



Board of Supervisors Operations Cluster Agenda Review Meeting

DATE: June 12, 2024

TIME: 2:00 p.m. – 4:00 p.m.

MEETING CHAIR: John Leonard, 3rd Supervisorial District

CEO MEETING FACILITATOR: Thomas Luscombe

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' March 19, 2024 order.

To participate in this 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 this meeting virtually, please call teleconference number

1 (323) 776-6996 and enter the following 522268816# or [Click here to join the meeting](#)

Teams Meeting ID: 237 250 878 670

Passcode: UoBQAE

For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to ClusterAccommodationRequest@bos.lacounty.gov

Members of the Public may address the Operations Cluster on any agenda item during General Public Comment.

The meeting chair will determine the amount of time allowed for each item.

THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

1. CALL TO ORDER

2. GENERAL PUBLIC COMMENT

3. DISCUSSION ITEM(S):

- A) Board Letter:
FIVE-YEAR LEASE
DISTRICT ATTORNEY, INTERNAL SERVICES DEPARTMENT, EXECUTIVE
OFFICE OF THE BOARD OF SUPERVISORS
12750 CENTER COURT DRIVE, SUITE 500, CERRITOS
CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Leasing

- B) Board Memo:
ADVANCE NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE
AMENDMENT TO AGREEMENT NO. H-704447 WITH GLOBAL HEALTHCARE
EXCHANGE LLC FOR SUPPLY CHAIN PROCUREMENT AND DATA
MANAGEMENT SOFTWARE AND SERVICES
DHS/CIO - Jason Ginsberg, Chief, Supply Chain

- C) Board Letter:
TREASURER AND TAX COLLECTOR
RECOMMENDATION TO AWARD A MASTER AGREEMENT FOR
MUNICIPAL ADVISORY SERVICES
TTC - Elizabeth Buenrostro Ginsberg, Treasurer and Tax Collector,
Daniel Wiles, Assistant Treasurer and Tax Collector,
Teresa Wong Gee, Chief Public Finance Officer and
John Patterson, Senior Finance Analyst

- D) Board Letter:
2024 TECH EMPOWERMENT DAY
ISD - Sabra Johnson, General Manager of Office of Major Programs & Initiatives
and Christine Juarez, Management Analyst

4. PRESENTATION ITEM(S):

- A) 2024-2025 FINAL CHANGES BUDGET PRESENTATION - OPERATIONS

5. ADJOURNMENT

UPCOMING ITEM(S) FOR JUNE 19, 2024:

None available.

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	6/12/2024	
BOARD MEETING DATE	6/25/2024	
SUPERVISORIAL DISTRICT AFFECTED	<input type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input checked="" type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT(S)	District Attorney, Internal Services Department, and Executive Office providing support for Information Systems Advisory Board (ISAB)	
SUBJECT	5-year lease renewal for 20,187 square feet of office space and 81 on-site parking spaces at 12750 Center Court Drive, Suite 500, Cerritos	
PROGRAM	Information Systems Advisory Board	
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:	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
DEADLINES/ TIME CONSTRAINTS	The current lease will expire on July 8, 2024.	
COST & FUNDING	Total cost: \$3,369,000	Funding source: The rental costs will be funded 100 percent by NCC that is already included in DA, ISD and EO's existing budget. DA, ISD, and EO will not be requesting additional NCC for this action.
	TERMS (if applicable): The proposed lease will have an annual cost of \$691,000 but with a one-month rent abatement of \$57,533 will be approximately \$634,000 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building. Parking is also included in the rent amount.	
	Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to DA, ISD, and EO. DA, ISD, and EO have sufficient funding in their Fiscal Year 2023-24 Operating Budget to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for each Department.	
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide continued use of office space for DA, ISD, and EO.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has leased the subject location since December 1991. The proposed lease with a five-year term plus five-year option to extend can provide 10 years of continued use of this location, if the option is exercised. The existing lease does not expire until July 8, 2024. The facility adequately meets the office space needs of DA, ISD, and EO.	
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"

June 25, 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:

**FIVE-YEAR LEASE
DISTRICT ATTORNEY, INTERNAL SERVICES DEPARTMENT, EXECUTIVE OFFICE
OF THE BOARD OF SUPERVISORS
12750 CENTER COURT DRIVE, CERRITOS
(FOURTH DISTRICT) (3 VOTES)**

SUBJECT

Approval of a proposed five-year lease to renew an existing lease to provide the District Attorney (DA), Internal Services Department (ISD), and the Executive Office of the Board of Supervisors (EO-BOS) continued use of 20,187 square feet of office space and 81 on-site parking spaces providing support for the County's Information Systems Advisory Board (ISAB).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with CTC OFFICE 2 LP, a Delaware limited partnership (Landlord), for approximately 20,187 square feet of office space and 81 on-site parking spaces located at 12750 Center Court Drive, Suite 500, Cerritos (Premises) to be occupied by the DA, ISD, and EO-BOS. The estimated maximum first year base rental cost is \$691,000, but with a one-month rent abatement of \$57,533, will equal approximately \$634,000. The estimated total proposed lease cost, including five months of rent abatement, is \$3,369,000 over the five-year term. The rental costs

will be funded 100 percent by net County cost (NCC) that is already included in the DA's, ISD's, and EO-BOS' existing budget. The DA, ISD, and EO-BOS will not be requesting additional NCC for this action.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The DA, ISD, and EO-BOS are all members of the County's ISAB. The DA's Systems Division provides technical support to legal, investigative, and support personnel; ISD's Information Systems Support Division provides the technical support to various criminal justice agencies, including, ISAB, Sheriff, Probation, Public Defender, DA; and ISAB manages criminal data through systems that are maintained by ISD. It is essential that the departments remain co-located at the Premises to ensure operational efficiencies. ISAB has occupied the Premises since December 1991. ISAB was established by the Countywide Criminal Justice Coordination Committee to coordinate the development and implementation of integrated justice information solutions; to support the delivery of criminal justice and public safety by efficiently providing accessible and accurate information to provide informed decision-making to enhance management of justice programs for multiple agencies with multiple jurisdictions. The current lease will expire on July 8, 2024.

There are a total of 87 staff housed at this location. Although telework has been implemented, a secure site is necessary for the handling of sensitive and confidential data for the various law enforcement agencies. Daily on-site coverage is needed for maintaining physical hardware, accessing files and on-site computers, and resolving software issues that cannot be addressed remotely. Additionally, due to the interactive nature of the programs at this Premises, in-person collaboration is preferred for certain projects. The current Premises continues to meet the space needs for the programs, provides sufficient parking for staff, and is adequately served by public transportation routes.

Implementation of Strategic Plan Goals

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

The proposed lease is also consistent with Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions and Key Objective No. 4 Guide Strategic Decision-Making.

The proposed lease supports the above goals and objective by providing suitable office space for the DA, ISD, and EO-BOS to work collaboratively in support of the County's criminal justice systems.

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

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost is \$691,000, with a one-month rent abatement of \$57,533, will equal approximately \$634,000, which includes 81 on-site parking at no additional cost. The aggregate cost associated with the proposed lease over the entire five-year term, including five months of rent abatement, is \$3,369,000 as shown in Enclosure B-1. The proposed lease costs will be funded by 100 percent NCC that is already included in the DA's, ISD's, and EO-BOS' existing budget. Each department will be responsible for its pro-rata share of the rent equal to: DA - 46 percent; ISD - 37 percent; and EO-BOS - 17 percent. DA, ISD, and EO-BOS will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2023-24 Rent Expense budget and will be billed back to the DA, ISD, and EO-BOS. The DA, ISD, and EO-BOS have sufficient funding in their Fiscal Year 2023-24 Operating budgets to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for each department.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will decrease from \$39.96 per square foot, per year to \$34.20 per square foot, per year. Base rent is subject to fixed annual increases of 3 percent.
- The proposed lease commences upon the later to occur of (i) the first day of the monthly following mutual execution of the proposed lease and approval by the Board, or (ii) July 9, 2024.
- 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 terms is shown in Enclosure B-2.
- A five-year initial term with an option to extend the lease for an additional five years with 12 to 15 months' prior notice, at 95 percent of fair market rent. If all options are exercised, the total term of the proposed lease would be ten years.
- The County has the right to terminate the proposed lease early any time after 36 months, with 180 days' notice.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will increase by 25 percent of the then base rent at the time of the lease expiration. The Landlord agrees to credit the County all holdover fees paid to the Landlord during the holdover period if the County renews the proposed lease.
- The Landlord will provide five months of rent abatement at the then prevailing rental rate during months 1, 13, 36, 48, and 60 of the lease term.

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 \$34.20 and \$42.96 per square foot, per year. The base annual rental rate of \$34.20 per square foot, per year for the proposed lease represents a rate that is on the low end of 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 is not suitable for this requirement due to the confidential nature of the programs and the need for secured access to physical hardware.

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 Cerritos has been sent in accordance with Government Code Section 25351.

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

carry out the work of the county government.

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

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will adequately provide the necessary office space and parking for this County requirement. DA, ISD, and BOS concur with the proposed lease and recommendations.

The Honorable Board of Supervisors
June 25, 2024
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Respectfully submitted,

FESIA A. DAVENPORT
Chief Executive Officer

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

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
District Attorney
Auditor-Controller
Internal Services

ENCLOSURE A

**DISTRICT ATTORNEY, INTERNAL SERVICES DEPARTMENT, EXECUTIVE OFFICE
12750 CENTER COURT DRIVE, SUITE 500, CERRITOS**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>	Yes	No	N/A
A	Does lease consolidate administrative functions? ²	X		
B	Does lease co-locate with other functions to better serve clients? ²	X		
C	Does this lease centralize business support functions? ²	X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? ² 232 square feet per person due to conference rooms, a public waiting area, and computer room.		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ²	X		
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>			
A.	Is it a substantial net County cost (NCC) program?	X		
B	Is this a long-term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report attached as Enclosure C?	X		
G	Was build-to-suit or capital project considered? ²			X
3.	<u>Portfolio Management</u>			
A	Did department use 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. ____ No suitable County occupied properties in project area.			
	3. ____ No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. <u>X</u> The Program is being co-located.	X		
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 adopted by the Board of Supervisors 11/17/98				
² If not, why not?				

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

**12750 Center Court Drive, Cerritos
District Attorney, Internal Services Department, Executive Office**

Leased Area (sq. ft.) 20,187
Term (Months) 60

Base Rent (Annual) \$34.20
Annual Base Rent Adjustment 3.00%

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year
Base Rent ¹	\$691,000	\$712,000	\$734,000	\$757,000	\$780,000
Rent Abatement ²	(\$57,533)	(\$59,259)	(\$61,037)	(\$62,868)	(\$64,754)

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 12750 Center Court Drive, Suite 500, Cerritos	Proposed Lease: 12750 Center Court Drive, Suite 500, Cerritos	Change
Area (Square Feet)	20,187 sq.ft.	20,187 sq.ft.	None
Term (years)	5 years and 3 months	5 years plus one five-year options to renew	-3 months in initial term. +five- year option to extend the term
First year Base Rent (Base rent includes 81 parking spaces)	\$807,000	\$691,000	-\$116,000 in the first year.
County's TI Cost	None	None	None
Annual Parking Cost	Included	Included	None
Janitorial/Utility/Maintenance Costs	Included	Included	None
Total First Year Lease Costs payable to Landlord	\$807,000	\$634,000 ⁽¹⁾	-\$173,000
Rental rate adjustment	Annual adjustments fixed at 3 percent.	Annual adjustments fixed at 3 percent.	None

⁽¹⁾ The first year includes a one month rent abatement of \$57,533.

DISTRICT ATTORNEY, INTERNAL SERVICES DEPARTMENT, EXECUTIVE OFFICE**SPACE SEARCH – 5 MILE RADIUS FROM
12750 CENTER COURT DRIVE, SUITE 500, CERRITOS**

LACO	Name	Address	Ownership Type	Gross SQFT	Vacant
A358	DPSS - Information Technology Division (ITD)	14714 Carmenita Rd Norwalk 90650	Leased	44250	No
A402	PW - Inc City Office (Cerritos)	18125 S Bloomfield Ave Cerritos 90703	Gratis Use	123710	No
A066	PW - Inc City Office (Artesia)	18747 S Clarkdale Ave Artesia 90701	Gratis Use	14810	No
D221	DPSS - Norwalk WS District Office	12727 Norwalk Blvd Norwalk 90650	Leased	40500	No

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Lease renewal for the District Attorney, Internal Services Department, and Executive Office – 12750 Center Court Drive, Suite 500, Cerritos – Fourth District.

A. Establish Service Function Category – Technical Support and Information Technology systems for the County’s criminal justice enterprise systems.

B. Determination of the Service Area – The proposed lease will allow DA, ISD, and EO-BOS to continue providing support for the criminal justice enterprise systems.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: This location provides services Countywide.
- Need for proximity to existing County facilities: Within close proximity to key criminal justice entities, such as Sheriff Systems (Norwalk), Public Defender Systems (Lynwood), and Superior Court Justice Systems (Downey).
- 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., Metro local line 128 bus route, and the 91 freeway.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings that meet the Departments space needs.
- Compatibility with local land use plans: The City of Cerritos has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease over the entire term is \$3,369,000.

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 \$34.20 and \$42.96 per square foot, per year. The base annual rental rate of \$34.20 per square foot, per year for the proposed lease represents a rate that is on the low end of 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.

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

The proposed lease will provide adequate and efficient office space for 87 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

COUNTY OF LOS ANGELES - Tenant

CTC OFFICE 2 LP – Landlord

12750 CENTER COURT DRIVE,

SUITE 500

CERRITOS, CALIFORNIA 90703

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EXHIBITS

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

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 2024 between CTC OFFICE 2 LP, a Delaware limited partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 Terms

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

<p>(a) Landlord's Address for Notices:</p>	<p><u>For notices:</u> CTC OFFICE 2 LP c/o Cress Capital Partners, LLC Attn: Ryan L. Parkin 4000 MacArthur Blvd., East Tower, Suite 600 Newport Beach, California 92660</p> <p><u>with a copy to:</u> CTC OFFICE 2 LP c/o TIARNA Real Estate Services, Inc. 12750 Center Court Drive, Suite 138 Cerritos, CA 90703 Attn: Gabriel Rubio</p>
<p>(b) Tenant's Address for Notices:</p>	<p>County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate</p> <p>With a copy to:</p> <p>County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division</p>

(c) Premises:	Approximately 20,187 rentable square feet, designated as Suite(s) 500, in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.
(d) Building:	The Building located at 12750 Center Court Drive, Cerritos, California 90703, which is currently assessed by the County Assessor as APN 7030-011-916 (collectively, the "Property");
(e) Term:	Five (5) years, commencing upon the later to occur of (i) the first day of the month following mutual execution of a lease and approval by the Board of Supervisors or (ii) July 9, 2024, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the fifth (5 th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Estimated Commencement Date:	Not applicable
(g) Irrevocable Offer Expiration Date: (see Section 33)	July 15, 2024
(h) Base Rent:	\$2.85 per rentable square foot per month (i.e., \$57,532.95 per month or \$690,395.40 per year)
(i) Early Termination (see Section 4.4)	One Hundred Eighty (180) days' notice on or after thirty-sixth (36 th) month of the Term hereof.
(j) Rentable Square Feet in the Premises:	20,187 rentable square feet
(k) Initial Departmental Use:	District Attorney, Internal Services Department, and Board of Supervisors, subject to Section 6.

(l) Parking Spaces:	Eighty-one (81) parking spaces (4 parking spaces/1,000 RSF) at no additional cost to Tenant.
(m) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays
(n) Asbestos Report:	A report dated November 7, 2023, prepared by FREY Environmental, Inc. a licensed California Asbestos contractor.
(o) Seismic Report	A report dated February 24, 2000, prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated <u>November 3, 2023</u> prepared by <u>Martin Brothers Consulting Services</u> .
1.2 <u>Exhibits to Lease</u>	<p>Exhibit A - Floor Plan of Premises</p> <p>Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms</p> <p>Exhibit C - HVAC Standards</p> <p>Exhibit D - Cleaning and Maintenance Schedule</p> <p>Exhibit E - Subordination, Non-Disturbance and Attornment Agreement</p> <p>Exhibit F - Tenant Estoppel Certificate</p> <p>Exhibit G - Community Business Enterprises Form</p> <p>Exhibit H - Memorandum of Lease</p>

2. PREMISES

2.1 Lease of Premises

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

2.2 Measurement of Premises

Tenant shall have the right at any time during the Term of this Lease to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease.

Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord.

3. COMMON AREAS

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

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The term of this Lease shall be for a period of five (5) years, commencing upon the Commencement Date and ending sixty (60) months thereafter. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B.

4.2 Intentionally Omitted

4.3 Intentionally Omitted

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than one hundred eighty (180) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.5 Lease Expiration Notice

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

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal

tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2. Annual Base Rent Adjustments.

From and after the 1st anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted as follows:

Term (Months)	Base Rent
1-12	\$57,532.95
13-24	\$59,258.94
25-36	\$61,036.71
37-48	\$62,867.81
49-60	\$64,753.84

5.3 Rent Abatement

The monthly rent for months 1, 13, 36, 48 & 60 of the Initial Term shall be abated.

6. USES

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

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at 125% of the last monthly Base Rent payable under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease. The aforementioned difference between the last monthly Base Rent payable and the 125% increase (i.e., 25%) shall be referred to as the "Holdover Premium." Notwithstanding the foregoing, in the event Tenant renews its Lease for the Premises, then Tenant shall be credited back for any Holdover Premium paid to Landlord which Holdover Premium is to be credited back to the Base Rent next due for the new term.

8. COMPLIANCE WITH LAW

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

9. DAMAGE OR DESTRUCTION

9.1 Damage

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage, and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2 Tenant Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving Landlord written notice within ten days after Tenant's receipt of written notice from Landlord or its agents specifying such time period of repair; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became unusable. If Tenant does not elect to terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages.

9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant

may terminate this Lease by giving written notice to the other not more than thirty (30) days after such destruction, in which case:

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

9.4 Default By Landlord

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

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

10. REPAIRS AND MAINTENANCE

10.1 Landlord Representations

- (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including but not limited to the Americans With Disabilities Act, and are in good working order and condition;
 - ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
 - iii. The Premises, the Building and the Common Areas are free of the presence of Hazardous Materials (as hereinafter defined); and
 - iv. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.
- (b) Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report (as defined in Section 1.1) that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall,

prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos-containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(c) CASp Inspection:

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

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

Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

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

The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any

design and construction related accessibility obligations as provided under this Lease or any Work Letter.

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

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair and promptly make repairs to and perform maintenance upon and replace as needed:
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to, or replacements of:
 - i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement;
 - vii. HVAC equipment dedicated to the mechanical rooms housing Tenant's computer servers and related equipment; and
 - viii. Light fixtures, bulbs, tubes and ballasts.

- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.

10.3 Tenant Obligations

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

- (a) be made and performed by contractors or mechanics approved by Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

10.4 Tenant's Right to Repair

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

behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to Tenant Improvements, as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

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

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

(b) **Electricity**

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

(c) **Elevators**

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

(d) **Water**

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

(e) **Janitorial**

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

(f) Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

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

11.2 Utilities

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

12. TAXES

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

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

13. LANDLORD ACCESS

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

14. TENANT DEFAULT

14.1 Default

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

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

14.2 Termination

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 Remedies

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

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

15.2 Waiver

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

15.3 Emergency

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

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

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

16.2 Sale

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide at least fifteen (15) days prior written notice of said sale of transfer to Tenant. In

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

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

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

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

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

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

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

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

18.4 Restoration

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

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

18.5 Award

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

18.6 Waiver of Statute

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

19. INDEMNIFICATION

19.1 Landlord's Indemnity

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

19.2 Tenant's Indemnity

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

20. INSURANCE

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

20.1 Waiver

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

20.2 General Insurance Provisions – Landlord Requirements

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

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

(a) Evidence of Coverage and Notice to Tenant

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

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

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

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance after Tenant has provided written notice of such deficiency and within forty-five (45) days of Landlord's receipt of such notice Landlord has not cured such deficiency, shall constitute a material breach of the Lease for which County, immediately may withhold payments due to Landlord, and/or suspend or terminate this Lease. County, at its sole discretion, may obtain damages from Landlord resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

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

(f) Landlord's Insurance Shall Be Primary

Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage

available to Tenant. Any Landlord maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage.

(g) Waiver of Subrogation

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

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

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

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(l) Tenant Review and Approval of Insurance Requirements

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

20.3 Insurance Coverage Types And Limits

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

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

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

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

20.4 Landlord Requirements

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

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

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

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

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

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking spaces and unreserved parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all tenants. Tenant acknowledges that all unreserved parking spaces are not for the

exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other tenants, occupants, licensees, invitees and permittees of the Building. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

21.2 Remedies

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

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

22. ENVIRONMENTAL MATTERS

22.1 Hazardous Materials

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

related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2 Landlord Indemnity

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

23. ESTOPPEL CERTIFICATES

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

24. INTENTIONALLY OMITTED

25. LIENS

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

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto and provided further that no such subordination shall affect any

option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase, or right of first offer to purchase the Property included herein.

26.2 Existing Deeds of Trust

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

26.3 Notice of Default

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

27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

Tenant shall be allowed building standard signage on the directory located in the ground floor lobby of the Building and elevator lobbies of the floors of the Premises and suite signage, all of which shall be at Landlord's expense. Tenant shall have the right to install, at Landlord's sole cost and expense, up to two (2) lines per 1,000 rentable square feet of the Premises on the Building's directory board in the main lobby of the Building. Tenant shall be permitted to install signs at the Premises that conform with any and all applicable laws and ordinances.

29. QUIET ENJOYMENT

So long as Tenant is not in default hereunder, Tenant shall have the right to the peaceful and quiet enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

30. GENERAL

30.1 Headings

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

30.2 Successors and Assigns

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

30.3 Brokers

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

30.4 Entire Agreement

This Lease (including all exhibits hereto and the Landlord's Work Letter) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect, and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

30.5 Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions hereof shall nevertheless remain in full force and effect.

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

30.8 Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9 Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10 Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) business days after written request is made therefore, together with all necessary information.

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts; Electronic Signatures

This Lease and any other documents necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be

bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will reply on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

31. AUTHORITY

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

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

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

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

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

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

32.3 Landlord Assignment

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

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

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

32.4 Smoking in County Facilities.

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

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

33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest in this Lease, including but not limited to preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

34. OPTION TO EXTEND

(a) Option Term. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1) option to renew this Lease for an additional period of five (5) years (the "Extension Term").

(b) Exercise of Option. Tenant must exercise its option to extend this Lease by:

(i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than twelve (12) months, nor earlier than fifteen (15) months, prior to the end of the initial Term, and

(ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect, Tenant shall be entitled to holdover at the holdover rental rate as provided in this Lease. If Tenant fails to give written notice of its election to exercise the option to Landlord, Landlord will promptly provide written notice to Tenant that the Term shall not be extended unless Tenant responds within ten (10) business days in writing electing to exercise its renewal option, and Tenant shall respond by the expiration of such ten (10) business day period by delivering written notice of its election to exercise such renewal option or election not to exercise such renewal option. Tenant's failure to notify Landlord of its election to exercise such renewal option, within ten (10) business day after receipt of such written notice shall terminate this Lease as of the then-applicable expiration date, and neither Landlord nor Tenant will have any further obligation or liability under this Lease arising or continuing from and after such expiration date, subject, however, to the provisions that expressly

survive termination of this Lease.

(c) Terms and Conditions of the Extension Term. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to ninety five percent (95%) of Market Rental Value for the Premises as of the commencement of the Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, including, but not limited to, the comparable rental rate, escalation, abatement, tenant improvement allowances then being offered to renewing tenants leasing space in the Cerritos sub-market ("Market").

(d) Agreement on Base Rent. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its option to extend.

(e) Market Rental Value. The term "Market Rental Value" shall be the rental rate that comparable Premises in the Market in which the Premises is located would command for the same term as the Extension Term on the open market at the time Tenant provides its Notice of Intent. For purposes hereof, the term "comparable Premises" shall mean premises in a building similar in size and location to the Building in the Market, taking into account any improvements installed by or on behalf of Tenant in the Building, the fact that Tenant is not required to pay operating expenses, insurance or taxes for the Premises and the fact that Tenant is not required to pay for electricity, water, sewer, trash and janitorial utilities and services for the Premises. In determining the Market Rental Value, additional appropriate consideration shall be given to Tenant's creditworthiness, the annual amount per rentable square foot that Landlord has accepted in current transactions between non-affiliated parties from non-sublease, non-expansion, space for renewal and non-equity tenants of comparable creditworthiness for comparable premises for a comparable use for a comparable period of time, the annual rental rates per square foot, the standard of measurement by which the rentable square footage is measured, the ratio of rentable square feet to usable square feet, and the fact that Tenant is not required to pay operating expenses, insurance or taxes pursuant to this Lease, parking rights and obligations, signage rights, abatement provisions reflecting free rent, tenant improvements and any other tenant inducements then being offered to renewing tenants leasing space in the Market, however, the fact that brokerage commissions are or are not payable for such comparable transactions shall be excluded from such calculation.

(f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot

mutually agree upon an appraiser within said ten (10) day period, Tenant may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.

(g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

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

LANDLORD:

CTC OFFICE 2 LP,
a Delaware limited partnership

DocuSigned by:
By: Tom Parnell
Name: Tom Parnell
Its: vice President

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

EXHIBIT A

FLOOR PLAN OF PREMISES

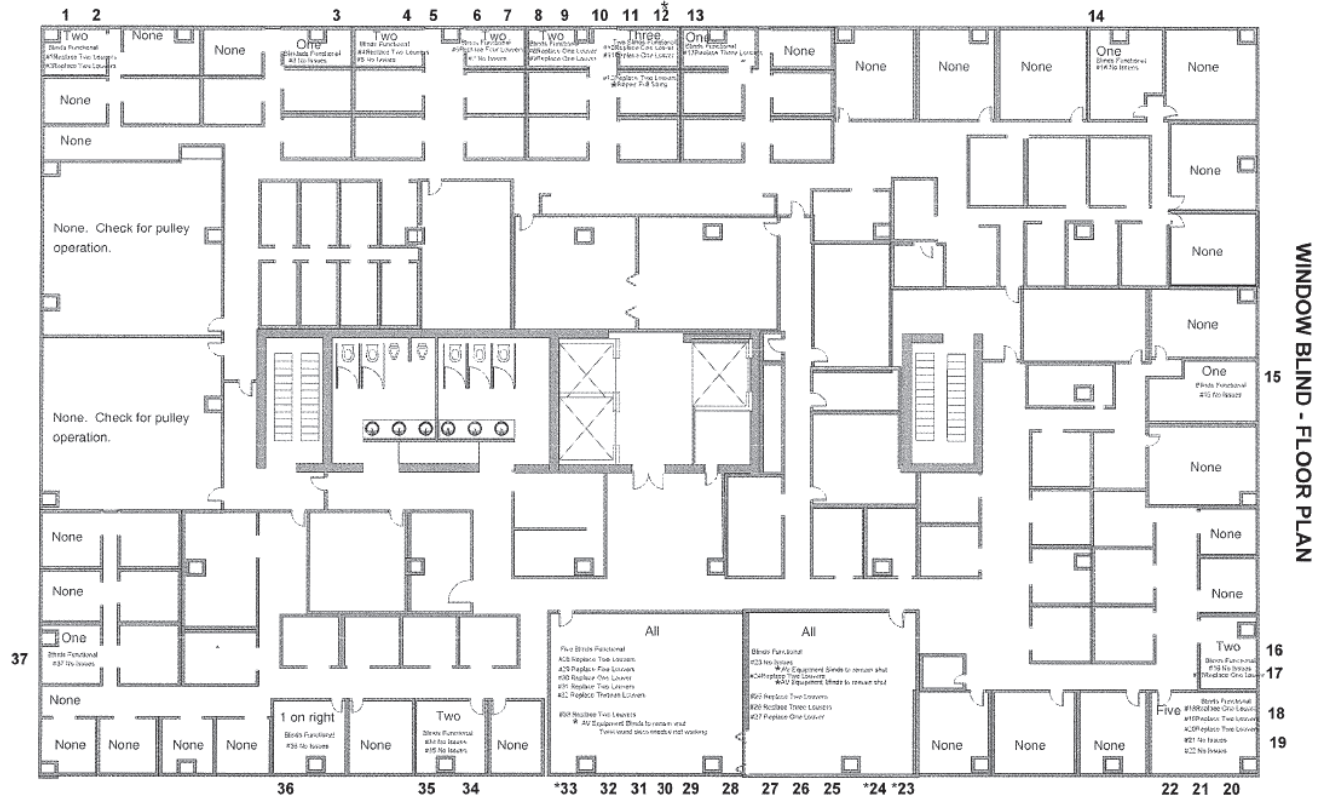


EXHIBIT B

**COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated _____, 20___, between County of Los Angeles, a body corporate and politic ("Tenant"), and CTC OFFICE 2 LP, a Delaware limited partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 12750 Center Court Drive, Cerritos, California 90703 ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Tenant has accepted possession of the Premises and now occupies the same;
- 2) The Lease commenced on _____ ("Commencement Date");
- 3) The Premises contain _____ rentable square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

- 4) Base Rent per month is _____.
- 5) The Base Index month is _____.
- 6) The Base Index is _____.
- 7) The first New Index month is _____.

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

Tenant:

Landlord:

COUNTY OF LOS ANGELES,
a body corporate and politic

CTC OFFICE 2 LP,
a Delaware limited partnership

By: _____
Name _____
Its _____

By: _____
Name _____
Its _____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

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

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

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

B. WEEKLY

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

C. MONTHLY

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

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

D. QUARTERLY

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

E. SEMI-ANNUALLY

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

F. ANNUALLY

31. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
32. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
33. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

34. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
35. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
36. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

37. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:

- i. heavy traffic areas cleaned as needed, with a minimum frequency of bi-monthly [six (6) times per year];
- ii. moderate traffic areas cleaned as needed, with a minimum of once every six (6) months [two (2) times per year]; and
- iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

38. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph 6.C. of this Exhibit E. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

EXHIBIT E

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

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

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

)
)
)
)
)
)
)
)
)
)

Space above for Recorder's Use

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

- A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.
- B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").
- C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").
- D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

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

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

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

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

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

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

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

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

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

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

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

To Lender: _____

To Borrower: _____

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

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

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

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____

 Lease Dated: _____

 Current Landlord: _____

 Located at: _____

 Premises: _____

 Commencement Date of Term: _____

 Expiration Date: _____

 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that, to its actual knowledge, as of the date hereof:

1. Tenant is the present holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

 (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended, except as set forth in Exhibit A, and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(c) Tenant's interest in the Lease has not been assigned or encumbered.

(d) Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease, except as set forth in the Lease.

(e) No rental payments have been made more than one (1) month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full, and all of Landlord's obligations with respect to tenant improvements have been fully performed, except: _____.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. The final analysis and consideration of the lease will be determined without regard to race, creed, color or gender. *(Categories listed below are based on those described in 49 CFR Section 23.5)*

I. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)						
1. Firm Name: _____			3. Contact Person/Telephone Number: _____			
2. Address: _____ _____			_____			
_____			_____			
_____			4. Total number of employees in the firm: _____			
5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						
II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM						
1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____						
2. Total Number of Ownership/Partners, Etc.: _____			III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION			
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:			
Black/African American			State of California? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Hispanic/Latin American			City of Los Angeles? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Portuguese American			Section D. OPTION TO PROVIDE REQUESTED INFORMATION			
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.			
All Others			Firm Name: _____			
			Signature/Title: _____			
			Date: _____			

EXHIBIT H

MEMORANDUM OF LEASE

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

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

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between _____, a _____ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic, duly organized and existing under the laws of the State of California (the "Tenant"), who agree as follows:

Landlord and Tenant have entered into an unrecorded lease dated _____, 20__ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20__, and ending on a date _____ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: _____, 20__.

LANDLORD: _____

By: _____
Its: _____

By: _____
Its: _____

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

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

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me,

Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature (Seal)

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	6/12/2024		
BOARD MEETING DATE	Not Applicable		
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th		
DEPARTMENT(S)	Department of Health Services		
SUBJECT	ADVANCE NOTIFICATION OF INTENT TO NEGOTIATE A SOLE SOURCE AMENDMENT TO AGREEMENT NO. H-704447 WITH GLOBAL HEALTHCARE EXCHANGE LLC FOR SUPPLY CHAIN PROCUREMENT AND DATA MANAGEMENT SOFTWARE AND SERVICES		
PROGRAM	Supply Chain		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
SOLE SOURCE CONTRACT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: It is in the best economic interest of the County to extend the agreement because: (i) the system is proprietary to GHX and it has been highly customized to DHS requirements; and (ii) the System grants DHS access to group purchasing for medical commodities (e.g., needles).		
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable		
DEADLINES/ TIME CONSTRAINTS	The agreement will expire on December 31, 2024 and will automatically renew on an annual basis through December 31, 2026 but does not have sufficient funding. In addition, DHS intends to extend the agreement beyond 2026 to address healthcare-specific system needs that will not be addressed with the new County-wide system.		
COST & FUNDING	Total cost:	Funding source:	
	\$ To Be Determined		
	TERMS (if applicable):		
	Explanation: Cost will be determined after negotiations with GHX are completed.		
PURPOSE OF REQUEST	To notify the Board of DHS' intention to enter into sole source negotiations with GHX.		
BACKGROUND (include internal/external issues that may exist including any related motions)	DHS will also be increasing pool dollars for the current term (through December 31, 2026) for continued support of "GHX Marketplace," which replaces the electronic catalog which GHX is sunsetting December 31, 2024. While previously approved Pool Dollars allowed DHS to license access to the new module, ensuring continued availability of a crucial system, GHX Marketplace was not offered as a replacement for GHX Procurement Suite when DHS last received Board approval to extend the Agreement and as such, DHS did not account for the purchase in its Pool Dollars.		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: Board Priorities # 2 & 7 reduces cost of medical supplies enabling savings to be repurposed to support the Board's priorities.		
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Jason Ginsberg, Chief, Supply Chain, (213) 434-3300, jginsberg@dhs.lacounty.gov		



Health Services
LOS ANGELES COUNTY

May 14, 2024

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District


Holly J. Mitchell
Second District

Lindsey P. Horvath
Third District

Janice Hahn
Fourth District

Kathryn Barger
Fifth District

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

FROM: Christina R. Ghaly, M.D. 
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO
NEGOTIATE A SOLE SOURCE AMENDMENT TO
AGREEMENT NO. H-704447 WITH GLOBAL
HEALTHCARE EXCHANGE LLC FOR SUPPLY CHAIN
PROCUREMENT AND DATA MANAGEMENT
SOFTWARE AND SERVICES**

Christina R. Ghaly, M.D.
Director

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

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

Elizabeth M. Jacobi, J.D.
Administrative Deputy

This is to advise the Board of Supervisors (Board) that the Department of Health Services (DHS) intends to enter into sole source negotiation and then request approval to amend Agreement No. H-704447 (Agreement) with Global Healthcare Exchange LLC (GHX) for use of supply chain procurement and data management software and services (System) to (i) increase the maximum contract amount for the remaining term of the Agreement; (ii) extend the term of the Agreement by up to five additional years; and (iii) purchase related supply chain procurement modules, all on a sole source basis.

Board Policy No. 5.100 requires written notice to the Board when departments do not have delegated authority to increase the maximum amount of a current contract or extend the term of a current contract beyond its original term or change the scope of services.

Background

GHX is a business exchange consisting of healthcare providers and healthcare product vendors. GHX provides healthcare supply chain automation software solutions that maintain updated procurement data for medical supplies, assists members with developing and maintaining a standardized and efficient supply formulary for medical supplies, ensures controls for compliance with these formularies, reconciles and cleanses purchasing data for consistency and completeness, and hosts established vendor agreements and pricing to automate the

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

Tel: (213) 288-8050
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reconciliation of purchases to the group purchasing organization, (GPO), contract catalog.

The System provided by GHX is a supply chain platform consisting of several modules that was competitively selected by the University HealthSystem Consortium, the predecessor of Vizient, Inc., (Vizient), which provides GPO contracting services, to negotiate vendor contracts on behalf of its members, including DHS, primarily for medical commodities, including medical supplies, implants, and equipment. As a member of Vizient, using the System, DHS is able to access Vizient-negotiated GPO vendor contracts as an alternative to conducting Los Angeles County, (LA County), solicitations and has leveraged economies of scale, (e.g., group buying), for purchasing medical commodities. For example, DHS purchases needles, syringes, and orthopedic implants using group purchasing, with the prices and terms negotiated for the entire Vizient membership as opposed to purchasing on a single healthcare system basis, allowing it to take advantage of better terms and economies of scale in pricing.

The Board approved a sole source Agreement with GHX on September 21, 2010, for an initial term through June 30, 2013, with a two-year extension and six month-to-month extensions through December 31, 2015. On December 1, 2015, the Board approved Amendment No. 5 to extend the Agreement term for five additional one-year periods through December 31, 2020, and expand the Scope of Work for additional software modules and services.

From 2020-2021, the Chief Executive Office, (CEO), provided delegated authority to the Director of DHS, or its designee, to extend various contracts in support of the response to the COVID-19 pandemic, and DHS exercised the delegated authority to extend the Agreement term through December 31, 2021. On December 7, 2021, CEO provided delegated authority to the Director of DHS, or its designee, to execute Amendment No. 9 to extend the Agreement term through December 31, 2022, with four additional one-year automatic renewal periods through December 31, 2026, with a maximum agreement sum of \$10,413,916 that included the addition of \$1,502,164 in Pool Dollars to acquire Optional Work, such as hardware, additional software, interfaces, and professional services.

Justification

The Agreement will expire on December 31, 2024, and will automatically renew on an annual basis through December 31, 2026, but the Agreement does not have sufficient funding for all needed software and services through 2026. The increase to the maximum contract amount for the authorized extensions is needed to continue support of the System module named, "GHX Marketplace," an electronic catalog used for ordering medical and non-medical supplies/commodities. DHS acquired GHX Marketplace as a replacement for the catalog functionality of the System module referred to as, "GHX Procurement Suite," the electronic requisitioning system which is sunseting on December 31, 2024. While previously approved Pool Dollars allowed

DHS to license access to the new module, ensuring continued availability of a crucial system, GHX Marketplace was not offered as a replacement for GHX Procurement Suite when DHS last received Board approval to extend the Agreement and as such, DHS did not account for the purchase in its Pool Dollars. As a result, there are not sufficient Pool Dollars remaining to continue paying for support for the new module through 2026. It should be noted that the reason GHX Marketplace was not available for sale is because the software was added to the GHX product suite when GHX acquired Prodigio Solutions, Inc. to further cement its status as the leading provider of supply chain technology in healthcare. In addition, DHS needs to increase the Pool Dollars for the purchase of optional work during the extension terms.

The Internal Services Department, (ISD), is currently in negotiations for a LA Countywide procure-to-pay solution with the full implementation of the new system expected to take place after 2026. DHS has been communicating with ISD regarding the plans/timelines for the new system and anticipates using the new system when available. After the new system is implemented, DHS will continue to have the need to utilize the existing System to address its healthcare-specific supply chain requirements that are unique to DHS and would need assistance with procuring high volume critical purchases. For example, using its expertise with healthcare supply chain, GHX does the following: cleanses the DHS "Item Master," provides medical supply/commodity industry standard United Nations Standard Products and Services (UNSPSC) Code and identifies items that are billable and provides the Healthcare Common Procedure Coding System (HCPCS) needed for DHS financial operations. This is the type of healthcare-specific functionality that will need to continue to be provided by GHX to meet the unique needs of DHS.

GHX has implemented several proprietary solutions to manage, streamline and maximize efficiency and automation of supply chain transactions throughout the DHS enterprise for the purchase of medical commodities critical to timely patient care. The modules include an electronic catalog used for ordering medical and non-medical supplies/commodities, (known as Marketplace), a data cleansing and item master management module (NuVia), a purchasing contract management module (Contract Center), an electronic invoice processing module (OnDemand AP), and a vendor credentialing module (Vendor Credentialing). In addition, the System receives a daily feed from Vizient, which allows DHS to take advantage of pricing negotiated as part of the GPO catalog. The System has been implemented over the years to meet the specific needs of DHS, while allowing DHS to participate in purchasing opportunities available to other large healthcare organizations. Finally, to enhance the System to meet the most current requirements of medical purchasing, DHS intends to negotiate terms for the purchase of related System modules, such as a module to perform value analysis of medical supplies and devices.

An increase in the maximum agreement sum, and the Agreement term is necessary for GHX to continue supporting and maintaining the integrated supply chain software modules which focus on healthcare procurement and data management that meets the

procurement automation needs of the DHS enterprise from the requisitioning process to the invoice/payment process. Included in the maximum agreement sum increase is additional funding necessary to keep GHX Marketplace operating with uninterrupted service across DHS-enterprise to allow ordering of critical medical, and non-medical supplies/commodities. Expanding the Agreement is essential for DHS to continue managing the supply chain efficiently and maintaining its existing cost savings on the purchase of medical supplies/commodities.

Conclusion

DHS has determined that GHX is uniquely positioned to continue providing supply chain procurement and data management software and services. DHS will commence negotiations no earlier than four weeks from the date of this notification unless otherwise instructed by the Board.

If you have any questions, you may contact me, or your staff may contact Jason Ginsberg, Chief of Supply Chain Operations by email at jginsberg@dhs.lacounty.gov.

CRG:ja

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

BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

CLUSTER AGENDA REVIEW DATE	06/12/2024	
BOARD MEETING DATE	06/25/2024	
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)	Treasurer and Tax Collector (TTC)	
SUBJECT	Delegate authority to the Treasurer and Tax Collector to execute Master Agreements with seven firms for the provision of Municipal Advisory Services (MAS).	
PROGRAM	N/A	
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:	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXECUTIVE OFFICE	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
DEADLINES/ TIME CONSTRAINTS	Current MAS Master Agreement expires on 07/15/2024.	
COST AND FUNDING	Total cost: \$500,000	Funding source: Departmental Budget
	TERMS (if applicable): Three years plus three additional one-year and/or six month-to-month optional periods.	
	Explanation: N/A	
PURPOSE OF REQUEST	To approve the attached Master Agreement in substantially similar form for the MAS Pool (Pool), and delegate authority to the Treasurer and Tax Collector to execute such Master Agreements with CSG Advisors, Inc.; Public Resources Advisory Group, Inc.; Fieldman, Rolapp & Associates, Inc.; Omnicap Group, LLC; Montague, DeRose and Associates, LLC; PFM Financial Advisory LLC; and KNN Public Finance, LLC, which will collectively comprise the County of Los Angeles (County) Pool.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The proposed Master Agreement will provide a pool of qualified vendors to allow the TTC to continue serving the County by providing independent financial analysis, validation of debt structures, and augmented technical expertise.	
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	<ul style="list-style-type: none"> • Elizabeth Buenrostro Ginsberg, Treasurer and Tax Collector, (213) 974-2101, eginsberg@ttc.lacounty.gov • Daniel Wiles, Assistant Treasurer and Tax Collector, (213) 974-7175, dwiles@ttc.lacounty.gov • Teresa Wong Gee, Chief Public Finance Officer, (213) 974-8359, tgee@ttc.lacounty.gov • John Patterson, Senior Finance Analyst, (213) 584-1089, jpatterson@ttc.lacounty.gov 	



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437 Los Angeles, California 90012
Telephone: (213) 974-2101 Fax: (213) 626-1812
ttc.lacounty.gov and propertytax.lacounty.gov

ELIZABETH BUENROSTRO-GINSBERG
TREASURER AND TAX COLLECTOR

Board of Supervisors
HILDA L. SOLIS
First District
HOLLY J. MITCHELL
Second District
LINDSEY P. HORVATH
Third District
JANICE HAHN
Fourth District
KATHRYN BARGER
Fifth District

June 25, 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:

TREASURER AND TAX COLLECTOR RECOMMENDATION TO AWARD A MASTER AGREEMENT FOR MUNICIPAL ADVISORY SERVICES (ALL DISTRICTS) (3 VOTES)

SUBJECT

The recommended action is to delegate authority to the Treasurer and Tax Collector to execute Master Agreements with seven firms for the provision of Municipal Advisory Services (MAS).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the attached Master Agreement in substantially similar form for the MAS Pool (Pool), and delegate authority to the Treasurer and Tax Collector to execute such Master Agreements with CSG Advisors, Inc. (CSG); Public Resources Advisory Group, Inc. (PRAG); Fieldman, Rolapp & Associates, Inc. (Fieldman); Omnicap Group, LLC (Omnicap); Montague DeRose and Associates, LLC (MDA); PFM Financial Advisory LLC (PFM); and KNN Public Finance, LLC (KNN), which will collectively comprise the County of Los Angeles (County) Pool commencing on July 16, 2024, or upon the date of the Board of Supervisors' (Board) approval, whichever is later, for a three-year term, with an annual Master Agreement amount not to exceed \$500,000 adjusted annually as needed under the delegated authority requested in Recommendation Number 5.
2. Delegate authority to the Treasurer and Tax Collector, or her designee, to execute additional Master Agreements with additional qualified firms that submit a Statement of Qualification (SOQ), which meets all the requirements as outlined in the Request for Statement of Qualifications (RFSQ).

3. Delegate authority to the Treasurer and Tax Collector, or her designee, to execute amendments to the Master Agreement to: (1) exercise the three optional one-year and/or six month-to-month extensions, and (2) add, delete, and/or revise certain terms and conditions as required under federal or state law or regulation, policies of the County, Board, and/or Chief Executive Office (CEO), which are not part of the Statement of Work (SOW).
4. Delegate authority to the Treasurer and Tax Collector, or her designee, to modify the terms that affect the SOW, but do not materially alter the Master Agreement, as required by the Board or CEO.
5. Delegate authority to the Treasurer and Tax Collector, or her designee, to execute amendments increasing the annual Master Agreement amount up to an additional 10% based on an increase in assignments and/or special projects.
6. Delegate authority to the Treasurer and Tax Collector, or her designee, to execute applicable Master Agreement amendments in the event an entity acquires the original contracting entity, the original contracting entity merges, or otherwise undergoes a corporate action.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Department of Treasurer and Tax Collector (TTC) first created the Financial Advisory Services program in 1995. The program allows the Department to retain independent and specialized financial modeling skills that we utilize in the evaluation of financial proposals, debt structures, and other aspects of the Los Angeles County's debt management program. The program has served the County well by providing independent financial analysis, validation of debt structures, and augmented technical expertise. Additionally, other County departments, such as the CEO, Internal Services, and Parks and Recreation, have accessed these services in the past for program specific purposes.

On June 23, 2018, your Board delegated authority to the Treasurer and Tax Collector to execute a Master Agreement with eight firms for a term commencing July 16, 2018, for a three-year term, with the option to exercise three one-year extensions, which is expected to expire on July 15, 2024. Approval of the new Master Agreement/Pool will enable the County to continue to receive these vital services.

Implementation of Strategic Plan Goals

The recommendations support the County Strategic Plan Strategy III.3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

Municipal Advisory Service costs of \$500,000 are included in the Department's budget for Fiscal Year 2024-25. Over the prior six fiscal years, municipal advisory costs associated with bond financings have not exceeded \$360,000 annually.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code Section 31000, your Board is authorized to contract for special services. The recommended Master Agreement contains your Board's required provisions that are applicable to the Master Agreement, including the requirement for the firms to comply with Government Code Section 84308 relating to campaign contribution prohibitions.

The TTC will use the firms in the Pool on an as-needed basis, matching the specific needs of the County with the best combination of skills and experience of the firms. There is no impact to County employees as these services supplement current resources and are intermittent in nature.

The Master Agreement expressly provides that the County does not have an obligation to pay CSG, PRAG, Fieldman, Omnicap, MDA, PFM, and KNN for expenditures that exceed the maximum Master Agreement sum. Additionally, the Master Agreement contains performance standards, including liquidated damages for substandard and/or non-performance.

CONTRACTING PROCESS

On February 29, 2024, the TTC released the RFSQ for the provision of MAS and posted the RFSQ on the County's open bids website of registered vendors (Attachment A) under the following Commodity Code, which consisted of approximately 299 registered vendors:

- 94648 Financial Advisory Services

The TTC Contracts Section also posted the RFSQ on the TTC's website and provided it to the County's Office of Small Business, which sent it to 132 businesses within the Financial and Governmental/Administration Consulting Services North American Industry Classification System.

The RFSQ is an open continuous solicitation. The solicitation will remain open at the sole discretion of TTC. The TTC will continue to accept SOQs after the initial deadline for inclusion in the Pool until such time as the TTC determines that the number of Firms in the Pool is sufficient to meet the needs of the County.

The TTC received seven proposals by the initial proposal submission due date, which was March 28, 2024, at 5:00 p.m. (Pacific Time). The TTC Contracts Section performed a preliminary Pass/Fail Evaluation of the proposals to determine if the proposals complied with the RFSQ's minimum mandatory qualifications and if they were responsive to the RFSQ. Three of the proposals were missing information; consequently, the Contracts Section issued Supplemental Data Requests to each Proposer requiring a response. PRAG, Fieldman, MDA provided supplemental data by the due date of April 10, 2024.

The TTC Contracts Section reviewed proposals from the seven firms and determined that all proposals met the RFSQ's minimum mandatory qualifications. Thereafter, an Evaluation Committee comprised of staff from the TTC's Finance and Investments Branch evaluated the SOQs.

The County Counsel has approved the Master Agreement, as to form.

The TTC has determined that the recommended Master Agreement is exempt from Proposition A (County Code Chapter 2.121) and that the Living Wage Program (County Code Chapter 2.201) does not apply.

A summary of the Community Business Enterprise Program Statistical Information for the recommended firms is included (Attachment B). On final analysis and consideration of award, the TTC selected the firms without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation, or disability.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The approval of the recommended attached Master Agreement will enable the County to utilize the MAS of the recommended firms.

Respectfully submitted,

ELIZABETH BUENROSTRO GINSBERG
Treasurer and Tax Collector

EBG:VN:DW:TG:JP:DK:DS:lac

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



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⊕ Solicitation Detail

Solicitation Number:	TTC-RFSQ-2024-01-MAS		
Title:	Municipal Advisory Services		
Department:	Treasurer and Tax Collector		
Bid Type:	Service	Bid Amount:	N/A
Commodity:	FINANCIAL ADVISOR SERVICES		
Description:	<p>The County of Los Angeles (County) Department of Treasurer and Tax Collector (TTC) is issuing this Request for Statement of Qualifications (RFSQ) for the provision of Municipal Advisory Services. The TTC intends to establish a Municipal Advisory Pool (Pool) of Firms to provide Municipal Advisory Services for the County.</p> <p>You may download the RFSQ from the Internet by accessing the County's website at https://camisvr.co.la.ca.us/lacobids/, selecting "Open Solicitations," and then searching by the solicitation title of Municipal Advisory Services. You may also download the RFSQ by accessing the TTC's website https://ttc.lacounty.gov/contract-opportunities/. Firms are responsible for downloading and reviewing the entire RFSQ.</p> <p>The RFSQ contains the service requirements, Statement of Qualifications (SOQ) content and format requirements, a description of the SOQ selection process, and a sample Master Agreement. Firms that meet the minimum requirements identified in RFSQ, Paragraph 3, Minimum Mandatory Requirements, are invited to submit an SOQ to provide the services described in Exhibit D, Statement of Work, of Appendix A, Sample Contract. Firms should carefully review the RFSQ and ensure their SOQ complies with all RFSQ requirements.</p> <p>Firms must prepare the SOQ in accordance with RFSQ, Paragraph 7, Statement of Qualifications Requirements. Firms understand and agree that submission of an SOQ constitutes acknowledgement and acceptance of, and a willingness to comply with all terms and conditions of this RFSQ and any addenda, including but not limited to, Appendix A, Master Agreement. The terms and conditions of RFSQ, Appendix A, Master Agreement, are not negotiable.</p> <p>SOQs are due by 5:00 p.m. Pacific Time on March 28, 2024, and must be emailed to: contracts@ttc.lacounty.gov. The TTC will seek approval from the County of Los Angeles Board of Supervisors to execute and administer Master Agreements with qualified Firms that submitted SOQs by the initial deadline to establish an initial Pool. The Master Agreement Term shall be for a period of three years commencing upon the execution of the first individual Master Agreement, unless sooner terminated or extended.</p> <p>The TTC may, at its sole discretion, continue to accept SOQs after the initial deadline for inclusion in the Pool until such time as the TTC determines that the number of Firms in the Pool is sufficient to meet the needs of the County. The TTC may, at its sole discretion, elect to stop accepting SOQs at any time after the initial deadline.</p>		
Open Day:	2/29/2024	Close Date:	Continuous
Contact Name:	David Sandoval	Contact Phone:	(213) 974-7360
Contact Email:	contracts@ttc.lacounty.gov		
Last Changed On:	4/23/2024 4:02:58 PM		
Attachment File (2) :	<p>⊕ Click here to download attachment files.</p>		



**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION CSG		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:		8			
Total Number of Employees (including owners):		21			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American	2		9%	%	
Hispanic/Latino			%	%	
Asian or Pacific Islander		2	%	30%	
Native Americans			%	%	
Subcontinent Asian			%	%	
White	6	1	35%	26%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	
CSG Advisors Incorporated		Yes				

**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION PRAG		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:		7			
Total Number of Employees (including owners):		39			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American	0	0	0%	0%	
Hispanic/Latino	0	0	0%	0%	
Asian or Pacific Islander	2	2	13%	13%	
Native Americans	0	0	0%	0%	
Subcontinent Asian	0	0	0%	0%	
White	5	6	33%	40%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input checked="" type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	

REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION Fieldman		15			
Total Number of Employees in California:		15			
Total Number of Employees (including owners):		17			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American	0	0	%	%	
Hispanic/Latino	0		%	%	
Asian or Pacific Islander			%	%	
Native Americans			%	%	
Subcontinent Asian			%	%	
White	2	1	36%	13%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input checked="" type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	

**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION Omnicap		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:				5	
Total Number of Employees (including owners):				16	
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American			%	%	
Hispanic/Latino			%	%	
Asian or Pacific Islander			%	%	
Native Americans			%	%	
Subcontinent Asian			%	%	
White	100		100%	%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input checked="" type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	

**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE		REFERENCE			
1 MONTAGUE DEROSE AND ASSOCIATES, LLC		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:		12			
Total Number of Employees (including owners):		12			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American			%	%	
Hispanic/Latino	1		33%	%	
Asian or Pacific Islander			%	%	
Native Americans			%	%	
Subcontinent Asian			%	%	
White	2		67%	%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	

**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE	REFERENCE			
1 FIRM/ORGANIZATION INFORMATION for PFM Financial Advisors LLC, as of March 1, 2024	The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
* Total Number of Employees in California:	16			
* Total Number of Employees (including owners):	205			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:				
† Race/Ethnic Composition	‡ Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed	
	Male	Female	Male	Female
Black/African American	2	2	3.92%	3.92%
Hispanic/Latino	2	0	3.92%	
Asian or Pacific Islander	0	1	%	1.96%
Native Americans	0	0		
Subcontinent Asian				
White	35	8	68.60%	15.68%

* Data is for PFM Financial Advisors LLC only.

† PFM follows federal EEO Race/Ethnicity categories. As such, we include Two or More Races but do not use Subcontinent Asian. There is an additional owner who identifies as Female and Two or More Races not included in the above (1.96% ownership). Please see attached EEO chart for a complete view of PFM II, LLC's workforce.

‡ PFM Financial Advisors LLC is part of the PFM group of companies, and is a wholly owned subsidiary of PFM II, LLC. Partnership data is for PFM II, LLC.

TITLE	REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE	If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
	<input checked="" type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ

**REQUIRED FORMS – EXHIBIT 5
COMMUNITY BUSINESS ENTERPRISE (CBE) INFORMATION**

TITLE		REFERENCE			
1 FIRM/ORGANIZATION INFORMATION KNN		The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.			
Total Number of Employees in California:		17			
Total Number of Employees (including owners):		18			
Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American			%	%	
Hispanic/Latino			%	%	
Asian or Pacific Islander	1		14%	%	
Native Americans			%	%	
Subcontinent Asian			%	%	
White	4	2	57%	29%	

TITLE		REFERENCE				
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE		If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following.				
		<input type="checkbox"/> Check if not applicable				
Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ	



MASTER AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

TREASURER AND TAX COLLECTOR

AND

(CONTRACTOR)

FOR

MUNICIPAL ADVISORY SERVICES

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**MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR
AND**

**FOR
MUNICIPAL ADVISORY SERVICES**

This Master Agreement and Exhibits made and entered into on this ___ day of _____, 2024 by and between the County of Los Angeles, hereinafter referred to as “County,” and _____, hereinafter referred to as “Contractor,” to provide Municipal Advisory Services.

RECITALS

WHEREAS, the County may contract with private businesses for Municipal Advisory Services when certain requirements are met; and

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

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

WHEREAS, the Board has authorized the Treasurer and Tax Collector, or designee, to execute and administer this Master Agreement; and

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

1.0 APPLICABLE DOCUMENTS

Exhibits A through G 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 Statement of Work
- Exhibit D1 Master Agreement Work Order
- Exhibit D2 Pricing Schedule
- Exhibit E1 Certification of Employee Status
- Exhibit E2 Certification of No Conflict of Interest
- Exhibit E3 Contractor Acknowledgement and Confidentiality Agreement
- Exhibit F Subsequent Executed Work Orders
- Exhibit G Information Security and Privacy Requirements

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 Subparagraph 8.1 (Change Notices and Amendments) and signed by both parties.

2.0 DEFINITIONS

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

- 2.1 Board of Supervisors (Board):** The Board of Supervisors of the County of Los Angeles acting as governing body.

- 2.2 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Master Agreement.
- 2.3 Contractor's Authorized Official(s):** The individual(s) authorized by the Contractor, that the Contractor represents and warrants has actual authority to execute documents under this Contract on behalf of the Contractor.
- 2.4 Contractor's Project Director/Alternate Project Director:** The individual authorized by the Contractor as principal officer to oversee contractual or administrative matters relating to this Master Agreement that cannot be resolved by the Contractor's Project Manager. Additionally, Contractor's Project Director/Alternate Project Director must oversee all projects and serve as a point of escalation, as needed.
- 2.5 Contractor's Project Manager:** The individual authorized by the Contractor to administer the Master Agreement operations under this Master Agreement.
- 2.6 Contractor's Employees/Staff:** Any person designated by the Contractor to perform services under this Master Agreement.
- 2.7 Contractor's Financial Manager:** The individual authorized by the Contractor to have full authority to act on behalf of the Contractor in all matters relating to invoicing under this Contract.
- 2.8 County:** The County of Los Angeles
- 2.9 County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. Contractor is not required to provide services on County observed holidays unless otherwise stated in the SOW or Contract. A list of County observed holidays may be found on the County's website at <https://ttc.lacounty.gov/county-holidays/>.
- 2.10 County's Contracts' Section – Contract Monitor:** The County's Contracts' Section Contract Monitor is responsible for ensuring annual requirements and Contract deliverables (e.g., financial statements, insurance certificates, pending litigation statement, etc.) are received timely and in accordance with the Master Agreement provisions from the Contractor.
- 2.11 County's Project Director/Alternate Project Director:** The individual authorized by the Department of Treasurer and Tax Collector (TTC) with authority for the County to oversee contractual or administrative matters relating to this Master Agreement that cannot be resolved by the County's Project Manager. Additionally, County's Project Director/Alternate Project Director must oversee all projects and serve as a point of escalation, as needed.
- 2.12 County's Project Manager:** The individual authorized by the County's Project Director to manage the operations under this Master Agreement.

- 2.13 Day(s):** Calendar day(s) unless otherwise specified.
- 2.14 Department:** The County of Los Angeles Department of Treasurer and Tax Collector, which is entering into this Master Agreement on behalf of the County of Los Angeles.
- 2.15 Fiscal Year:** The 12-month period beginning July 1st and ending the following June 30th.
- 2.16 Master Agreement:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Master Agreement sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work including Exhibit D (Statement of Work (SOW)).
- 2.17 Qualified Contractor:** A Contractor who has submitted a Statement of Qualifications in response to County's Request for Statement of Qualifications (RFSQ), has met the minimum mandatory requirements qualifications listed in the RFSQ, and has an executed Master Agreement with the Department.
- 2.18 Request for Statement of Qualifications (RFSQ):** A type of procurement solicitation used to select qualified Contractors to provide specific services to the County through Master Agreements.
- 2.19 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.20 Statement of Work:** A written description of tasks and/or deliverables required by County pursuant to this Master Agreement.
- 2.21 Treasurer and Tax Collector:** The appointed official of the County of Los Angeles Department of Treasurer and Tax Collector.
- 2.22 TTC:** The County of Los Angeles Department of Treasurer and Tax Collector.
- 2.23 Work Order:** A subordinate agreement executed wholly within and subject to the provisions of Exhibit D (SOW) of this Master Agreement for the performance of tasks and/or provision of deliverables as described in the SOW. A sample Work Order format is attached as Exhibit D1 to the SOW. No work shall be performed by firms in the Municipal Advisory Pool without validly executed Work Orders.

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 in each Work Order and its related SOW for which the Contractor is contracted.
- 3.2** Work Orders will generally conform to Exhibit D1. Each Work Order will include an attached SOW, which will describe in detail the particular project

and the work required for the performance thereof. Payment for all work will be either on a time and materials basis or on a fixed priced per deliverable basis, subject to the Total Maximum Amount specified on each individual Work Order.

- 3.3** If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount as specified in the Work Order as originally written or modified in accordance with Subparagraph 8.1 (Change Notices and Amendments), these will be gratuitous efforts on the part of Contractor for which Contractor will have no claim whatsoever against the County.
- 3.4** The TTC procedures for issuing and executing Work Orders are as set forth in this Subparagraph 3.4. Upon determination of the needs for Municipal Advisory Services, the TTC will issue a Work Order to Contractors. The TTC will issue Work Orders to the most experienced and qualified Contractor(s) and rotate assignments, to the extent feasible, based upon a Contractor's demonstrated experience, qualification, and specialization.

4.0 TERM OF MASTER AGREEMENT

- 4.1** This Master Agreement will be for a period of three years commencing upon the execution of the first individual Master Agreement by Treasurer and Tax Collector, or their designee, as authorized by the Board, unless sooner extended or 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 three additional one-year periods and/or six month-to-month extensions, for a maximum total Master Agreement term of six years and six months. Each such option and extension will be exercised at the sole discretion of the Treasurer and Tax Collector, or their designee, as authorized by the Board.

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

5.0 CONTRACT RATES

- 5.1 The Contractor's rates set forth in Exhibit D2, Pricing Schedule, will remain firm and fixed for the duration of the Master Agreement term.
- 5.2 The 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 Department by the Board 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

The 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. This provision will survive the expiration or other termination of this Master Agreement.

5.4 Invoices and Payments

- 5.4.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor must separately invoice County for each Work Order on an hourly basis or fixed fee basis (see Exhibit D1).
- 5.4.2 Payment for all work will be on either an hourly basis or a fixed fee basis, subject to the Contracted Amount specified in each Work Order less any amounts assessed in accordance with Paragraph 8.26 (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 County's Project Manager, 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 contain supporting documentation and must be submitted via email to:

ttcbudget@ttc.lacounty.gov

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.

5.4.6.1 Hourly Basis 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.

5.4.6.2 Fixed Fee Basis 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.

5.4.6.3 Rates

To be determined upon selection of the Contractor as set forth in Exhibit D2, Pricing Schedule.

5.4.7 In compliance with Internal Revenue Service (IRS) requirements, the Contractor shall provide the Contractor's Tax Identification Number on each invoice submitted.

5.5.8 The TTC shall make a reasonable effort to effect payment within thirty calendar days of receipt and approval of the Contractor's submitted invoice.

5.5.9 All invoices submitted by the Contractor pursuant to this Master Agreement are subject to auditing requirements of the County Auditor-Controller (A-C).

5.5.10 Preference Program Enterprises – Prompt Payment Program

Certified Prompt Payment Enterprises (PPEs) will receive prompt payment for services they provide to County departments. Prompt payment is defined as 15 calendar days after receipt of an approved, undisputed invoice which has been properly matched against documents such as a receiving, shipping, or services delivered report, or any other validation of receipt document consistent with Board Policy 3.035 ([Preference Program Payment Liaison and Prompt Payment Program](#)).

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 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

County's Administration

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 Project Director/Alternate Project Director

The responsibility of County's Project Director/Alternate Project Director, or designee, includes:

- 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 Work Order Director's specific projects, and for ensuring that this Master Agreement's objectives are met;
- monitoring, evaluating and reporting Contractor performance and progress on the Work Order;
- coordinating with Contractor's Project Manager, on a regular basis, regarding the performance of Contractor's personnel on each particular project;
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

County's Project Director/Alternate Project Director, or designee, does not have the ability to authorize or 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 Change Notices and Amendments, Subparagraph 8.1, of this Master Agreement.

6.2 County's Project Manager

The County's Project Manager is County's chief contact person with respect to the day-to-day administration of this Master Agreement. The

County's Project Manager will prepare, and issue Work Orders and any Amendments thereto, and generally be the first person for Contractor to contact with any questions.

6.3 County's Contracts' Section – Contract Monitor

The County's Contracts' Section – Contract Monitor is responsible for ensuring annual requirements and Contract deliverables (e.g., financial statements, insurance certificates, pending litigation statement, etc.) are received timely in accordance with the Master Agreement provisions from the Contractor.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

The Contractor must assign a sufficient number of employees to perform the required work. The Contractor must appoint at least one authorized employee, determined and agreed upon between the Contractor and the TTC, to act for the Contractor in every detail and that employee must speak and read fluently in English. Request for replacement of any personnel by the TTC must be completed within one business day.

A listing of all of Contractor's Administration referenced in the following Subparagraphs is designated in Exhibit B (Contractor's Administration). The Contractor will notify the County's Project Director and County's Project Manager in writing of any changes as they occur.

7.1 Contractor's Project Director

7.1.1 The Contractor's Project Director must be a full-time employee of the Contractor. The Contractor's Project Director must be a principal officer in the Contractor's office to service this Contract and to act as a liaison for the Contractor in coordinating the performance of services under the Contract. The Contractor must provide the TTC, in writing of the name, address, and telephone number of the individual designated to act as the Contractor's Project Director at the time the Contract is implemented and as changes occur during the Contract Term. Such notification must be made by the Contractor no later than five business days after a change occurs and will include a current resume for the new Contractor's Project Director. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

7.1.2 The Contractor's Project Director must be responsible for the Contractor's performance of all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor and ensure the Contractor's compliance with the Contract. Additionally, Contractor's Project Director must oversee all projects and serve as a point of escalation, as needed.

- 7.1.3 The Contractor's Project Director must be available to meet and confer with the County's Project Director on an as-needed basis either in person or by telephone as mutually agreed by the parties, to review Contract performance and discuss Contract coordination. Such meetings will be conducted at a time and place as mutually agreed by the parties.

7.2 Contractor's Project Manager

- 7.2.1 The Contractor's Project Manager must be a full-time employee of the Contractor. The Contractor must provide the County's Project Director and County's Project Manager with the information specified on Exhibit B (Contractor's Administration) for the individual designated to act as the Contractor's Project Manager at the time this Contract is implemented and as changes occur during the Contract Term. Such notification must be made by the Contractor no later than five business days after a change occurs and will include a current resume for the new Contractor's Project Manager. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.
- 7.2.2 The Contractor's Project Manager must have full authority to act on behalf of the Contractor on all matters related to the Contractor's day-to-day activities as related to the Contract and must coordinate with County's Project Manager on a regular basis.
- 7.2.3 The Contractor's Project Manager must be available during regular business hours of 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, for telephone and email contact and to meet as needed with the County's Project Manager to discuss the Contract.

7.3 Contractor's Authorized Official(s)

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

7.4 Contractor's Financial Manager

- 7.4.1 The Contractor's Financial Manager must be a full-time employee of the Contractor. The Contractor must provide the County's Project Director and County's Project Manager with the information specified on Exhibit B (Contractor's

Administration) for the individual designated to act as the Contractor's Financial Manager at the time this Contract is implemented and as changes occur during the contract term. Such notification must be made by the Contractor no later than five business days after a change occurs and will include a current resume for the new Contractor's Financial Manager. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

- 7.4.2 The Contractor must assign a Financial Manager to act as liaison for the Contractor and have full authority to act on behalf of Contractor in all matters related to payments and fees under this Contract. The Contractor's Financial Manager must be available during the hours of 8:00 a.m. to 5:00 p.m. PT, Monday through Friday, for telephone and email contact and to meet with County personnel regarding any invoices issued under this Contract.

7.5 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, provided, however, that such approval by County will not be unreasonably withheld, delayed or conditioned. A change in Contractor's Project Manager, or critical senior staff, without County approval may result in Contract termination at County's discretion. Contractor must provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.6 Contractor's Staff Identification

- 7.6.1 The Contractor must provide, at the Contractor's expense, all staff assigned to this Contract and visiting or performing services on-site at a County facility, or its grounds, with a standard photo identification badge in accordance with the County specifications which includes a recent picture of the employee, the employee's name, and the name of the Contractor. Specifications may change at the discretion of the County and the Contractor will be provided with new specifications as required. The format and content of the badge is subject to the TTC's approval prior to the Contractor implementing the use of the badge. The Contractor's staff, while visiting or providing on-site services under this Master Agreement or when entering a County facility or its grounds, must prominently display the photo identification badge on the upper part of the body.

- 7.6.2 Contractor must notify the County within one business day when key personnel that provide services under this Master Agreement

are terminated from working under this Master Agreement. Key Personnel include staff listed on Exhibit B, Contractor's Administration. Contractor must retrieve and immediately destroy the staff's photo identification badge at the time of removal from the County Master Agreement.

- 7.6.3 If the TTC requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy the Contractor's staff's County photo identification badge at the time of removal from working on the County's Master Agreement.

7.7 Background and Security Investigations

- 7.7.1 Each of Contractor's staff performing services under this Master Agreement who is in a designated sensitive position, as determined by the County in the County's sole discretion, must undergo and pass a background investigation to the satisfaction of the County as a condition of beginning and continuing to perform services under this Master Agreement. Typically, the positions required to undergo and pass a background investigation, include, but are not limited to, Contractor's Project Director, Project Manager, and staff that have access to County assets, sensitive Information and/or public information.

Such background investigation must be obtained through fingerprints submitted to the California Department of Justice (DOJ) to include State, local, and federal-level review, which may include, but will not be limited to, criminal conviction information. Examples of disqualifying factors include, but not limited to, bribery, robbery, theft, fraud, embezzlement, forgery, extortion, perjury, convictions involving controlled substance, convictions involving stolen property, any felony conviction, a misdemeanor conviction. The fees associated with the background investigation will be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Master Agreement. Contractor must comply with the County's request at any time during the term of the Master Agreement.

- 7.7.2 The Contractor must provide to the TTC the legal name of each person in a designated sensitive position and the dates on which said persons submitted fingerprints to the California DOJ. The Contractor must provide such information in writing within five calendar days of the date on which the fingerprinting occurred.

- 7.7.3 A member of Contractor's staff must not begin to perform services under the Contract until he/she has successfully passed a background investigation to the satisfaction of the TTC.
- 7.7.4 During the Master Agreement Term, if the County receives a subsequent disqualifying factor for a member of the Contractor's staff, the TTC shall request that the member of the Contractor's staff be immediately removed from performing services under the Master Agreement. Contractor shall promptly comply with the County's request.
- 7.7.5 The TTC will request the Contractor to advise the Contractor's staff member who did not pass the background investigation or who received a subsequent disqualifying factor to contact the TTC immediately to receive a copy of the Criminal Offender Record Information obtained from the DOJ through the TTC's background investigation.
- 7.7.6 The TTC may request that Contractor's staff be immediately removed from working on this Contract at any time during the Contract Term.
- 7.7.7 The TTC, 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 TTC or whose background or conduct is incompatible with County facility access.
- 7.7.8 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.7 will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Master Agreement.

7.8 Confidentiality

- 7.8.1 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.
- 7.8.2 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 7.8, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.8 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.

- 7.8.3 Contractor must inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Master Agreement.
- 7.8.4 Contractor must sign and adhere to the provisions of the Exhibit E3 (Contractor Acknowledgement and Confidentiality Agreement).

8.0 STANDARD TERMS AND CONDITIONS

8.1 Change Notices and Amendments

- 8.1.1 The County reserves the right to initiate Change Notices that do not affect the scope or payment of any Work Order issued pursuant to this Master Agreement. All such changes will only be accomplished with an executed Work Order Change Notice signed by the Contractor and by the County's Project Manager.
- 8.1.2 For any change which affects the Term or Contract Sum under this Master Agreement, an Amendment will be prepared therefore, executed by the Contractor, and thereafter by the County's Board, except that the TTC is expressly authorized to increase the Contract Sum set forth in Paragraph 5.0, Contract Rates, not to exceed 10% of the total Contract Sum for a particular contract year based on an increase in work volume. Any such change must be in writing and signed by the Contractor and the Treasurer and Tax Collector, or their designee.
- 8.1.3 The County's Board or Chief Executive Officer, or designee, may require the addition and/or change of certain terms and conditions in the Master Agreement during the term of this Master Agreement. The County reserves the right to add and/or change

such provisions as required by the County's Board or Chief Executive Officer. To implement such orders, an Amendment to the Master Agreement will be prepared and executed by the Contractor and the Treasurer and Tax Collector, or their designee.

- 8.1.4 The Treasurer and Tax Collector, or their designee, may, at their sole discretion, authorize extensions of time as defined in Paragraph 4.0, Term of Master Agreement. For the exercise of the TTC's optional extensions, an Amendment to the Master Agreement will be prepared and executed by the Contractor and the Treasurer and Tax Collector, or their designee, prior to the expiration of the then current Master Agreement Term.

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 Budget Reductions

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

8.5 Complaints

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

- 8.5.1 Within ten 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.
- 8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor must make such changes and resubmit the plan within ten business days for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor must submit proposed changes to the County for approval before implementation.
- 8.5.5 The Contractor must preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.

- 8.5.7 Copies of all written responses must be sent to the County's Project Manager within three business days of mailing to the complainant.

8.6 Compliance with Applicable Laws

- 8.6.1 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.
- 8.6.2 Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 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.

8.7 Compliance with Civil Rights Laws

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

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

8.8 Compliance with County's Jury Service Program

- 8.8.1 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](#).
- 8.8.2 Written Employee Jury Service Policy
 - 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.
 - 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.

- 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.
- 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.

8.9 Conflict of Interest

- 8.9.1 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.

8.9.2 The Contractor must comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this 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 Subparagraph 8.9 will be a material breach of this Master Agreement.

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

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

8.11 Consideration of Hiring GAIN/START Participants

8.11.1 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 Skills and Training to Achieve Readiness for Tomorrow (START) 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/START participants by job category to the Contractor. Contractors must report all job openings with job requirements to: gainstart@dpss.lacounty.gov and bservices@opportunity.lacounty.gov and DPSS will refer qualified GAIN/START job candidates.

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

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness,

capacity and experience to satisfactorily perform the Master Agreement. It is the County's policy to conduct business only with responsible Contractors.

8.12.2 **Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of the Contractor on this or other 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.

8.12.3 **Non-responsible Contractor**

The County may debar a Contractor if the Board 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.

8.12.4 **Contractor Hearing Board**

- 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.
- 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.

- 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. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- If a Contractor has been debarred for a period longer than five years, that Contractor may after the debarment has been in effect for at least five 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.
- 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 years; (2) the debarment has been in effect for at least five 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.
- 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. The Board will have the

right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms will also apply to Subcontractors of County Contractors.

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

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

8.14 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).

8.15 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 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.

8.16 Damage to County Facilities, Buildings or Grounds

- 8.16.1 The 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 30 days after the occurrence.
- 8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs must be repaid by Contractor by cash payment upon demand.

8.17 Employment Eligibility Verification

- 8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this 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.
- 8.17.2 The Contractor must indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Master Agreement.

8.18 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 Change Notices and Amendments prepared pursuant to Subparagraph 8.1 (Change Notices and 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.

8.19 Fair Labor Standards

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

8.20 Force Majeure

8.20.1 Neither party will be liable for such party's failure to perform its obligations under and in accordance with this 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").

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

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

8.21 Governing Law, Jurisdiction, and Venue

This 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.

8.22 Independent Contractor Status

- 8.22.1 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.
- 8.22.2 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.
- 8.22.3 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.
- 8.22.4 The Contractor must adhere to the provisions stated in Subparagraph 7.8 (Confidentiality).

8.23 Indemnification

The Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and

expenses (including attorney and expert witness fees), arising from and/or relating to this Master Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnities.

8.24 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 Subparagraph 8.24 and 8.25 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.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (COIs) 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 COIs must be provided to County not less than ten 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.
- COIs 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 COIs must match the name of the Contractor identified as the contracting party in this Master Agreement. COIs must provide the full name of each insurer providing coverage, its National Association of Insurance Commissioners (NAIC) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding \$50,000, 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.

COIs and copies of any required endorsements must be sent to:

County of Los Angeles
Department of Treasurer and Tax Collector
Contracts Section
500 West Temple Street – Room 464
Los Angeles, CA 90012

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.

8.24.2 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.

8.24.3 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 days in advance of cancellation for non-payment of premium and 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.

8.24.4 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.

8.24.5 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.

8.24.6 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.

8.24.7 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.

8.24.8 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.

8.24.9 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.

8.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claim 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 years following Master Agreement expiration, termination, or cancellation.

8.24.11 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.

8.24.12 Separation of Insureds

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

8.24.13 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.

8.24.14 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.

8.25 Insurance Coverage

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

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

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

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

8.25.4 **Unique Insurance Coverage**

- **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 years following this Agreement's expiration, termination or cancellation.

8.26 Liquidated Damages

- 8.26.1 If, in the judgment of the Treasurer and Tax Collector, or designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Treasurer and Tax Collector, or their designee, at their 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 Treasurer and Tax Collector, or their designee, in a written notice describing the reasons for said action.
- 8.26.2 If the Treasurer and Tax Collector, or designee determines that there are deficiencies in the performance of this Master Agreement that the Treasurer and Tax Collector or their designee, deems are correctable by the Contractor over a certain time span, the Treasurer and Tax Collector, or their 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 Treasurer and Tax Collector, or 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 \$100 per day per infraction, or as may be specified in any Performance Requirements Summary (PRS) Charts in future Work Orders, 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 days' notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

- 8.26.3 The action noted in Subparagraph 8.26.2 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.
- 8.26.4 This Subparagraph 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 or Subparagraph 8.26.2, and will not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

8.27 Most Favored Public Entity

If the Contractor's prices decline, or should the Contractor at any time during the term of this 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.

8.28 Nondiscrimination and Affirmative Action

- 8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.28.2 Contractor certifies to the County each of the following:
- That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
 - That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
 - That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
 - Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.
- 8.28.3 The Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital

status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- 8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.28.6 The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Subparagraph 8.28 when so requested by the County.
- 8.28.7 If the County finds that any provisions of this Subparagraph 8.28 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.
- 8.28.8 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 \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Master Agreement.

8.29 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.

8.30 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 business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 Dispute Resolution Procedure

It is the intent of the parties that all disputes arising under this Master Agreement be resolved expeditiously, amicably, and at the level within each party's organization that is most knowledgeable about the disputed issue. The parties understand and agree that the procedures outlined in this Subparagraph are not intended to supplant the routine handling of inquiries and complaints through informal contact with their respective managers. Accordingly, for purposes of the procedures set forth in this Subparagraph, a "dispute" will mean any action, dispute, claim, or controversy of any kind, whether in contract or tort, statutory or common law, legal or equitable, now existing or hereafter arising under or in connection with, or in any way pertaining to this Master Agreement.

8.31.1 Contractor and County agree to act with urgency to mutually resolve any disputes, which may arise with respect to this Master Agreement. All such disputes must be subject to the provisions of this Subparagraph 8.31 (Dispute Resolution Procedure), (such provisions must be collectively referred to as the "Dispute Resolution Procedure"). Time is of the essence in the resolution of disputes.

8.31.2 Contractor and County agree that the existence and details of a dispute notwithstanding, both parties must continue without delay their performance hereunder, except for any performance, which the County determines should be delayed as a result of such dispute.

8.31.3 If Contractor fails to continue without delay its performance hereunder which the County, in its sole discretion, determines should not be delayed as a result of such dispute, then any additional costs, which may be incurred by the Contractor or County as a result of Contractor's failure to continue to so perform must be borne by the Contractor, and Contractor must make no claim whatsoever against the County for such costs. Contractor must promptly reimburse the County for such County

costs, as determined by the County, or County may deduct all such additional costs from any amounts due to the Contractor from the County.

- 8.31.4 If County fails to continue without delay to perform its responsibilities under this Contract, which County determines should not be delayed as a result of such dispute, then any additional costs incurred by the Contractor or the County as a result of County's failure to continue to so perform must be borne by the County, and County will make no claim whatsoever against the Contractor for such costs. County must promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by the County.
- 8.31.5 In the event of any dispute between the parties with respect to this Contract, Contractor and County must submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.
- 8.31.6 In the event that the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten days from the date of submission of the dispute to them, then the matter must be immediately submitted to the parties' respective Project Directors for further consideration and discussion to attempt to resolve the dispute.
- 8.31.7 In the event that the Project Director are unable to resolve the dispute within a reasonable time not to exceed ten days from the date of submission of the dispute to them, then the matter must be immediately submitted to Contractor's president or equivalent and the Treasurer and Tax Collector, or designee. These persons must have ten days to attempt to resolve the dispute.
- 8.31.8 In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Contract and/or its rights and remedies as provided by law.
- 8.31.9 All disputes utilizing this dispute resolution procedure must be documented in writing by each party and must state the specifics of each alleged dispute and all actions taken. The parties must act in good faith to resolve all disputes. At all three levels described in this Subparagraph 8.31 (Dispute Resolution Procedure), the efforts to resolve a dispute must be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.
- 8.31.10 Notwithstanding any other provision of this Master Agreement County's right to terminate this Master Agreement or to seek

injunctive relief to enforce the provisions of Subparagraph 7.8 (Confidentiality), must not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights and must not be deemed to impair any claims that the County may have against the Contractor or County's rights to assert such claims after any such termination or such injunctive relief has been obtained.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

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

8.33 Notice to Employees Regarding the Safely Surrendered Baby Law

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

8.34 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 days prior written notice thereof to the other party. The Treasurer and Tax Collector, or their designee, will have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

8.35 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.

8.36 California Public Records Act

8.36.1 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 Subparagraph 8.38 (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 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 7921 et seq.](#) (Public Records Act) and which are marked “trade secret”, “confidential”, or “proprietary”. The County will not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of 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.

8.37 Publicity

8.37.1 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.

8.37.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Subparagraph 8.37 (Publicity) will apply.

8.38 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 years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then at the County's option, the Contractor will pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.38.1 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 A-C within 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).
- 8.38.2 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.
- 8.38.3 If, at any time during the term of this Master Agreement or within five 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 A-C, 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.

8.38.4 **Financial Statements:** Beginning one year after the Effective Date of this Master Agreement, and every year thereafter until the expiration of this Master Agreement, Contractor must submit to the Contracts' Section – Contract Monitor, as indicated on Exhibit A (County's Administration), a complete set of audited financial statements for the preceding 12-month period. Such statements must, at a minimum, include a Balance Sheet (Statement of Financial Position) and Income Statement (Statement of Operations). The County reserves the right to request these financial statements on a more frequent basis and will so notify Contractor in writing. All financial statements will be kept confidential, only if stamped or marked as confidential on each page of the financial statement.

8.38.5 **Pending Litigation:** Contractor must submit an annual statement regarding any pending or threatened litigation that would have a material adverse impact on its performance under the Master Agreement since the Contractor last reported same to the County, and as soon as an incident occurs, to the Contracts' Section – Contract Monitor, as indicated on Exhibit A (County's Administration).

8.39 Recycled Bond Paper

Consistent with the Board's 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.

8.40 Subcontracting

8.40.1 If the Contractor desires to subcontract, the work requirements of this Contract may not be subcontracted by the Contractor **without the advance written approval of the Treasurer and Tax Collector, or their designee.**

If the Contractor desires to subcontract, the work requirements of this Contract as they relate to Exhibit G (Information Security and Privacy Requirements) may not be subcontracted by the Contractor **without the advance written approval of County's Chief Information Security Officer and/or Chief Privacy Officer in addition to that of the Treasurer and Tax Collector, or their designee.** Any attempt by the Contractor to subcontract

without the prior consent of the above parties may be deemed a material breach of this Contract.

- 8.40.2 Following written approval by the Treasurer and Tax Collector, or his designee, in conjunction with the County's Chief Information Security Officer and/or Chief Privacy Officer, the County's Contract Manager 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 County, Contractor must forward a fully executed subcontract to the TTC for its files.
- 8.40.3 After the Contractor has engaged an approved Subcontractor, the Contractor must provide the following information promptly at the County's request and prior to any work being performed by the Subcontractor:
1. A description of the work to be performed by the Subcontractor;
 2. A draft copy of the proposed subcontract; and
 3. Written agreement from each Subcontractor and/or third party, certifying it must comply with and be bound by the applicable terms of Exhibit G (Information Security and Privacy Requirements) of this Contract; and
 4. Other pertinent information and/or certifications requested by County.
- 8.40.4 The Contractor must indemnify, defend, and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were Contractor employees.
- 8.40.5 The Contractor will remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.40.6 The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.40.7 The Contractor will be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

8.40.8 The Contractor must obtain COIs, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. Before any Subcontractor employee may perform any work hereunder, the Contractor must ensure delivery of all such documents to:

County of Los Angeles
Department of Treasurer and Tax Collector
Contracts Section
500 West Temple Street, Room 464
Los Angeles, CA 90012

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

Failure of the Contractor to maintain compliance with the requirements set forth in Subparagraph 8.14 (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 Subparagraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to [County Code Chapter 2.202](#).

8.42 Termination for Convenience

8.42.1 This Master Agreement may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten days after the notice is sent. In no event will County's termination of this Contract pursuant to this Subparagraph 8.42 (Termination for Convenience) be deemed a waiver of County's right to make a claim against the Contractor for damages resulting from any default by the Contractor or its agents which occurred prior to the effective termination date.

8.42.2 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.

- 8.42.3 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 8.38 (Record Retention and Inspection/Audit Settlement).

8.43 Termination for Default

- 8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of County's Project Director:
1. Contractor has materially breached this Master Agreement;
 2. 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
 3. 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 working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure; or
- 8.43.2 The County may, without prior notice or opportunity to cure given to the Contractor, terminate the whole or any part of this Contract, if in the judgment of County's Project Director:
1. The Contractor or any of its agents materially breaches any of the warranties, representations and covenants made in Subparagraph 8.3 (Authorization Warranty) so as to adversely affect the County; or
 2. The Contractor is subject to criminal investigation, indictment or conviction, or is found civilly or criminally liable by a trial court, judge or administrative panel in connection with any matter involving breach of trust or fiduciary duty, fraud, theft, or moral turpitude; or
 3. The Contractor attempts or purports to assign this Contract, or any portion thereof, or any of its rights or obligations hereunder, without the prior written consent of County, except as provided in Subparagraph 8.2 (Assignment and Delegation/Mergers or Acquisitions).
- 8.43.3 In the event that the County terminates this Master Agreement in whole or in part as provided in Subparagraph 8.43.1, the County

may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will 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.

- 8.43.4 Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this 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 Subparagraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.
- 8.43.5 If, after the County has given notice of termination under the provisions of this Subparagraph 8.43 (Termination for Default), it is determined by the County that the Contractor was not in default under the provisions of this Subparagraph 8.43 (Termination for Default), or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 (Termination for Convenience).
- 8.43.6 The rights and remedies of the County provided in this Subparagraph 8.43 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.44 Termination for Improper Consideration

- 8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this 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 the Master Agreement or the making of any determinations with respect to the Contractor's performance pursuant to the 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.
- 8.44.2 The Contractor must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>.
- 8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.45 Termination for Insolvency

- 8.45.1 The County may terminate this 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 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.
- 8.45.2 The rights and remedies of the County provided in this Subparagraph 8.45 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.46 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each County Lobbyist or County Lobbying firm as defined in [County Code Section 2.160.010](#) retained by the Contractor, must fully comply with the County's Lobbyist Ordinance, [County Code 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.

8.47 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 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.

8.48 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.

8.49 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 Subparagraph will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.50 Warranty Against Contingent Fees

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this 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.

8.50.2 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.

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

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

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

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

Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.51 (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 ten 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](#).

8.53 Time off For Voting

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

8.54 Use of County Seal and/or TTC Logos

The County claims right, title and interest in and to certain intellectual property, including, but not limited to, the current and former County Seals and TTC logos (collectively, County Seals). Except as expressly authorized herein, the Contractor must not reproduce, copy, distribute, republish, download, display, post, transmit or make any other use of any kind whatsoever of the County Seals, in any format or by any means whatsoever. At no time will the Contractor in any manner (i) modify the County Seals or (ii) create derivative works of the County Seals. The

Contractor must not in any manner sublicense, transfer or assign its rights, or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent will be null and void.

8.55 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.

8.56 Compliance with Fair Chance Employment Hiring 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.

8.57 Compliance with the County Policy of Equity

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

8.58 Prohibition from Participation in Future Solicitation(s)

A Proposer, or a Contractor or its subsidiary or Subcontractor (“Proposer/Contractor”), is prohibited from submitting a bid or proposal in

a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of the Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract.

8.59 Injury and Illness Prevention Program

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

8.60 Campaign Contribution Prohibition Following Final Decision in Master Agreement Proceeding

Pursuant to [Government Code Section 84308](#), Contractor and its Subcontractors, are prohibited from making a contribution of more than \$250 to a County officer for twelve (12) months after the date of the final decision in the proceeding involving this Master Agreement. Failure to comply with the provisions of [Government Code Section 84308](#) and of this paragraph, may be a material breach of this Master Agreement as determined in the sole discretion of the County.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Local Small Business Enterprise (LSBE) Preference Program

- 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 an 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 an LSBE.
- 9.1.4 If the Contractor has obtained certification as an 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:

- 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;
- In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10% of the amount of the Master Agreement; and
- 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 Debt Financing 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

- 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 an 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 an SE.
- 9.2.4 If Contractor has obtained County certification as an 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:

- 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;
- 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% of the amount of the Master Agreement; and
- 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

- 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:
- 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;
 - 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% of the amount of the Master Agreement;
and

- 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.

9.4 Information Security and Privacy Requirements

Contractor must comply with Exhibit G (Information Security and Privacy Requirements) of this Contract. The Information Security and Privacy Requirements applies to both Contractors and their Subcontractors. Contractor will be required to certify that they are in full compliance with the provisions of the Information Security and Privacy Requirements and must maintain compliance during the term of this contract. Failure to maintain compliance, or to timely cure defects, may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant Contractor (Los Angeles County Code, Chapter 2.202).

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 will survive the expiration or termination of this Agreement for any reason:

- Subparagraph 5.3 (No Payment for Services Provided Following Expiration/Termination of Master Agreement)
- Subparagraph 7.8 (Confidentiality)
- Subparagraph 8.1 (Change Notices and Amendments)
- Subparagraph 8.2 (Assignment and Delegation/Mergers or Acquisitions)
- Subparagraph 8.6 (Compliance with Applicable Laws)
- Subparagraph 8.19 (Fair Labor Standards)
- Subparagraph 8.20 (Force Majeure)
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Subparagraph 8.43 (Termination for Default)
Subparagraph 8.48 (Validity)
Subparagraph 8.49 (Wavier)
Subparagraph 8.58 (Prohibition from Participation in Future Solicitation(s))
Paragraph 10.0 (Survival)

**AUTHORIZATION OF MASTER AGREEMENT FOR
MUNICIPAL ADVISORY SERVICES**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Master Agreement to be executed by the Treasurer and Tax Collector, or designee, and approved by County Counsel, and Contractor has caused this Master Agreement to be executed in its behalf by its duly authorized officer, this _____ day of _____, 20____.

COUNTY OF LOS ANGELES

By _____
Treasurer and Tax Collector

By _____
Contractor

Signed: _____

Printed: _____

Title: _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By _____
Senior Deputy County Counsel

**MASTER AGREEMENT FOR
SERVICES MUNICIPAL ADVISORY SERVICES**

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COUNTY'S ADMINISTRATION

MASTER AGREEMENT NO. _____

WORK ORDER NO. _____

COUNTY'S PROJECT DIRECTOR:

Name: Daniel Wiles
 Title: Assistant Treasurer and Tax Collector
 Address: 500 West Temple Street, Suite 432
Los Angeles, CA 90012
 Telephone: (213) 974-7175
 Email Address: dwiles@ttc.lacounty.gov

COUNTY'S ALTERNATE PROJECT DIRECTOR:

Name: Teresa Wong Gee
 Title: Chief Public Finance Officer
 Address: 500 West Temple Street, Suite 432
Los Angeles, CA 90012
 Telephone: (213) 974-8359
 Email Address: tgee@ttc.lacounty.gov

COUNTY'S PROJECT MANAGER:

Name: John Patterson
 Title: Senior Finance Analyst
 Address: 500 West Temple Street, Suite 432
Los Angeles, CA 90012
 Telephone: (213) 584-1089
 Email Address: jpatterson@ttc.lacounty.gov

COUNTY'S CONTRACTS' SECTION – CONTRACT MONITOR:

Name: Seeta Azizi
 Title: Contracts' Section – Contract Monitor
 Address: 500 West Temple Street, Suite 464
Los Angeles, CA 90012
 Telephone: (213) 974-7360
 Email Address: sazizi@ttc.lacounty.gov

CHIEF INFORMATION SECURITY OFFICER:

Name: Jeffrey Aguilar
 Title: Chief Information Security Officer
 Address: 320 West Temple Street, 7th Floor
Los Angeles, CA 90012
 Telephone: (213) 253-5659
 Email Address: CISO-CPO_Notify@lacounty.gov

CHIEF PRIVACY OFFICER:

Name: Lillian Russell
Title: Chief Privacy Officer
Address: 320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Telephone: (213) 351-5363
Email Address: CISO-CPO_Notify@lacounty.gov

COUNTY DEPARTMENTAL CHIEF INFORMATION OFFICER (DCIO):

Name: Matthew Der
Title: Departmental Chief Information Officer
Address: 500 West Temple Street, Room 409
Los Angeles, CA 90012
Telephone: (213) 974-7618
Email Address: mder@ttc.lacounty.gov

COUNTY DEPARTMENTAL INFORMATION SECURITY OFFICER (DISO):

Name: Chamnan So
Title: Departmental Information Security Officer
Address: 500 West Temple Street, Room 409
Los Angeles, CA 90012
Telephone: (213) 584-1484
Email Address: cso@ttc.lacounty.gov

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME

MASTER AGREEMENT NO. _____

WORK ORDER NO. _____

CONTRACTOR'S PROJECT DIRECTOR:

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-mail Address: _____

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 FINANCIAL MANAGER:

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-mail Address: _____

NOTICES TO CONTRACTOR:

Name: _____
Title: _____
Address: _____

Telephone: _____
Facsimile: _____
E-mail 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.

EXHIBIT D

STATEMENT OF WORK

MUNICIPAL ADVISORY SERVICES

**STATEMENT OF WORK
MUNICIPAL ADVISORY SERVICES**

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EXHIBITS

Exhibit D1: Master Agreement Work Order (Hourly Basis or Fixed Fee Basis)

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1.0 INTRODUCTION

The County of Los Angeles (County) is authorized under California Government Code Section 31000 to contract for special services on behalf of the County. Pursuant to this authority, the County may contract with private businesses for the provision of Municipal Advisory Services. Pursuant to California Government Code Section 23005, the Department of Treasurer and Tax Collector (TTC) will seek approval from the Board of Supervisors to execute and administer Master Agreements with qualified Contractors to form the County's Municipal Advisory Pool.

The Municipal Advisory Services detailed in the Request for Statement of Qualifications (RFSQ) are synonymous with "municipal advisory activities" as defined by the Securities and Exchange Commission (SEC). The Securities and Exchange Act of 1934 Rule 240.15Ba1-1(e) defines municipal advisory activities to mean: providing advice to or on behalf of a municipal entity regarding municipal financial products or issuing municipal securities, including advice regarding the structure, timing, terms, and other similar matters concerning such financial products or issues. A detailed description of the scope of municipal advisory services can be found in Paragraph 3.0 (Scope of Services).

In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) established a federal regulatory framework that requires municipal advisors to register with the SEC and instituted a statutory fiduciary duty to municipal entity clients. The Dodd-Frank Act also granted the Municipal Securities Rulemaking Board (MSRB) authority to regulate municipal advisors engaging in municipal advisory activities. Municipal advisors are subject to a variety of rules promulgated by the MSRB that establish core standards of conduct for municipal advisors. All prospective Contractors who apply to be in the County's Municipal Advisory Pool must be registered as municipal advisors with the SEC and the MSRB at the time of their RFSQ response submissions.

It is the intent of the TTC to utilize Contractors throughout the term of the Master Agreements on an as-needed basis, as determined by the TTC in its sole discretion, for the provision of Municipal Advisory Services.

2.0 DEFINITIONS

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

- 2.1 Business Days:** Monday through Friday, excluding County observed holidays, unless otherwise stated.
- 2.2 Calendar Days:** Monday through Sunday, including County observed holidays, unless otherwise stated.
- 2.3 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity that has entered into an agreement with the County to perform or execute the work covered by this Master Agreement.
- 2.4 Contractor's Authorized Official(s):** The individual(s) authorized by the Contractor, that the Contractor represents and warrants has actual authority to execute documents under this Master Agreement on behalf of the Contractor.
- 2.5 Contractor's Project Director/Alternate Project Director:** The individual authorized by the Contractor as principal officer to oversee contractual or administrative matters relating to this Master Agreement that cannot be resolved by the Contractor's Project Manager. Additionally, Contractor's Project Director/Alternate Project Director must oversee all projects and serve as a point of escalation, as needed.
- 2.6 Contractor's Project Manager:** The individual authorized by the Contractor to administer the Master Agreement operations under this Master Agreement.
- 2.7 Contractor's Employees/Staff:** Any person designated by the Contractor to perform services under this Master Agreement.
- 2.8 Contractor's Financial Manager:** The individual authorized by the Contractor to have full authority to act on behalf of the Contractor in all matters relating to invoicing under this Master Agreement.
- 2.9 County:** The County of Los Angeles.
- 2.10 County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. Contractor is not required to provide services on County observed holidays unless otherwise stated in the Statement of Work (SOW) or Master Agreement. A list of County observed holidays may be found on the County's website <https://ttc.lacounty.gov/county-holidays/>.
- 2.11 County's Project Director/Alternate Project Director:** The individual authorized by the TTC with authority for the County to oversee contractual or administrative matters relating to this Master Agreement that cannot be resolved by the County's Project Manager. Additionally, County's Project Director/Alternate

Project Director must oversee all projects and serve as a point of escalation, as needed.

- 2.12 County's Project Manager:** The individual authorized by the County's Project Director to manage the operations under this Master Agreement.
- 2.13 County's Project Monitor:** Person with responsibility to oversee the day-to-day activities of this Master Agreement. Responsibility for inspections of any and all tasks, deliverables, goods, services, and other work provided by the Contractor.
- 2.14 Day(s):** Calendar Day(s) unless otherwise specified.
- 2.15 Fiscal Year:** The 12-month period beginning July 1st and ending the following June 30th.
- 2.16 Master Agreement:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Master Agreement sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work including Exhibit D (SOW).
- 2.17 Master Agreement Term:** The period of this Master Agreement, commencing upon the Effective Date, unless sooner terminated or extended, in whole or in part, as provided in this Master Agreement.
- 2.18 Municipal Advisory Pool:** Independent registered municipal advisory firms that meet all requirements of this RFSQ and that have executed a Master Agreement with the County.
- 2.19 Municipal Entity:** Any State, political subdivision of a State, or municipal corporate instrumentality of a State, including (a) any agency, authority, or instrumentality of the State, political subdivision, or municipal corporate instrumentality; (b) any plan, program, or pool of assets sponsored or established by the State, political subdivision, or municipal corporate instrumentality or any agency, authority, or instrumentality thereof; and (c) any other issuer of municipal securities.
- 2.20 Request for Statement of Qualifications (RFSQ):** A type of procurement solicitation used to select qualified Contractors to provide specific services to the County through Master Agreements.
- 2.21 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.22 Statement of Work (SOW):** A written description of tasks, deliverables, and/or other work required by the County pursuant to this Master Agreement.

- 2.23 Subcontractor(s):** Any individual, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services, equipment, and/or materials to Contractor in furtherance of Contractor's performance under this Master Agreement, under oral or written agreement.
- 2.24 Total Maximum Amount:** The maximum dollar amount that the County agrees to pay the Contractor for all services under an individual Work Order.
- 2.25 Treasurer and Tax Collector:** The appointed official of the County of Los Angeles Department of Treasurer and Tax Collector.
- 2.26 TTC:** The County of Los Angeles Department of Treasurer and Tax Collector.
- 2.27 TTC Employees:** The staff of the County's Department of Treasurer and Tax Collector.
- 2.28 Work Order:** A subordinate agreement executed wholly within and subject to the provisions of Exhibit D (SOW) of this Master Agreement for the performance of tasks and/or provision of deliverables as described in the SOW. A sample Work Order format is attached as Exhibit D1 to the SOW. No work shall be performed by firms in the Municipal Advisory Pool without validly executed Work Orders.

3.0 SCOPE OF SERVICES

A detailed description of services requested by the TTC will be included in the Scope of Services portion of each Work Order for the provision of Municipal Advisory Services pertaining to debt financing projects and programs as described in the RFSQ, Subparagraph 2.1 (Anticipated Debt Financing Projects and Programs). Municipal Advisory Services include, but are not limited to, the following:

3.1 General Municipal Advisory Services

The Contractor shall be required to provide municipal advisory services described herein, which are aligned with the SEC's definition of municipal advisory activities as providing advice to or on behalf of a municipal entity regarding municipal financial products or issuing municipal securities. Activities may include, but are not limited to, assisting the County with the following:

- a. Assisting with the development of financing plans and evaluation of financing options;
- b. Evaluating prospective underwriters for County financing projects;

- c. Performing risk analysis and cost benefit analysis of various financing strategies and debt structures, which may include formulating sensitivity and break-even analyses;
- d. Validating proposed financing structures, which may include developing complex cash flow models;
- e. Developing the project financing schedule and list of contacts of the financing team working on the financing project;
- f. Preparing and reviewing bond financing documents, including the preliminary and final official statements, and participating in due diligence meetings;
- g. Researching and evaluating pricing strategies related to the issuance of debt securities, including analyzing market trends and transaction timing;
- h. Participating in pre-pricing and pricing calls and making recommendations on pricing levels;
- i. Conducting pre-marketing initiatives to potential investors for competitive sales of debt securities;
- j. Evaluating bids, including validation of the True Interest Cost calculation, and recommending the award of debt securities for competitive sales;
- k. Reviewing and coordinating as needed with the closing process for a County financing project, including reviewing all closing documents;
- l. Recommending strategies and solutions related to compliance with arbitrage regulations;
- m. Developing, or assisting in the development of, credit presentations to rating agencies and investors;
- n. Monitoring and analyzing refunding opportunities for the County's outstanding debt obligations;
- o. Provide ongoing technical assistance and training to TTC Employees, as requested; and
- p. Provide additional services as needed from time to time including, but not limited to, special projects; and
- q. Preparing or assisting the County with filing required market disclosure information and annual continuing disclosure reports.

4.0 TTC's ASSIGNMENT OF WORK TO CONTRACTORS IN THE POOL

The County's Project Director will assign all services procured by executing a Work Order detailing the personnel, payment and services

as agreed to by the Contractor. A sample Master Agreement Work Order is attached as Exhibit D1 to this SOW. Throughout the term of the Master Agreement, the TTC does not guarantee a minimum workload to any Contractor. The TTC intends to assign work in two ways:

4.1 Debt Financings

For debt financings, the County's Project Director/Alternate Project Director will provide the Contractors in the Municipal Advisory Pool with a description of the financing project. Interested Contractors shall submit a written proposal with their qualifications and recommendations to the County's Project Director/Alternate Project Director within the designated timeframe. The County's Project Director/Alternate Project Director will consider a Contractor's demonstrated experience and performance in providing the requested services to municipal entities with similar types of transactions and financing structures, and the capability of a Contractor to assign qualified staff and allocate resources to ensure the timely completion of the project, and select the firm that in the County's Project Director's/Alternate Project Director's judgement, is the most qualified to provide the requested services. If multiple Contractors demonstrate equal qualifications through their successful number of relevant assignments completed, then the County's Project Director/Alternate Project Director may select the Contractor on a rotational basis. The County's Project Director/Alternate Project Director reserves the right to select the Contractor that is deemed appropriate for the requested services. The Contractors that are selected to provide advice on debt financings will be compensated based upon a negotiated fixed fee that will be paid from the costs of issuance of the debt financing.

4.2 Other Municipal Advisory Services

For special projects for which other municipal advisory services are needed, the County's Project Director/Alternate Project Director will consider a Contractor's qualifications and previous experience in the subject areas as identified in its response to this RFSQ and/or its response to the financing project description and request for services provided by the TTC, and will make a selection best suited for the services requested and deemed to be in the best interest of the County. The County's Project Director/Alternate Project Director reserves the right to select the Contractor that is deemed appropriate for the requested services. Compensation for these services is based on negotiated hourly rates from the pricing schedule set forth in Exhibit D2 to each Master Agreement. Such compensation will be documented in the Work Order for the assignment.

5.0 PROJECT REPORTING

The Contractor shall, throughout the term of each assigned Work Order, apply requisite technical management skills and techniques to ensure satisfactory and timely completion of project milestones. The Contractor shall prepare project status reports, as requested by the TTC, separately summarizing accomplishment of milestones for each specific Work Order.

6.0 INFORMATION SECURITY AND PRIVACY REQUIREMENTS

The Contractor must adhere to physical and/or computer security safeguards as identified in Exhibit G (Information Security and Privacy Requirements).

7.0 DAYS OF OPERATION/HOURS/WORKDAY

The Contractor shall maintain days and hours of operation and staffing sufficient to complete all services within the timeframes directed by the TTC. TTC's regular business hours are from Monday through Friday, during the hours of 8:00 a.m. to 5:00 p.m. Pacific Time except for County observed holidays, unless specified otherwise in the Master Agreement, or requested by the County. A list of County Observed Holiday may be found on the TTC's website <https://ttc.lacounty.gov/county-holidays/>.

However, the Contractor shall provide any necessary services, including, but not limited to, those services described in the Master Agreement and Exhibit D (SOW), including any Exhibits and Attachments thereto, that do not require access to County facilities, regardless of the County's regular business hours and/or observed holidays.

Work Order No. _____ County Master Agreement No. _____

MUNICIPAL ADVISORY SERVICES
MASTER AGREEMENT WORK ORDER
(Hourly Basis or Fixed Fee Basis)

(CONTRACTOR NAME)

Project Title: _____

Term: _____

County Requesting Department: _____

County Project Director: _____

County Project Manager: _____

I. GENERAL/BACKGROUND

A detailed background, scope of work, and project deliverables are detailed in the Work Order Attachment attached hereto. Contractor must satisfactorily perform all services detailed in this Work Order, including the Work Order Attachment, on [an hourly rate basis] [a fixed fee basis], in compliance with the terms and conditions of Contractor's Master Agreement identified above.

II. CONTRACTED AMOUNT

The Contracted Amount for each Work Order will be provided as financings occur.

III. INVOICE AND PAYMENT

Subject to the provision of services and completion of project deliverables under this Work Order to the satisfaction of the County, the Contractor will be compensated based on invoices for services rendered. The invoices must include period of performance, the advisor/staff name, [Contracted Amount] [hourly rate with number of hours worked], supporting documentation such as receipts for reasonable and necessary expenses, and the Contractor's tax identification number. All invoices must be sent electronically to the County Project Director.

Contractor will invoice County only for hours actually worked, in accordance with the terms and conditions of Contractor's Master Agreement. Contractor must be responsible for limiting the number of hours worked by Contractor Personnel under this Work Order, not to exceed the Contracted Amount in Section II., above.

Contractor must satisfactorily perform and complete all required services in accordance with Exhibit D (Statement of Work), of the Master Agreement, notwithstanding the fact that total payment from County will not exceed the Contracted Amount.

Work Order No. _____ County Master Agreement No. _____

VII. UNAUTHORIZED SERVICES

In accordance with Master Agreement Subparagraph 3.3, Contractor may not be paid for any task, deliverable, service, or other work that is not specified in this Work Order, and/or that utilizes personnel not specified in this Work Order, and/or that exceeds the Contracted Amount of this Work Order, and/or that goes beyond the term of this Work Order.

ALL TERMS OF THE MASTER AGREEMENT WILL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT WILL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS WORK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE MASTER AGREEMENT.

Contractor's signature on this Work Order document confirms Contractor's awareness of and agreement with the provisions of Subparagraph 3.3 of the Master Agreement, which establish that Contractor will not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:

- A. That is not specified in this Work Order, and/or
- B. That exceeds the Contracted Amount of this Work Order, and/or
- C. That goes beyond the term of this Work Order.

CONTRACTOR

COUNTY OF LOS ANGELES

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Work Order No. _____ County Master Agreement No. _____

Work Order Attachment

The following items will be provided for each Work Order as financings occur:

- a. A detailed background
- b. The scope of work
- c. Project Deliverables
 - a. Note: The County reserves the right to determine the acceptability of all work performed under this Work Order.

**EXHIBIT D2
PRICING SCHEDULE**

MUNICIPAL ADVISORY SERVICES

Compensation for the services described herein shall be at the following hourly rates:

STAFFING CATEGORY	HOURLY RATE
Chairman/President	
Senior Managing Director	
Managing Director	
Vice President	
Assistant Vice President	
Principal	
Associate	
Analyst	
Other (specify)	
Other (specify)	

In addition to the fees specified above, Municipal Advisor shall be paid, at the time provided for payment of fees, its reasonable and necessary expenses. However, the County shall not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc. Municipal Advisor must provide documentation of reasonable and necessary expenses, including receipts for all items.

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

FORMS REQUIRED FOR EACH WORK ORDER BEFORE WORK BEGINS

CERTIFICATIONS

This certification is to be executed and returned to County with Contractor's executed Work Order. Work cannot begin on the Work Order until County receives this executed document.

- E1 CERTIFICATION OF EMPLOYEE STATUS
- E2 CERTIFICATION OF NO CONFLICT OF INTEREST

NON-IT MASTER AGREEMENTS

- E3 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

_____ SERVICES
MASTER AGREEMENT WORK ORDER

CERTIFICATION OF EMPLOYEE STATUS

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

Contractor Name

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

I CERTIFY THAT: (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) this organization's employee(s); (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below for the entire time period covered by the attached Work Order.

EMPLOYEES

1. _____
2. _____
3. _____
4. _____

I declare under penalty of perjury that the foregoing is true and correct.

Signature of Authorized Official

Printed Name of Authorized Official

Title of Authorized Official

Date

SERVICES
MASTER AGREEMENT WORK ORDER

CERTIFICATION OF NO CONFLICT OF INTEREST

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

Contractor Name

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

Los Angeles County Code Section 2.180.010.A provides as follows:

“Certain contracts prohibited.

- A. Notwithstanding any other section of this code, the county will not contract with, and will reject any bid or proposal submitted by, the persons or entities specified below, unless the board of supervisors finds that special circumstances exist which justify the approval of such contract:
 - 1. Employees of the county or of public agencies for which the board of supervisors is the governing body;
 - 2. Profit-making firms or businesses in which employees described in subdivision 1 of subsection A serve as officers, principals, partners, or major shareholders;
 - 3. Persons who, within the immediately preceding 12 months, came within the provisions of subdivision 1 of subsection A, and who:
 - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
 - b. Participated in any way in developing the contract or its service specifications; and
 - 4. Profit-making firms or businesses in which the former employees, described in subdivision 3 of subsection A, serve as officers, principals, partners, or major shareholders.”

Contractor hereby declares and certifies that no Contractor Personnel, nor any other person acting on Contractor's behalf, who prepared and/or participated in the preparation of the bid or proposal submitted for the Work Order specified above, is within the purview of County Code Section 2.180.010.A, above.

I declare under penalty of perjury that the foregoing is true and correct.

Signature of Authorized Official

Printed Name of Authorized Official

Title of Authorized Official

Date

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

Contractor Name: _____

Work Order No.: _____ County 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 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 must keep such information confidential.

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

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

SIGNATURE: _____ DATE: _____

PRINTED NAME: _____

POSITION: _____

SUBSEQUENT EXECUTED WORK ORDERS

(NOT ATTACHED)

INFORMATION SECURITY AND PRIVACY REQUIREMENTS



INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

The County of Los Angeles (“County”) is committed to safeguarding the Integrity of the County systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Exhibit to the Statement of Work “Information Security, and Privacy Requirements Exhibit,” (“Exhibit G”) sets forth in detail the County and the Contractor’s commitment and agreement to fulfill each of their obligations under applicable State or federal laws, rules, or regulations, as well as applicable industry standards concerning privacy, Data protections, Information Security, Confidentiality, Availability, and Integrity of such Information. The Contractor shall establish all Information Security, and Privacy Requirements within ten business days prior to the Effective Date of the Contract and maintain all Information Security and Privacy Requirements throughout the entire Contract term.

These requirements and procedures contained in this “Exhibit G” are incorporated by reference into the Terms and Conditions of the Contract and constitute a minimum standard for Information Security and Privacy Requirements in conjunction with the requirements of the Contract between the County and Contractor (the “Contract”). It is the Contractor's sole obligation to: (i) implement appropriate and reasonable measures to secure and protect its systems and all County Information against internal and external Threats and Risks; and (ii) continuously review and revise all measures pertaining to any ongoing Threats and Risks. Failure to comply with the minimum Information Security and Privacy Requirements set forth in this “Exhibit G” herein incorporated by reference into the Terms and Conditions of the Contract shall constitute a material, non-curable breach of Contract by the Contractor, entitling the County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. The Terms and Conditions of the Contract shall govern and control unless stated otherwise in the Contract.

1. DEFINITIONS

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

- a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c. **County Information:** all Data and Information belonging to the County.
- d. **Data:** a subset of Information comprised of qualitative or quantitative values.

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

subject to exploitation or misuse.

- q. **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the County.

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

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

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

The Contractor's Information Security Program shall:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
 - Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
 - Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
 - Protect against accidental loss or destruction of, or damage to, County Information; and
 - Safeguard County Information in compliance with any applicable laws and regulations which apply to the Contractor.
- b. **Privacy Program.** The Contractor shall establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including County Information. The Contractor's Privacy Program shall include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and

appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training shall be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures shall be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and Risks. The Contractor's Privacy Program shall perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

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

The Contractor's Privacy Program shall include:

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

3. PROPERTY RIGHTS TO COUNTY INFORMATION

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

4. CONTRACTOR'S USE OF COUNTY INFORMATION

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor shall collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING COUNTY INFORMATION AND DATA

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

6. CONFIDENTIALITY

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential."
- b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor shall notify the County's contract administrator immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.
- c. **Disclosure Restrictions of Non-Public Information.** While performing work under the Contract, the Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals, sealed court records, and other materials described and/or identified as "Internal Use," "Confidential," or "Restricted" as defined in Board of Supervisors Policy 6.104 – Information Classification Policy as NPI. The Contractor shall not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.
- d. **Individual Requests.** The Contractor shall acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights

provided under applicable federal or state laws. The Contractor shall have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor shall notify the County within five calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding County Information, the Contractor shall notify the County as described in Section 13 SECURITY AND PRIVACY INCIDENTS, and the County will coordinate an appropriate response.

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

7. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit shall also apply to all Subcontractors and third parties. The Contractor or third party shall be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Exhibit within ten business days upon receiving TTC's written approval and prior to performing any work under the Contract, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor shall be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor shall obtain advanced approval from the Treasurer and Tax Collector in conjunction with the approval of County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting services subject to this Exhibit.

8. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

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

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

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

9. RETURN OR DESTRUCTION OF COUNTY INFORMATION

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

- a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor shall (i) promptly return or destroy, at the County's option, all originals and copies of all documents and materials it has received containing County Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be returned to the County, the Contractor shall provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. For documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be destroyed, the Contractor shall provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor shall return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.
- b. **Method of Destruction.** The Contractor shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information

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

10. PHYSICAL AND ENVIRONMENTAL SECURITY

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

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

11. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor shall: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 13 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

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

Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), all such back-ups shall be encrypted in compliance with the encryption requirements noted above in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

12. ACCESS CONTROL

Subject to and without limiting the requirements under Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION, County Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the County Project Director or Contract Project Manager in writing; and (ii) if transferred using removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the County's Chief Information Security Officer in writing. The foregoing requirements shall apply to back-up media stored by the Contractor at off-site facilities.

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

- a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;
- b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;
- c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to County Information is removed in a timely manner;
- d. Applications will include access control to limit user access to County Information and application system functions;
- e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor shall record, review and act upon all events in accordance with Incident response policies set forth in Section 13 SECURITY AND PRIVACY INCIDENTS; and
- f. In the event any hardware, storage media, or removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor shall ensure all County Information has been eradicated from such hardware and/or media using industry best practices as discussed in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

13. SECURITY AND PRIVACY INCIDENTS

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

- a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within 24 hours of detection of the Incident. All notifications shall be submitted via encrypted email and telephone to the individuals listed on Exhibit A, County's Administration.
- b. Include the following Information in all notices:
 - i. The date and time of discovery of the Incident,
 - ii. The approximate date and time of the Incident,
 - iii. A description of the type of County Information involved in the reported Incident, and
 - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
 - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor shall provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.
- d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
- e. Assist and cooperate with forensic investigators, the County, law firms, and/or law enforcement agencies at the direction of the County to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.
- f. Allow the County or its third-party designee at the County's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Information.

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

14. NON-EXCLUSIVE EQUITABLE REMEDY

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

15. AUDIT AND INSPECTION

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

The Contractor shall have a process for correcting control deficiencies that have been identified in the periodic audit, including follow-up documentation providing evidence of such corrections. The Contractor shall provide the audit results and any corrective action documentation to the County promptly upon its completion at the County's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any County Information, the Contractor shall promptly provide the County with copies of the same upon the County's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section shall be provided at no additional charge to the County.

- b. **County Requested Audits.** At its own expense, the County, or an independent third-party auditor commissioned by the County, shall have the right to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing County Information via an onsite inspection at least once a year. Upon the County's request, the Contractor shall complete a questionnaire regarding Contractor's Information Security and/or program. The

County shall pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case the Contractor shall bear all costs of the audit; and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract.

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

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

**BOARD LETTER/MEMO
CLUSTER FACT SHEET**

Board Letter

Board Memo

Other

OPS CLUSTER AGENDA REVIEW DATE	6/12/2024	
BOARD MEETING	7/9/2024	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> 5 th	
DEPARTMENT	Internal Services Department (ISD)	
SUBJECT	Request authority to seek funding to cover costs for the 2024 Tech Empowerment Day, and negotiate, execute, and terminate corresponding agreements.	
PROGRAM	Delete The Divide Initiative	
AUTHORIZES DELEGATED AUTHORITY	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No * If the agreement/s are above the County's Purchasing Agent authority of \$200K.	
SOLE SOURCE CONTRACT	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If Yes, please explain why: ISD will be conducting competitive solicitations and does not anticipate needing to sole source agreements. However, ISD may have a need to award sole source agreements/POs under the micro-purchase threshold per ARP requirements (under \$10K).	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable	
DEADLINES/ TIME CONSTRAINTS	The event is to take place in October 2024, an exact date has not been identified.	
COST & FUNDING	Total cost: not to exceed \$500,000	Funding source: American Rescue Plan Act
	TERMS (if applicable): Not to exceed 30 days.	
	Explanation: N/A	
PURPOSE OF REQUEST	Authorize the Director of ISD, or his designee, to negotiate and execute agreements, including sole source agreements, approved as to form by County Counsel, and to amend and terminate such agreements, with a venue to host the 2024 Tech Empowerment Day in October 2024; Authorize the Director of ISD, or his designee, in consultation with the Chief Executive Office and County Counsel, to take any actions necessary and appropriate to facilitate and identify funding for the 2024 Tech Empowerment Day, not to exceed \$500,000; Authorize the Director of ISD, or his designee, as an agent of the County of Los Angeles, to solicit and receive exhibitor fees, donations, or in-kind gifts in any amount, subject to County budgetary guidelines and practices, on behalf of the Delete The Divide Initiative to support the 2024 Tech Empowerment Day in order to benefit schools, students, and educators who participate in the event; Find that these actions are deemed necessary to meet the social needs of the population of the County and serve a public purpose consistent with Government Code Section 26227.	
BACKGROUND (include internal/external issues that may exist including any related motions)	The digital divide is the economic, educational, and social inequalities between those who have computers and internet access and those who do not. In Los Angeles County, it is estimated that 416,000 households lack internet service and 265,000 households are without a home computer. On September 27, 2022, the County of Los Angeles Board of Supervisors (Board) approved a motion titled Recognizing Digital Inclusion Week . The motion acknowledged Digital Inclusion Week from October 3 – 7, 2022. Additionally, the motion authorized ISD to take several actions that facilitated the inaugural 2022 Tech Empowerment Day. This request is to cover the costs of hosting the 2024 Tech Empowerment Day for students in Los Angeles County during National Digital Inclusion Week in October 2024.	
EQUITY INDEX OR LENS WAS UTILIZED	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
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 AND OTHER CONTACTS	Sabra Johnson, General Manager of Office of Major Programs & Initiatives, (323) 265-8110, SJohnson@isd.lacounty.gov	



County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

MICHAEL OWH
Director

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

"Speed. Reliability. Value."

July 9, 2024

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

Dear Supervisors:

**2024 TECH EMPOWERMENT DAY
ALL DISTRICTS (3-VOTES)**

SUBJECT

Request authorization to negotiate agreements and seek funding opportunities to cover the costs of hosting the 2024 Tech Empowerment Day for middle school students in Los Angeles County during National Digital Inclusion Week in October 2024.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Internal Services Department (ISD), or their designee, to negotiate and execute agreements, including sole source agreements, approved as to form by County Counsel, and to amend and terminate such agreements, with a venue to host the 2024 Tech Empowerment Day in October 2024.
2. Authorize the Director of ISD, or their designee, in consultation with the Chief Executive Office (CEO) and County Counsel, to take any actions necessary and appropriate to facilitate and identify funding for the 2024 Tech Empowerment Day, not to exceed \$500,000.
3. Authorize the Director of ISD, or his designee, as an agent of the County of Los Angeles, to solicit and receive exhibitor fees, donations, or in-kind gifts in any amount, subject to County budgetary guidelines and practices, on behalf of the Delete The Divide Initiative to support the 2024 Tech Empowerment Day in order to benefit schools, students, and educators who participate in the event.

4. Find that these actions are deemed necessary to meet the social needs of the population of the County and serve a public purpose consistent with Government Code Section 26227.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The digital divide is the economic, educational, and social inequalities between those who have computers and internet access and those who do not. In Los Angeles County, it is estimated that 416,000 households lack internet service, and 265,000 households are without a home computer. The most impacted areas are low-income communities and among populations that are predominantly Black and Latino. Also, nearly 240 schools are located in these communities.

Tech Empowerment Day

On September 27, 2022, the County of Los Angeles Board of Supervisors (Board) approved a motion titled [Recognizing Digital Inclusion Week](#). The motion acknowledged Digital Inclusion Week from October 3 – 7, 2022. Additionally, the motion authorized ISD to take several actions that facilitated the inaugural 2022 Tech Empowerment Day.

Tech Empowerment Day is a dynamic one-day high-technology event, connecting Los Angeles County students to educational experiences related to science, technology, engineering, and math. Beyond interactive technologies, dynamic speakers, and opportunities to receive laptops, this event offered exciting hands-on experience and exposure that educated and inspired creativity, innovation, and aspirations. Over 35 public and private organizations partnered to host activity stations, demonstration sessions, and information booths.

In 2022, Tech Empowerment Day was held for middle and high school students at SoFi Stadium in the City of Inglewood. More than 3,200 students participated from schools throughout Los Angeles County. The 2023 Tech Empowerment Day was held at the Los Angeles Memorial Coliseum and more than 6,000 middle and high school students, participated from 100 schools across the County..

Planning for the 2024 Tech Empowerment Day is underway with the goal to deliver like experiences of the previous years. In identifying a host venue, the following are essential criteria:

- Venue is located in or near underserved communities impacted by the digital divide.
- Availability to accommodate a private event during the first week of October 2024.
- Capacity for 4,000 or more students, teachers, chaperones, and guests
- Adequate parking for 120 to 150 school buses.

- Event space for 50 or more activity booths/stations staffed by tech companies and organizations.
- Meeting space to facilitate networking among educators, administrators, and tech companies.
- Areas for large vehicle displays (e.g., gaming trailers, autonomous vehicles).
- Reliable power and internet connectivity for multiple tech activity booths/stations.
- Security personnel.
- Medical services.
- Food and beverage service offerings.
- Access to tables, chairs, and audio/visual equipment.

ISD has researched and toured venues capable of accommodating the 2024 Tech Empowerment Day. A competitive solicitation is currently being administered based on the above-mentioned criteria.

Implementation of Strategic Plan Goals

The recommended actions support the following County's Strategic Plan Goals: NORTH STAR 1: Make investments that transform lives; Focus Area Goal (B). Employment and Sustainable Wages, Strategies (i). Remove Barriers, (ii). Job Preparation, (iii). Job Creation, (iv). Sustainable Wages, NORTH STAR 2: Foster vibrant and resilient communities; Focus Area Goal (F). Community Connections, Strategies (i). Engagement, (ii). Community Participation; and (iii). School and Early Education Support and NORTH STAR 3: Realize tomorrow's government today; Focal Area Goal (F). Flexible and Efficient Infrastructure; Strategy (iii). Technological Advancements/Digital Divide.

FISCAL IMPACT/FINANCING

The Board allocated \$12,050,000 from the American Rescue Plan Act (ARPA) to support the County's Delete The Divide Initiative, which is administered by ISD. Delete The Divide advances digital equity in underserved communities through partnerships, infrastructure investments, and technology resources that empower residents and small businesses.

The 2024 Tech Empowerment Day is a special private event hosted by Delete The Divide. ISD intends to cover costs for the event venue and associated fees from its ARPA allocation, subject to approval by the CEO and County Counsel. These costs may be offset by various contributions, subject to authority from your Board allowing ISD to solicit and receive exhibitor fees, donations, and in-kind gifts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code section 26227, these programs and services provided by the 2024 Tech Empowerment Day should be deemed necessary to meet the social needs of the population, thereby providing a benefit to the County as a whole.

CONTRACTING PROCESS

ISD is administering a competitive solicitation to select a venue that can accommodate the 2024 Tech Empowerment Day. The purpose of the solicitation is to comply with federal ARPA funding guidelines, which require State and local government agencies, such as the County, to perform competitive solicitations for services contracts which will be funded by federal ARPA funds. The solicitation will be performed pursuant to established County policy and procedures, as advised by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enable the County to build on its commitment to digital equity. The 2024 Tech Empowerment Day will expose students and educators to a wide-range of modern technologies, inspire students to explore future career opportunities and will also help to dismantle the digital divide.

CONCLUSION

Upon approval by the Board, it is requested that the Executive Officer, Board of Supervisors, return a copy of the approved Board Letter to the Director of ISD.

Respectfully submitted,

Michael Owh
Director

MO:SJ

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