5,147
Internal Services	\$150,556	\$164,888	\$296,619
Justice, Care and Opportunities	\$0	\$0	\$0
LACERA	\$18,904	\$0	\$381
LA County Library	\$4,176	\$6,027	\$17,901
Medical Examiner	\$27,337	\$59,119	\$25,848
Mental Health	\$200,915	\$243,294	\$266,567
Military and Veterans Affairs	\$0	\$0	\$0
Museum of Art	\$0	\$0	\$23,202
Museum of Natural History	\$0	\$0	\$0
Non-Jurisdictional	\$0	\$0	\$0
Parks and Recreation	\$111,476	\$197,084	\$215,274
Pending Assignment	\$0	\$0	\$0
Probation	\$11,347,169	\$8,411,562	\$12,571,834
Public Defender	\$14,079	\$235,817	\$98,580
Public Health	\$177,259	\$357,250	\$283,416
Public Social Services	\$552,552	\$782,775	\$787,692
Public Works	\$584,324	\$505,755	\$572,601
Regional Planning	\$0	\$0	\$28,545
Registrar-Recorder/County Clerk	\$0	\$0	\$8,116
Sheriff	\$63,839,349	\$84,406,722	\$87,898,986
Superior Court	\$422,538	\$642,757	\$284,801
Treasurer and Tax Collector	\$9,575	\$24,544	\$1,153
Youth Development	\$0	\$0	\$0
TOTAL⁴	\$133,418,720	\$162,510,229	\$169,637,324

1. Amount Paid is as reported by the Auditor-Controller based on the sum of 70% IA, 100% IA, and MegaIA expense.

EXHIBIT D**VEHICLE LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY****FY 2020-21 THROUGH FY 2022-23**

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	6	\$26,144	0	\$112,435	1	\$53,979
Agricultural Commissioner/Weights and Measures	6	\$26,270	9	\$21,475	6	\$42,768
Alternate Public Defender	0	\$0	0	\$0	1	\$0
Animal Care and Control	1	\$7,441	6	\$7,359	2	\$4,799
Arts and Culture	0	\$0	0	\$0	0	\$0
Assessor	0	\$0	0	\$0	2	\$0
Auditor-Controller	0	\$0	0	\$0	0	\$0
Beaches and Harbors	1	\$11,170	5	\$230	1	\$11,137
Board of Supervisors	1	\$11,622	2	\$0	4	\$25,149
Chief Executive Office	0	\$0	0	\$0	2	\$0
Child Support Services	0	\$2,155	0	\$0	0	\$0
Children and Family Services	26	\$332,027	14	\$261,510	24	\$356,325
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
County Counsel	0	\$0	0	\$0	0	\$0
District Attorney	11	\$15,626	2	\$10,099	13	\$157,582
Economic Opportunity	0	\$0	0	\$0	0	\$0
Fire	73	\$663,017	79	\$16,424,617	115	\$955,890
Health Services	5	\$66,244	4	\$65,540	8	\$81,030
Human Resources	0	\$0	0	\$0	0	\$0
Internal Services	9	\$292,598	9	\$235,565	9	\$2,502,635
Justice, Care and Opportunities	0		0		0	\$0
LACERA	0	\$0	0	\$0	0	\$0
LA County Library	5	\$5,258	1	\$16,864	4	\$7,740
Medical Examiner	3	\$43,078	2	\$3,909	0	\$21,249
Mental Health	6	\$594,111	7	\$60,218	5	\$42,627
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$3,467	0	\$0	0	\$0
Non-Jurisdictional	237	\$196,765	307	\$119,419	418	\$1,008
Parks and Recreation	9	\$69,963	9	\$76,561	17	\$210,434
Pending Assignment	0	\$0	0	\$0	2	\$0
Probation	8	\$155,441	10	\$102,124	7	\$119,089
Public Defender	2	\$20,051	3	\$84,245	1	\$79,602
Public Health	13	\$71,376	11	\$60,175	16	\$27,196
Public Social Services	2	\$31,282	3	\$3,491	3	\$5,955
Public Works	47	\$796,113	42	\$1,307,836	75	\$2,130,843
Regional Planning	0	\$0	0	\$0	0	\$0
Registrar-Recorder/County Clerk	20	\$41,092	14	\$72,949	34	\$224,996
Sheriff	314	\$12,203,034	279	\$7,659,853	299	\$8,417,716
Superior Court	0	\$0	0	\$0	0	\$0
Treasurer and Tax Collector	0	\$0	1	\$333	0	\$7,390
Youth Development	0	\$0	0	\$0	0	\$0
TOTAL⁴	805	\$15,685,346	819	\$26,706,807	1,069	\$15,487,137

1. Amount Paid is the total of the transactions paid for vehicle liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.

2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit. This information includes County Counsel tort files.

EXHIBIT E**GENERAL LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY
FY 2020-21 THROUGH FY 2022-23**

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	0	\$0	0	\$0	1	\$26,261
Agricultural Commissioner/Weights and Measures	5	\$972	4	\$14,731	0	\$0
Alternate Public Defender	2	\$12,542	1	\$10,407	1	\$1,749
Animal Care and Control	7	\$188,229	4	\$170,599	7	\$119,401
Arts and Culture	0	\$0	0	\$0	0	\$0
Assessor	24	\$1,646,364	10	\$1,965,991	24	\$1,432,000
Auditor-Controller	5	\$426,509	3	\$127,122	15	\$104,923
Beaches and Harbors	19	\$552,624	8	\$293,978	16	\$731,599
Board of Supervisors	33	\$3,108,504	46	\$2,662,502	10	\$1,398,224
Chief Executive Office	81	\$1,458,957	9	\$1,244,735	13	\$23,675,108
Child Support Services	15	\$116,991	8	\$284,581	17	\$294,388
Children and Family Services	83	\$9,774,824	135	\$10,385,254	148	\$35,849,464
Consumer and Business Affairs	76	\$2,145	1	\$216,879	52	\$568,268
County Counsel	8	\$2,523,047	6	\$1,563,584	13	\$652,568
District Attorney	53	\$7,872,734	34	\$2,794,883	31	\$1,053,957
Economic Opportunity	0	\$0	0	\$0	0	\$15,708
Fire	46	\$1,155,753	51	\$4,196,582	34	\$690,298
Health Services	321	\$5,278,477	188	\$5,123,646	244	\$5,713,353
Human Resources	1	\$81,898	0	\$99,769	1	\$0
Internal Services	26	-\$1,837,711	12	\$1,432,011	22	\$932,024
Justice, Care and Opportunities	0	\$0	0	\$0	0	\$0
LACERA	0	\$0	0	\$0	0	\$0
LA County Library	0	\$177,636	7	\$532,955	1	\$107,206
Medical Examiner	33	\$514,631	14	\$554,581	10	\$565,100
Mental Health	34	\$1,037,515	9	\$602,807	13	\$305,374
Military and Veterans Affairs	0	\$77,475	0	\$0	0	\$0
Museum of Art	0	\$10,021	1	\$0	0	\$3,208
Museum of Natural History	0	\$0	3	\$0	0	\$0
Non-Jurisdictional	865	\$814,530	1,034	\$884,130	1,518	\$2,653
Parks and Recreation	36	\$354,557	49	\$377,822	48	\$993,305
Pending Assignment	0	\$0	59	\$0	44	\$0
Probation	35	\$2,562,678	33	\$2,714,055	25	\$1,434,441
Public Defender	15	\$5,521,502	15	\$4,123,296	8	\$96,935
Public Health	175	\$2,023,190	65	\$3,565,315	19	\$872,723
Public Social Services	34	\$1,232,644	26	\$1,504,183	45	\$987,437
Public Works	291	\$11,859,167	8,670	\$5,680,161	12,645	\$19,596,463
Regional Planning	12	\$650,934	14	\$395,869	35	\$828,723
Registrar-Recorder/County Clerk	36	\$554,781	11	\$365,226	23	\$1,168,609
Sheriff	899	\$42,837,513	753	\$66,899,781	169	\$25,172,210
Superior Court	1	\$807	0	\$9,315	1	\$0
Treasurer and Tax Collector	29	\$494,515	18	\$624,102	39	\$343,535
Youth Development	5	\$426,659	2	\$39,816	0	\$0
TOTAL⁴	3,305	\$103,513,609	11,303	\$121,460,668	15,292	\$125,737,213

1. Amount Paid is the total of the transactions paid for liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit. This information includes County Counsel tort files.

EXHIBIT E-1 (SUBSET OF EXHIBIT E)**GENERAL LIABILITY/LAW ENFORCEMENT LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY
FY 2020-21 THROUGH FY 2022-23**

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	0	\$0	0	\$0	0	\$0
Alternate Public Defender	0	\$5,000	0	\$0	0	\$0
Animal Care and Control	0	\$0	0	\$0	0	\$0
Arts and Culture	0	\$0	0	\$0	0	\$0
Assessor	0	\$0	0	\$0	0	\$0
Auditor-Controller	0	\$0	0	\$0	0	\$0
Beaches and Harbors	0	\$0	0	\$0	0	\$0
Board of Supervisors	0	\$0	0	\$9,587	1	\$0
Chief Executive Office	0	\$8,002	0	\$99,303	0	\$0
Child Support Services	0	\$0	0	\$0	0	\$0
Children and Family Services	1	\$14,654	1	\$23,969	0	\$9,793
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
County Counsel	0	\$0	0	\$0	0	\$0
District Attorney	14	\$31,929	11	\$211,110	28	\$1,494,125
Economic Opportunity	0	\$0	0	\$0	0	\$0
Fire	11	\$378,881	12	\$3,087,248	4	\$24,260,804
Health Services	0	\$107,289	0	\$13,190	1	\$226
Human Resources	0	\$0	0	\$0	0	\$0
Internal Services	0	\$0	0	\$0	0	\$0
Justice, Care and Opportunities	0	\$0	0	\$0	0	\$0
LACERA	0	\$0	0	\$0	0	\$0
LA County Library	1	\$0	1	\$0	0	\$153
Medical Examiner	1	\$0	0	\$16,907	9	\$2,575
Mental Health	1	\$31,893	0	\$4,086	1	\$21,526
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$0	0	\$0	0	\$0
Non-Jurisdictional	6	\$2,525	6	\$6,596	3	\$0
Parks and Recreation	0	\$0	0	\$0	0	\$0
Pending Assignment	7	\$0	9	\$0	7	\$0
Probation	4	\$313,083	4	\$207,053	14	\$281,025
Public Defender	8	\$153,659	4	\$142,081	3	\$82,550
Public Health	0	\$0	0	\$0	0	\$0
Public Social Services	0	\$0	0	\$0	1	\$0
Public Works	1	\$0	0	\$0	1	\$0
Regional Planning	0	\$0	0	\$0	0	\$0
Registrar-Recorder/County Clerk	0	\$0	0	\$0	0	\$0
Sheriff	686	\$34,103,115	526	\$54,252,848	691	\$82,283,514
Superior Court	0	\$0	0	\$0	0	\$0
Treasurer and Tax Collector	0	\$0	0	\$0	0	\$0
Youth Development	0	\$0	0	\$0	0	\$0
TOTAL⁴	575	\$35,150,030	574	\$58,073,978	764	\$108,436,291

1. Amount Paid is the total of the transactions paid for liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2022.

EXHIBIT E-2 (SUBSET OF EXHIBIT E)**GENERAL LIABILITY/EMPLOYMENT PRACTICES LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY
FY 2020-21 THROUGH FY 2022-23**

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
Aging and Disabilities	1	\$376,681	0	\$28,815	1	\$168,936
Agricultural Commissioner/Weights and Measures	0	\$72	0	\$0	0	\$0
Alternate Public Defender	0	\$4,933	0	\$9,058	2	\$2,788
Animal Care and Control	0	\$120,091	0	\$72,898	1	\$114,911
Arts and Culture	0	\$0	0	\$0	0	\$0
Assessor	4	\$463,309	1	\$709,763	2	\$853,071
Auditor-Controller	0	\$321,613	0	\$38,001	3	\$52,240
Beaches and Harbors	0	\$0	0	\$0	0	\$0
Board of Supervisors	2	\$1,311	33	\$183,532	1	\$409,364
Chief Executive Office	0	\$906,163	1	\$283,777	0	\$498,666
Child Support Services	1	\$64,060	2	\$152,247	2	\$7,234
Children and Family Services	7	\$1,676,512	4	\$6,991,130	11	\$2,541,558
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
County Counsel	0	\$0	1	\$0	2	\$42,263
District Attorney	5	\$1,350,448	9	\$1,737,640	12	\$1,493,812
Economic Opportunity	0	\$0	0	\$0	0	\$0
Fire	7	\$546,056	14	\$839,040	17	\$2,257,301
Health Services	10	\$2,417,551	13	\$3,610,281	35	\$3,262,529
Human Resources	1	\$70,872	0	\$99,769	1	\$165,162
Internal Services	1	\$134,870	0	\$280,066	0	\$96,920
Justice, Care and Opportunities	0	\$0	0	\$0	0	\$0
LACERA	0	\$0	0	\$0	0	\$0
LA County Library	0	\$127,773	0	\$461,486	1	\$143,101
Medical Examiner	0	\$231,201	0	\$366,524	1	\$4,442,982
Mental Health	2	\$732,349	1	\$406,561	9	\$514,202
Military and Veterans Affairs	0	\$77,475	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$0	0	\$0	0	\$0
Non-Jurisdictional	9	\$5,926	9	\$15,723	11	\$0
Parks and Recreation	2	\$6,020	2	\$45,766	1	\$85,572
Pending Assignment	0	\$0	1	\$0	3	\$0
Probation	15	\$1,831,964	7	\$1,662,187	14	\$2,718,069
Public Defender	1	\$220,359	2	\$274,035	3	\$223,594
Public Health	4	\$301,419	3	\$335,303	11	\$394,686
Public Social Services	11	\$1,045,014	4	\$1,164,095	16	\$6,331,254
Public Works	1	\$335,961	10	\$412,680	2	\$740,255
Regional Planning	0	\$38,097	0	\$29,459	1	\$124,002
Registrar-Recorder/County Clerk	1	\$316	0	\$9,110	0	\$451,254
Sheriff	32	\$3,314,389	72	\$4,354,287	42	\$8,779,808
Superior Court	1	\$807	0	\$9,315	0	\$60,002
Treasurer and Tax Collector	0	\$92,635	0	\$314,509	1	\$402,483
Youth Development	0	\$0	0	\$0	0	\$0
TOTAL⁴	116	\$16,816,246	189	\$24,897,057	206	\$37,378,021

EXHIBIT F

MEDICAL MALPRACTICE CLAIM FREQUENCY AND EXPENSE SUMMARY FY 2020-21 THROUGH FY 2022-23

Department	FY 2020-21		FY 2021-22		FY 2022-23	
	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)	# New Claims	Amount Paid ^{1,2,3} (all claims)
DHS – Ambulatory Care Network	3	\$230,766	5	\$13,436	7	\$299,329
DHS – Harbor Care South	7	\$27,548	4	\$6,037	31	\$4,882,782
DHS - High Desert	30	\$1,099,353	22	\$484,260	6	\$0
DHS – Integrated Correctional Health Services	0	\$0	0	\$0	9	\$62,340
DHS – Juvenile Court Health Services	0	\$215,284	0	\$93,805	0	\$859,123
DHS – Los Angeles General Medical Center	55	\$2,071,063	28	\$2,524,517	30	\$2,057,962
DHS – Not Otherwise Classified	3	\$80	0	\$45	14	\$0
DHS – Olive View-UCLA Medical Center	17	\$576,720	13	\$143,132	8	\$686,909
DHS – Rancho Los Amigos	2	\$12,241	1	\$6,980	7	\$16,391
Health Services Subtotal⁴	117	\$4,233,055	73	\$3,272,212	112	\$8,864,836
District Attorney	0	\$0	1	\$26	0	\$0
Fire	6	\$168,956	3	\$30,865	5	\$102,973
Medical Examiner	0	\$0	0	\$0	4	\$191
Mental Health	6	\$22,462	1	\$34,546	12	\$50,504
Non-Jurisdictional	0	\$1,047	7	\$1,296	19	\$0
Pending Assignment	0	\$0	1	\$34,546	1	\$0
Probation	1	\$9,534	0	\$18,955	0	\$0
Public Health	0	\$18,000	4	\$18,051	7	\$21,017
Public Social Services	0	\$0	0	\$0	5	\$0
Sheriff	5	\$126,697	1	\$113,963	0	\$86,333
TOTAL⁴	142	\$4,579,751	90	\$3,489,914	165	\$9,125,855

1. Amount Paid is the total of the transactions paid for medical malpractice claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2022.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

EXHIBIT G

COST OF RISK DETAIL

	FY 2020-21	FY 2021-22	FY 2022-23
Workers' Compensation			
Benefit Expense	\$285,572,606	\$338,543,702	\$366,340,320
Loss Expense ¹	\$101,886,703	\$107,064,590	\$135,789,000
Administrative Expense ²	\$16,877,997	\$17,790,931	\$20,541,388
Purchased Insurance ³	\$4,679,613	\$4,982,162	\$5,547,059
Workers' Compensation Expense Subtotal	\$409,016,919	\$468,381,386	\$516,434,811
Labor Code 4850 / Salary Continuation	\$133,418,720	\$162,510,229	\$169,637,324
Workers' Compensation Expense Total	\$542,435,639	\$630,891,614	\$686,072,135
Liability^{3, 4}			
Vehicle Liability Expense	\$15,685,346	\$26,706,807	\$15,487,137
General Liability Expense	\$103,513,609	\$121,460,668	\$271,551,525
Medical Malpractice Expense	\$4,579,751	\$3,489,914	\$9,125,855
Liability Expense Subtotal	\$123,778,705	\$151,657,389	\$296,164,517
Liability Administrative Expense ⁵	\$21,160,356	\$21,984,000	\$24,885,000
Liability Expense Total	\$144,939,061	\$173,641,389	\$321,049,517
Purchased Insurance (premiums and fees)	\$28,476,443	\$28,973,000	\$32,312,000
Cost of Risk^{6, 7}	\$715,851,144	\$804,533,003	\$1,007,121,652
Total County Operating Budget	\$35,328,479,000	\$39,576,967,000	\$44,642,000,000
Cost of Risk (as percentage of County Operating Budget)	2.03%	2.03%	2.26%
Non-County Agencies	2.03%	2.03%	2.26%
LACERA	\$1,471,752	\$560,034	\$436,487
Superior Court	\$7,616,447	\$7,726,551	\$8,975,012
Subtotal (Non-County agencies)	\$9,088,199	\$8,286,584	\$9,411,499
Cost of Risk (excluding non-County agencies)	\$706,762,945	\$796,246,419	\$997,710,154
Cost of Risk (Non-County agencies as percentage of County Operating Budget)	2.00%	2.01%	2.23%

1. Loss Expense includes third-party administrator fees, medical management fees, bill review fees, and State User fee.
2. Administrative Expense includes CEO, Auditor-Controller, and County Counsel expenses.
3. Paid claims represent the amount paid for all indemnity (pay type OC) in the fiscal year, regardless of occurrence date and does not include RBNP or IBNR reserves. Legal Expenses are defined in liability files as all fees and expenses paid from the liability claim (pay type SS).
4. Liability claim information included in this report is: (1) claims coded as Vehicle Liability (AL), General Liability (GL), and Medical Malpractice (MM); but, (2) information excludes Metropolitan Transportation Authority, Metrolink, departments not listed in Exhibit A, Children Services dependency cases, and probate funding accounts.
5. Liability Administrative Expense includes third-party administrator fees, consulting and management fees, and CEO expenses.
6. The Cost of Risk is defined as the summation of the items listed but does not include non-insured property claims and property damage to County-owned vehicles.
7. All amounts are paid as of June 30, 2022, as reported in the County's liability claim database, Workers' Compensation information system (ClaimsVision), and/or the Workers' Compensation Status Report.

LIST OF ABBREVIATIONS USED IN THIS REPORT (PAGE 1 OF 2)

Abbreviation	Meaning
ABE	Allocated Benefit Expenses
AED	Automated External Defibrillator
ALAE	Allocated Loss Adjustment Expenses
Board	Board of Supervisors
C&R	Compromise and Release
C&Rs	Compromise and Release Settlements
Cal/OSHA	California Occupational Safety and Health Administration
CAMIS	Countywide Acquisition Management Information System
CAP	Corrective Action Plans
Carl Warren	Carl Warren & Company
CEO	Chief Executive Office
CEO Risk Management	Chief Executive Office - Risk Management Branch
CHSWC	Commission on Health and Safety and Workers' Compensation
County	County of Los Angeles
COVID-19	Coronavirus Disease 2019
CPR	Cardiopulmonary Resuscitation
DHR	County of Los Angeles Department of Human Resources
DHS	County of Los Angeles Department of Health Services
EFT	Electronic Funds Transfer
Finance	Risk Management Finance Unit
FY	Fiscal Year
FYs	Fiscal Years
HIPAA	Health Insurance Portability and Accountability Act
HITECH	Health Information Technology for Economic and Clinical Health
IBNR	Incurred But Not Reported
Intercare	Intercare Holdings, Ltd.
IRS	Internal Revenue Service
ISD	County of Los Angeles Internal Services Department
LASD	County of Los Angeles Sheriff's Department
LC	Labor Code
LCP	Loss Control and Prevention
LERC	Legal Exposure Reduction Committee
MED	Morphine Equivalent Dose
MMCC	Medical Management and Cost Containment
OCIO	Office of Chief Information Office
OOP	Office of Privacy
OSCR	On-Site County Representative
OSCRs	On-Site County Representatives

LIST OF ABBREVIATIONS USED IN THIS REPORT (PAGE 2 OF 2)

Abbreviation	Meaning
PBM	Pharmacy Benefit Management
PHI	Protected Health Information
PPE	Personal Protective Equipment
RBNP	Reported But Not Paid
RMIG	Risk Management Inspector General
RMIP	Risk Management Information Platform
SAWW	State Average Weekly Wage
SB	Senate Bill
SCAPs	Summary Corrective Action Plans
TPA	Third Party Administrator
ULAE	Unallocated Loss Adjustment Expenses
UR	Utilization Review

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