



# Board of Supervisors Operations Cluster Agenda Review Meeting

**DATE:** July 31, 2024

**TIME:** 2:00 p.m. – 4:00 p.m.

**MEETING CHAIR:** John Leonard, 3<sup>rd</sup> 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](mailto: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 Memo:  
NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH  
SIDEBENCH STUDIOS, LLC. FOR INFORMATION TECHNOLOGY SERVICES  
DCFS/CIO – Steve Hildreth, Information Technology Specialist I and  
Cesar Jara, Senior Information Systems Analyst
  
- B) Board Memo:  
NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO EXECUTE  
A NEW SOLE SOURCE CONTRACT WITH BINTI, INC.  
DCFS/CIO – Luz Moran, Children Services Administrator III,  
Patricia Barquera, Children Services Administrator II and  
My Trinh, Information Technology Supervisor
  
- C) Board Letter:  
TEN-YEAR LEASE AMENDMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
901 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK  
CEO/RE – Alexandra Nguyen-Rivera, Section Chief, Leasing
  
- D) Board Letter:  
NINE-YEAR LEASE  
DEPT OF CHILDREN AND FAMILY SERVICES  
725 SOUTH GRAND AVENUE, GLENDORA  
CEO/RE – Alexandra Nguyen-Rivera, Section Chief, Leasing
  
- E) Board Letter:  
REQUEST FOR APPROVAL TO AWARD AND EXECUTE ONE CONTRACT  
WITH BATZA & ASSOCIATES, INC. FOR AS-NEEDED INVESTIGATIVE  
SERVICES  
ISD – Christie Carr, Contract Manager
  
- F) Board Letter:  
ACCEPT A GRANT AWARD FROM THE STATE OF CALIFORNIA OFFICE OF  
TRAFFIC SAFETY FOR THE TRAFFIC RECORDS IMPROVEMENT PROJECT  
PROGRAM FISCAL YEAR 2023-24  
LASD/CIO – Diane Ocegquera, Principal Information Systems Analyst

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

None available.

### **5. ADJOURNMENT**

**UPCOMING ITEM(S) FOR AUGUST 7, 2024:**

- A) DHR – AUTHORIZE THE DEPARTMENT OF HUMAN RESOURCES TO EMPLOY A RETIRED COUNTY EMPLOYEE ON A TEMPORARY BASIS (PEPRA 120-DAY RETIREE WAIVER)
- B) CEO/CP – AWARD 22 JOB ORDER CONTRACTS FOR MAINTENANCE, REPAIR, REMODELING, AND REFURBISHMENT OF COUNTY INFRASTRUCTURE AND FACILITIES
- C) ISD – AUTHORIZE INTERNAL SERVICES DEPARTMENT TO EMPLOY A RETIRED COUNTY EMPLOYEE ON A TEMPORARY BASIS AND GRANT AN EXCEPTION TO THE 180-DAY WAITING PERIOD REQUIRED UNDER THE CALIFORNIA PUBLIC EMPLOYEE’S PENSION REFORM ACT
- D) ISD – REQUEST FOR APPROVAL TO AWARD AND EXECUTE FIVE CONTRACTS FOR LANDSCAPE SERVICES
- E) ISD – ADOPTION OF ORDINANCES AMENDING VARIOUS CHAPTERS OF TITLE 2 – ADMINISTRATION – OF THE LOS ANGELES COUNTY CODE
- F) LASD/CIO – APPROVE SOLE SOURCE CONTRACT WITH NICE SYSTEMS, INC. TO PROVIDE NETWORKED LOGGING RECORDER SYSTEM MAINTENANCE AND SUPPORT SERVICES

## BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024		
<b>BOARD MEETING DATE</b>	Not Applicable		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Department of Children and Family Services (DCFS)		
<b>SUBJECT</b>	Notice of Intent to Negotiate a Sole Source Contract with Sidebench Studios, LLC. (Sidebench) for Information Technology Services		
<b>PROGRAM</b>	Family Bonding Program		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<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 continue with Sidebench for system enhancements to Time2Connect (T2C) since they have been supporting application since the project's inception in February 2020. They completed the initial system discovery work, completed T2C Phase 1 that was piloted in three DCFS offices in in February 2020, completed T2C Phase 2 in April 2021 and it was rolled out Department wide in December 2021.  The Pritzker Foster Care Initiative awarded DCFS a grant to work on discovery and develop of T2C Phase 3A features. This contract for T2C Phase 3B includes design and development of additional features for Phase 3 that were not able to be funded by the Pritzker grant.		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable		
<b>DEADLINES/ TIME CONSTRAINTS</b>	DCFS aims to begin the development of Phase 3B in October 2024.		
<b>COST &amp; FUNDING</b>	Total cost:	\$200,000	Funding source:
			2011 Realignment State Funds
	TERMS (if applicable): The initial contract term will be effective October 1, 2024, through March 31, 2026, with two one-year options to extend.		
	Explanation: The maximum amount for the eighteen months is \$200,000. The two one-year extension options will be subject to future funding availability.		
<b>PURPOSE OF REQUEST</b>	Requested Board delegated authority for the DCFS to enter into a sole source contract negotiations with Sidebench for T2C Phase 3B.		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	Visitation between children in out-of-home care and their parents is the single best indicator of reunification. The T2C facilitates the scheduling, coordination, and documentation of visits. It also provides data that is crucial to making informed decisions and recommendations to Dependency Court regarding purposeful visitation and timely reunification.		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain how: T2C has the ability to send text messages, emails, and phone notifications regarding visitation in 5 languages, English, Spanish, Armenian, Mandarin and Cantonese.		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: The development of T2C features supports the Child Protection priority as it improves the process of scheduling, coordinating, and documenting visits for children placed in out-of-home care.		
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Aldo Marin, Board Liaison, (213) 371-6052, marina@dcfs.lacounty.gov		





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

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



BRANDON T. NICHOLS  
Director

JENNIE FERIA  
Chief Deputy Director

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

May 14, 2024

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

From:   
Brandon T. Nichols  
Director

**NOTICE OF INTENT TO NEGOTIATE A SOLE SOURCE CONTRACT WITH  
SIDEBENCH STUDIOS, LLC. FOR INFORMATION TECHNOLOGY SERVICES**

In compliance with Board Policy 5.100, Sole Source Contracts, this is to notify the Board that the Department of Children and Family Services (DCFS) intends to negotiate a Sole Source Contract with Sidebench Studios, LLC. (Sidebench) for the Time2Connect visitation scheduling tool project.

This Sole Source Contract will allow Sidebench to build upon the work completed in Phase 3A and complete Phase 3B, which will include front and back-end development of needed enhancements, maintenance and support for Time2Connect.

The initial contract term will be 18 months, effective October 1, 2024 through March 31, 2026, with two one-year options to extend. The Maximum Contract Sum for the initial term will be \$200,000, financed by 100 percent 2011 Realignment State funds. The two one-year extension options will be subject to future funding availability.

DCFS will proceed with the Sole Source contract negotiations within four weeks of this notice unless otherwise instructed by the Board Office.

If you have any questions or need additional information, you may contact me, or your staff may contact Aldo Marin, Board Liaison, at (213) 371-6052.

BTN:JF:CMM

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

*"To Enrich Lives Through Effective and Caring Service"*

## BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024	
<b>BOARD MEETING DATE</b>	Not Applicable	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Department of Children and Family Services (DCFS) and Probation Child Welfare	
<b>SUBJECT</b>	Notice of Intent to Request Delegated Authority to Execute a New Sole Source Contract with Binti, Inc.	
<b>PROGRAM</b>	Binti Resource Family Approval Tracking (RFAT) for Foster Family Agencies (FFA)	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If Yes, please explain why: Binti's Licensing Module is a proprietary a software-as-a-service (SaaS) solution designed specifically for Resource Family Tracking, and has been configured to meet DCFS' operational requirements. The Licensing Module meet the California Department of Social Services (CDSS) and local Los Angeles County DCFS regulations, policies, and procedures, making it an ideal choice for DCFS' continued operations, and for it to be expanded to DCFS' contracted FFAs. This software is adaptable and built to evolve in response to changing State mandates and policies, ensuring its continued relevance, effectiveness and compliance. It is in the best economic interest of the County to continue with Binti's Licensing Module and SaaS solution for Resource Family Tracking.	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable	
<b>DEADLINES/ TIME CONSTRAINTS</b>	Not Applicable	
<b>COST &amp; FUNDING</b>	Total cost:	Funding source:
	To Be Determined	100% Net County Costs (NCC)
	TERMS (if applicable): To Be Determined	
	Explanation: The anticipated contract term is three (3) years to allow the continued use of the Licensing Module by the County and to expand use to DCFS' contracted FFAs.	
<b>PURPOSE OF REQUEST</b>	In compliance with Board Policy No. 5.100, Sole Source Contract and Amendments, this notifies the Board that DCFS intends to start negotiations for a sole source contract with Binti to secure a license for its Licensing Module, to assist families in the Resource Family Approval (RFA) process when applying through DCFS' contracted FFAs.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	This software will continue to enable the County, and now DCFS' contracted FFAs, to effectively recruit resource families and facilitate the placement of DCFS' children, youth, and non-minor dependents. Currently, 43 out of California's 58 counties are utilizing Binti's Licensing Module, covering 90% of Child Welfare Services in the State, and several of these counties have also implemented, or are in the process of implementing it for their FFAs.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No            If Yes, please explain how: The Binti Contract will be monitored for compliance to ensure the Contract meets the program goals of the Resource Family Approval process, in accordance with State and County requirements, which ensure and support service delivery on basis of equity and fair treatment for all resource families and the children they serve.	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No            If Yes, please state which one(s) and explain how: The Binti, Inc. Sole Source Contract for use by our FFA contractors are consistent with the Countywide Strategic Plan North Star I Goal - Support Vulnerable Populations and North Star II - Community Connections.	
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Luz Moran, Section Head, Office: 626-569-6803, Email: <a href="mailto:Moranl@dcsf.lacounty.gov">Moranl@dcsf.lacounty.gov</a>	



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

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



BRANDON T. NICHOLS  
Director

JENNIE FERIA  
Chief Deputy Director

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

June 17, 2024

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

From: Brandon T. Nichols  
Director

**NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO EXECUTE A NEW SOLE SOURCE CONTRACT WITH BINTI, INC.**

In accordance with the Board of Supervisor's Policy No. 5.100, Sole Source Contract and Amendments, County departments must provide advanced written notice and justification to the Board prior to commencing contract negotiations for sole source contracts.

In compliance with Board Policy No. 5.100, Sole Source Contract and Amendments, this is to notify the Board that the Department of Children and Family Services (DCFS) intends to start negotiations for a sole source contract with Binti, Inc. (Binti) to secure a license for its Licensing Module, a software-as-a-service (SaaS) solution, to assist families in the Resource Family Approval (RFA) process when applying through County contracted foster family agencies (FFAs). DCFS will bring the proposed contract to the Board for review and authority to execute. The anticipated contract term is for three (3) years to allow for the continued use of Binti's Licensing Module for the County and to expand such use to DCFS' contracted FFAs.

This software will continue to enable the County, and now DCFS' contracted FFAs, to effectively recruit resource families and facilitate the placement of DCFS' children, youth, and non-minor dependents. Currently, 43 out of California's 58 counties are utilizing Binti's Licensing Module, covering 90% of Child Welfare Services in the State, and several of these counties have also implemented, or are in the process of implementing, it for their FFAs.

## **BACKGROUND**

On January 1, 2017, the State implemented the RFA Program. The RFA Program is a family-friendly and child-centered caregiver approval process that streamlines and unifies the approval standards for all caregivers of children in DCFS' care, regardless of the child's case plan, and allows seamless transition to permanency.

On January 3, 2017, an agreement between DCFS and Binti was executed through an Internal Services Division (ISD) Purchase Order (PO) to use Binti's Licensing Module for DCFS' RFA process. Binti's Licensing Module has been very successful in DCFS' operations and has assisted in recruiting resource families and streamlining the placement of children in DCFS' care.

On August 31, 2020, a new agreement between DCFS and Binti was executed through an ISD PO to continue with the Licensing Module but with more configurations to meet the needs of DCFS. The Licensing Module was designed specifically to meet the needs and challenges of agencies working with resource families, and was configured to meet the intricacies of DCFS' operations. The Licensing Module has further been adapted to meet the California Department of Social Services (CDSS) and local Los Angeles County DCFS regulations, policies, and procedures, making it an ideal choice for DCFS' continued operations, and for it to be expanded to DCFS' contracted FFAs.

## **JUSTIFICATION**

The new contract, if approved, will make Binti's Licensing Module available to the County and now DCFS contracted FFAs to use for their RFA process. It is in the best economic interest of the County to continue with Binti's Licensing Module and SaaS solution, which has been configured to meet DCFS' operational needs. By expanding the SaaS solution to DCFS' contracted FFAs, it will standardize, improve and align the contracted FFA RFA process to DCFS' requirements. Binti's Licensing Module will facilitate data exchanges via an Application Programming Interface or other Extract, Transform, and Load processes to transmit necessary data and information of FFA Certified Resource Family Homes from Binti's Licensing Module to the County, which will allow DCFS to approve FFA requests faster. Further, the Licensing Module will facilitate secure communication and document sharing between DCFS and its FFAs, thereby enhancing coordination and information exchange for the benefit of the children in DCFS' care.

Binti's Licensing Module is a proprietary SaaS platform designed specifically for Resource Family Tracking, and has been configured to meet DCFS' operational requirements. This software is adaptable and built to evolve in response to changing State mandates and policies, ensuring its continued relevance, effectiveness and compliance.

Since 2017, DCFS has used Binti's Licensing Module software for the RFA process. The software has allowed users to seamlessly apply online to become Resource Family Homes (RFH) and allowed DCFS social workers to effectively manage the review and approval process online.

The Binti Licensing Module is unique and indispensable to DCFS' operations due to its tailored design for recruiting and approving RFHs. The Binti Licensing Module offers customization specific for DCFS' requirements for compliance, data security, streamlined processes, real-time tracking, reporting, collaboration and communication capabilities, user-friendly interface, scalability for growth, and ongoing support and training.

Binti's Licensing Module streamlines the application and approval processes for resource families and FFA staff. It automates the duplication of data entries across multiple forms, facilitates approvals and form processing through electronic signatures and sends email alerts and reminders for missing forms and deadlines, ultimately reducing labor costs associated with managing resource family approvals. This efficiency also opens up possibilities for reallocating resources toward more productive activities, such as the recruitment of RFHs.

Binti proactively updates the Binti Licensing Module to align with evolving State-level policies and mandates, minimizing the need for DCFS information technology developers to maintain the system. In addition, Binti's Licensing Module SaaS solution boasts a user-friendly design, necessitating minimal training for employees and FFA staff at a cost savings to the County. Binti provides ongoing training sessions for new users, effectively mitigating training expenses over time. It also has a Live Chat support for resource family applicants and RFA staff, which diminishes the need for dedicated internal analyst support, also resulting in long-term cost savings to the County by avoiding the potential expenses of hiring full-time analysts and developers to consistently support and maintain any in-house or other vendor systems.

In summary, it is in the best economic interest of the County to continue with Binti's SaaS solution and Licensing Module, as the module helps to ensure compliance with various CDSS regulations, reduces administrative costs, reduces excessive learning curves for a new service and provides time savings and efficiencies for DCFS staff and its families.

The Honorable Board of Supervisors  
June 17, 2024  
Page 4

**NOTIFICATION TIMELINE**

Consistent with the procedures of Board Policy No. 5.100, DCFS is informing the Board of its intent to execute a sole source contract. DCFS will file a Board letter in the near future to request delegated authority to execute the contract.

If you have any questions, please call me or your staff may contact Aldo Marin, Board Liaison, at (213) 371-6052 or [marina@dcsf.lacounty.gov](mailto:marina@dcsf.lacounty.gov).

BTN:JF:CMM

LTI:EO:jr

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

## BOARD LETTER/MEMO CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024	
<b>BOARD MEETING DATE</b>	9/10/2024	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input checked="" type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Children and Family Services	
<b>SUBJECT</b>	10-year Lease renewal for 13,281 square feet of office space and 59 on-site parking spaces at 901 Corporate Center Drive, Suite 100, Monterey Park, 91754	
<b>PROGRAM</b>	Intake and Detention Control (IDC)	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current lease will expire on April 30, 2025.	
<b>COST &amp; FUNDING</b>	Total cost: \$4,322,000	Funding source: The rental costs will be funded by 45% State and Federal funds and 55% NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.
	TERMS (if applicable): The proposed lease renewal will have an annual cost of \$383,000 but with two-months rent abatement will be about \$319,000 for the first year, where the landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.	
	Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year (FY) 2024-25 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its FY 2024-25 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 DCFS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and provide continued use of office space for DCFS.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The County has leased the subject location since 2018. The facility adequately meets the office space needs of DCFS and is located within a mile of the Edmund D. Edelman Children's Court.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Alexandra Nguyen-Rivera Section Chief, Leasing CEO Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov	



# Chief Executive Office.

## COUNTY OF LOS ANGELES

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

### CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

September 10, 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:

**TEN-YEAR LEASE AMENDMENT  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
901 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK  
(FIRST DISTRICT) (3 VOTES)**

### **SUBJECT**

Approval of a proposed ten-year lease amendment to renew an existing lease to provide the Department of Children and Family Services (DCFS) continued use of 13,281 square feet of office space and 59 on-site parking spaces for the Intake and Detention Control program (IDC).

### **IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease amendment is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease amendment with 901 Corporate Center, LP, a California limited partnership (Landlord), for approximately 13,281 square feet of office space and 59 on-site parking spaces located at 901 Corporate Center Drive, Monterey Park (Premises) to be occupied by DCFS. This proposes a lease amendment for a term of ten years. The estimated maximum first year base rental cost is \$383,000, but with a two-month rent abatement of about \$64,000, will equal \$319,000. The estimated total proposed lease amendment cost is \$4,322,000 over the ten-year term. The rental costs will be funded by 45 percent State and Federal funds and 55 percent



by net County cost (NCC) that is already included in DCFS' existing budget. DCFS 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 amendment, and to take actions necessary and appropriate to implement the proposed lease amendment, including, without limitation, exercising any early termination rights.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

DCFS has occupied the Premises since 2018 for its IDC. IDC is a Countywide program designated to preparing petitions and processing warrants for juvenile court proceedings. The existing lease will expire on April 30, 2025.

IDC works directly with staff at Edmund D. Edelman Children's Court (Children's Court) to ensure the delivery systems for warrants and petitions are efficient, timely and effective. As such, DCFS would like to remain in its current location due to its proximity to the Children's Court, located less than one mile away from the Premises.

There are 115 staff assigned to this site. While telework has been implemented where feasible, DCFS requires a secure site to access sensitive data and maintain physical files. Additionally, onsite staff are needed to process warrants in collaboration with the Children's Court.

The subject property continues to meet DCFS' space and parking needs and is in a geographically appropriate area. The site is adequately served by public transportation routes, including a Metrolink bus stop in front of the building.

### **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 amendment is also consistent with Strategic Asset Management Goal 2 – Strengthen connection between service priorities and asset decisions and Key Objective 4 – Guide Strategic Decision-Making.

The proposed lease amendment supports the above goals and objective by providing sufficient office space and parking for DCFS staff to continue their program in collaboration with Children's Court to support the well-being of children and families in Los Angeles County.

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

### **FISCAL IMPACT/FINANCING**

The estimated maximum first year base rental cost is \$383,000, but with a two-month rent abatement of about \$64,000, will equal \$319,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease amendment over the entire term, including utilities, janitorial, and parking, is \$4,322,000 as shown on Enclosure B-1. The proposed lease costs will be funded by 45 percent State and Federal funds and 55 percent by NCC that is already included in DCFS' existing budget. DCFS will not be requesting additional NCC for this action.

Sufficient funding to cover the proposed rent for the first year of the proposed lease amendment term is included in the Fiscal Year 2024-25 Rent Expense budget request and will be billed back to DCFS. DCFS has sufficient funding in its Fiscal Year 2024-25 Operating Budget Request to cover the proposed rent for the first year. Future funding for the costs associated with the proposed lease amendment will be addressed through the annual budget process for DCFS.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

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

- Upon commencement of the proposed lease amendment, the annual rental rate will decrease from \$29.74 per square foot, per year to \$28.80 per square foot, per year. Base rent is subject to annual increases based on the Consumer Price Index capped at 3 percent per annum.
- The Landlord has agreed to two months of rent abatement for months two and three of the lease term.
- The Landlord will provide \$265,620 (\$20 per square foot) base Tenant Improvements (TI) allowance for refurbishment of the Premises. Any unused portion of the TI allowance will be applied as a credit toward the monthly base rent next due.
- The Landlord is responsible for all operating and maintenance cost of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs.
- There are 59 parking spaces included in the base rent at no additional cost.

- A comparison of the existing lease and the option terms is shown in Enclosure B-2.
- A ten-year initial term with an option to extend the lease for an additional five years with nine months' written notice, at fair market rent. If all options are exercised, the total term of the proposed lease amendment would be 15 years.
- The County has the right to terminate the proposed lease amendment early any time after 84 months, with six months' prior written notice.
- Holdover at the proposed lease amendment expiration is permitted on the same lease terms and conditions except the monthly base rent during the holdover period will be at the base rent at the time of the lease expiration.
- The proposed lease amendment will be effective upon approval by the Board and full execution of the proposed lease amendment, but the term and rent will commence on May 1, 2025, once the existing lease expires.
- The County will have the Right of First Offer to lease contiguous available space in the building.

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 \$30 and \$32.40 per square foot, per year. The base annual rental rate of \$28.80 per square foot, per year for the proposed lease amendment represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

Co-working space is not suitable for this requirement due to the nature of the services provided by DCFS and due to the confidentiality of client information.

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 Monterey Park has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed lease amendment and approved it as to form. The proposed lease amendment is authorized by Government Code Section

25351, which allows the County to enter into leases and agreements for the leasing of buildings, as necessary, to carry out the work of the county government.

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

### **ENVIRONMENTAL DOCUMENTATION**

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

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

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

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

Respectfully submitted,

FESIA A. DAVENPORT  
Chief Executive Officer

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

Enclosures

c: Executive Office, Board of Supervisors

The Honorable Board of Supervisors  
9/10/2024  
Page 6

County Counsel  
Auditor-Controller  
Children and Family Services

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
901 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK**

**Asset Management Principles Compliance Form<sup>1</sup>**

1. <u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? <sup>2</sup>			X
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>			X
C	Does this lease centralize business support functions? <sup>2</sup>	X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>115 SF per employee based on 115 employees due to implementation of telework.</b>		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> Based on 59 spaces, this is a parking ratio of 4.44/1,000.		X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	X		
2. <u>Capital</u>				
A.	Is it a substantial net County cost (NCC) program?	X		
B	Is this a long-term County program?	X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
D	If no, are there any suitable County-owned facilities available?		X	
E	If yes, why is lease being recommended over occupancy in County-owned space?			X
F	Is Building Description Report attached as Enclosure C?			X
G	Was build-to-suit or capital project considered?			X
3. <u>Portfolio Management</u>				
A	Did department 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. <u>X</u> No suitable County occupied properties in project area.			
	3. <u>X</u> No County-owned facilities available for the project.			
	4. ____ Could not get City clearance or approval.			
	5. ____ The Program is being co-located.			
E	Is lease a full-service lease? <sup>2</sup>	X		
F	Has growth projection been considered in space request?		X	
G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	X		
<sup>1</sup> As adopted by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not?				

ENCLOSURE B-1

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS											
901 Corporate Center Drive, Monterey Park Department of Children and Family Services											
Leased Area (sq. ft.)	13,281										
Term (Months)	120										
Estimated Commencement Date	5/1/2025										
Base Rent (Annual)	\$28.80										
Annual FSG Base Rent Adjustment	3.00%										
	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	9 <sup>th</sup> Year	10 <sup>th</sup> Year	Total 10 Year Rental Costs
Base Rent <sup>1</sup>	\$382,493	\$393,968	\$405,787	\$417,960	\$430,499	\$443,414	\$456,716	\$470,418	\$484,530	\$499,066	\$4,385,000
Rent Abatement <sup>2</sup>	(\$63,749)										(\$64,000)
<b>Total Annual Lease Costs</b>	<b>\$318,744</b>	<b>\$393,968</b>	<b>\$405,787</b>	<b>\$417,960</b>	<b>\$430,499</b>	<b>\$443,414</b>	<b>\$456,716</b>	<b>\$470,418</b>	<b>\$484,530</b>	<b>\$499,066</b>	<b>\$4,322,000</b>
<sup>1</sup> Base Rent subject to CPI increases capped at 3% <sup>2</sup> Months 2 and 3 of the initial term shall be abated <sup>3</sup> Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.											

**COMPARISON OF THE PROPOSED LEASE AMENDMENT TO EXISTING LEASE**

	<b>Existing Lease:</b> <b>901 Corporate Center Dr., Suite 100, Monterey Park</b>	<b>Proposed Lease Amendment:</b> <b>901 Corporate Center Dr., Suite 100, Monterey Park</b>	<b>Change</b>
Area (Square Feet)	13,281 sq.ft.	13,281 sq.ft.	No change
Term (years)	7 years	10 years plus one 5-year option to renew	+3 years with one 5-year option to renew
Annual Base Rent (Base rent includes 59 parking spaces)	\$394,956	\$382,493	-\$12,463 annually
Total Annual Lease Costs payable to Landlord	\$394,956	\$382,493	-\$12,463 annually
Rental rate adjustment	Annual CPI adjustments capped at 3 percent with no minimum.	Annual CPI adjustments capped at 3 percent with no minimum.	No change



## DEPARTMENT OF CHILDREN AND FAMILY SERVICES

## SPACE SEARCH – 3 MILE RADIUS FROM 901 CORPORATE CENTER DRIVE, MONTEREY PARK

LACO	Name	Address	Ownership	Proprietor	Gross SQ FT	SQ Ft Available
A469	The Alhambra Complex - West Tower	1000 S Fremont Ave Alhambra 91803	Leased	Public Health	15206	None
Z367	HSG - Assisted Housing Division Offices	4800 Cesar E Chavez Ave East Los Angeles 90022	Housing Authority	Chief Executive Office (CEO)	20000	None
A327	Office of Managed Care	1100 Corporate Center Dr Monterey Park 91754	Leased	Health Services	15280	None
4526	Biscailuz - Administration Building	1060 N Eastern Ave Los Angeles 90063	Owned	Sheriff	16571	None
4364	Probation - East Los Angeles Area Office	144 S Fetterly Ave East Los Angeles 90022	Owned	Probation	15584	None
A328	Sheriff	901 Corporate Center Dr Monterey Park 91754	Leased	Sheriff	9926	None

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Lease Amendment for the Department of Children and Family Services – 901 Corporate Center Drive, Suite 100 – First District.

**A. Establish Service Function Category** – Regional and local public service function.

**B. Determination of the Service Area** – The proposed lease amendment will provide DCFS with adequate office space within close proximity to Edmund D. Edelman Children's Court.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: Continued need for operation within close proximity to Edelman Children's Court
- Need for proximity to existing County facilities: Within close proximity to Edelman Children's Court.
- 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., Metrolink and local bus routes, and Metro L Line rail.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet DCFS' space needs.
- Compatibility with local land use plans: The City of Monterey Park has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed lease amendment over the entire term is \$4,322,000.

**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 \$30 and \$32.40 per square foot, per year. The base annual rental rate of \$28.80 per square foot, per year for the proposed lease amendment represents a rate that is below the market range for the area. Further, relocation to a new building would require costly new tenant improvements and disrupt services. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed lease amendment will provide adequate and efficient office space for 115 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

FIRST AMENDMENT TO LEASE NO. 78648  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
901 CORPORATE CENTER DRIVE, SUITE 100, MONTEREY PARK, CA

This FIRST AMENDMENT TO LEASE NO. 78648 ("First Amendment") is made, entered and dated as of this \_\_\_\_ of \_\_\_\_\_, 2024 ("Effective Date"), by and between 901 CORPORATE CENTER, LP, a California limited partnership (the "Landlord"), and the COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), for certain premises located in that certain building located at 901 Corporate Center Drive, City of Monterey Park, County of Los Angeles, State of California (the "Building").

RECITALS:

- A. WHEREAS, Landlord and Tenant entered into that certain lease agreement dated May 2, 2017 (the "Original Lease") for the 13,281 rentable square feet located in Suite 100 of the Building ("Premises"). The Original Lease and this First Amendment shall be collectively referred to herein as the "Lease".
- B. WHEREAS, Landlord and Tenant desire to, among other matters, extend the Term of the Lease and desire to amend the Lease as set forth below.
- C. Unless otherwise defined herein, capitalized terms used herein shall have the meanings as defined in the Original Lease.

AGREEMENT

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

1. EXTENSION OF THE LEASE TERM. The Term of the Lease shall be extended by a period of ten (10) years commencing on May 1, 2025, subject to mutual execution of this First Amendment and approval by the Los Angeles County Board of Supervisors (the "Commencement Date"). The period commencing on the Commencement Date and terminating on the last day of the tenth (10th) year following the Commencement Date shall be referred to herein as the "First Amendment Extension Term."

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

"5. RENT. Tenant agrees to pay as Base Rent for the Premises during the First Amendment Extension Term, the sum of Thirty-One Thousand Eight Hundred Seventy-Four and 40/100 Dollars (\$31,874.40) per month (i.e., \$2.40 per rentable square foot per month), for approximately 13,281 square feet of office space, payable by the 15th day of each month per the terms of the Lease.

Commencing on the first anniversary of the First Amendment Extension Term Commencement Date, and on each subsequent anniversary of the First Amendment Extension Term Commencement Date (including any anniversary



occurring during a holdover period), the Base Rent shall be adjusted as follows:

(a) CPI. Commencing on the first anniversary of the First Amendment Extension Term Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month in which the First Amendment Extension Term Commencement Date occurs.

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

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

New Index X \$31,874.40 (initial Base Rent) = CPI Adjusted Monthly Base Rent  
Base Index

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an annual increase greater than three percent (3%) per year of the Base Rent. In no event shall the monthly rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous full calendar year."

3. RENT ABATEMENT. Provided Tenant is not in material default under any material term or provision of the Lease beyond any applicable notice and cure period, the Base Rent for the second (2nd) and third (3rd) months of the First Amendment Extension Term shall be abated. Tenant shall have the option to convert all or any portion of its rental abatement toward an increase in its "Tenant Improvement Allowance," as defined below.

4. EARLY TERMINATION. Effective upon the First Amendment Extension Term Commencement Date, paragraph 1.1.i., EARLY TERMINATION, of the Original Lease is hereby deleted in its entirety and the following paragraph shall be added as a new paragraph 1.1.i., EARLY TERMINATION:

"i. Early Termination Date: During the First Amendment Extension Term, Tenant shall have the right to terminate this Lease for any reason effective at any time after the eighty-fourth (84th) month of the First Amendment Extension Term. Such right may be exercised by Tenant on six (6) months' prior written notice to



Landlord executed by Tenant's Chief Executive Office, with no termination penalty, and otherwise subject to the terms and conditions set forth in paragraph 4.4 of this Lease."

5. EARLY TERMINATION. Effective upon the First Amendment Extension Term Commencement Date, paragraph 4.4, EARLY TERMINATION, of the Original Lease is hereby deleted in its entirety and the following paragraph shall be added as a new paragraph 4.4, EARLY TERMINATION:

"4.4. Early Termination: Provided Tenant is not in material default under any material term or provision contained in the Lease beyond any applicable notice and cure period, Tenant shall have a one-time right ("Termination Option") to terminate the Lease effective at any time after the eighty-fourth (84th) month of the First Amendment Extension Term ("Termination Date"), by giving no less than six (6) months' prior written notice to Landlord of such intent, such notice to be executed by Tenant's Chief Executive Office. If Tenant timely and properly exercises the Termination Option, the Lease shall expire on the Termination Date with the same force and effect as if such date were the stated expiration date of the Lease and Landlord and Tenant shall have no further obligations under the Lease after the Termination Date except for any obligations or liabilities that explicitly survive termination as set forth in the Lease. No termination fee or penalty shall be imposed on Tenant in connection with Tenant's exercise of the Termination Option hereunder. The rights contained in this paragraph 4.4 shall be personal to the originally named Tenant and may be exercised only by the originally named Tenant (and not any assignee, sublessee, or other transferee of Tenant's interest in the Lease) and only if the originally named Tenant occupies the entire Premises as of the date it exercises the Termination Option in accordance with the terms of this section."

6. PARKING SPACES: Effective upon the First Amendment Extension Term Commencement Date, paragraph 1.1.m., PARKING SPACES, of the Original Lease is hereby deleted in its entirety and following paragraph shall be added as a new paragraph 1.1.m., PARKING SPACES:

"m. Parking Spaces: Tenant shall have the right to fifty-nine (59) parking spaces (i.e., 4.5 parking spaces per 1,000 RSF of the Premises) at no additional cost to Tenant."

7. LANDLORD'S WORK LETTER. Effective upon the First Amendment Extension Term Commencement Date, the "Landlord's Work Letter" attached to the Original Lease, shall be deleted in its entirety.

8. LANDLORD WORK. Landlord, at its sole cost and expense, shall complete the following improvement work in the Premises ("Landlord Work"):

- a. Landlord shall replace carpet throughout the Premises, including lifting any furniture, fixtures, and or equipment on the floor.
- b. Replace lighting throughout the Premises with new LED lighting.

Landlord shall use commercially reasonable efforts to complete the Landlord Work within



one hundred and twenty (120) days after the mutual execution of this First Amendment; provided, however, that no delay in Landlord's completion of the Landlord Work shall delay the First Amendment Extension Term Commencement Date nor entitle Tenant to any abatement of rent nor any other concession.

9. TENANT IMPROVEMENTS. Effective upon the First Amendment Extension Term Commencement Date, Section 24 of the Original Lease, shall be deleted in its entirety and replaced with the following:

"24. TENANT IMPROVEMENTS Landlord, after receipt of a duly and mutually executed copy of this First Amendment to Lease and a space plan and/or scope of work provided to Landlord by Tenant's assigned Project Manager, shall begin work on tenant improvements within a commercially reasonable period of time per forthcoming County plans and specifications, up to a maximum cost of \$265,620.00, i.e., twenty dollars (\$20.00) per rentable square foot of the Premises (the "Tenant Improvement Allowance"). Said tenant improvements shall consist of certain improvements to the Premises related to paint, carpet and other deferred maintenance items as Tenant desires ("Improvements"), which may include new furniture, fixtures and equipment. The Improvements shall be performed by and under the authority of Landlord, or its authorized agent, and approved by a designated representative of the Chief Executive Office. Any unused portion of the Tenant Improvement Allowance may be used to offset Base Rent. Except as expressly modified here, the Improvements shall be in compliance with all applicable laws, codes and ordinances.

10. CONSTRUCTION OF PREMISES. Landlord shall construct and deliver the Premises in accordance with the terms of the Lease and mutually approved plans per County specification. Landlord and Landlord's contractors shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. Seq., if applicable. Should Tenant be required under the Lease to contribute towards any tenant improvement work, Landlord shall be required to comply with prevailing wage requirements under California Labor Code Section 1720 et. Seq. In the event the Improvements are not completed within six (6) months after the later of (a) the First Amendment Extension Term Commencement Date, or (b) the date Tenant's Project Manager provides Landlord with a final space plan and scope of work for the Improvements, as such date is extended by one (1) day for each one (1) day of delay caused by Tenant Delay(s) or Force Majeure Delay(s) (such date, as extended, referred to herein as the "Outside Completion Date"), then for each day from the Outside Completion Date until the date the Improvements are completed by Landlord, Tenant shall receive a day-for-day abatement of Base Rent. As set forth above, the Outside Completion Date shall be extended by one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals related to construction of the Improvements within five (5) business days after request by Landlord, but only to the extent such delays delay the commencement or completion of construction of the Improvements (referred to herein as "Tenant Delay(s)"); or (b) completion of the Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage, pandemic, epidemic, contagion, viral outbreak or other public health emergency (including quarantines, shelter-in-place orders, travel restrictions, and supply chain disruptions resulting therefrom), or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").



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

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

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

12. RIGHT OF FIRST OFFER. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES. Effective upon the First Amendment Extension Term Commencement Date, the Lease shall be amended by inserting a new paragraph 34 to the Original Lease which shall read as follows:

"34. RIGHT OF FIRST OFFER TO LEASE ADDITIONAL PREMISES.

(a) Provided that no material Default has occurred and is continuing under the Lease, if at any time prior to the last twelve (12) months of the Term, Landlord intends to offer leasable space located contiguous to the Premises which becomes available during the Term (the "Additional Premises") for lease to third parties or to accept an offer of a third party to lease the Additional Premises, Landlord shall first give written notice to Tenant of the rental rate and other material terms upon which Landlord is willing to lease the Additional Premises ("Landlord's Lease Notice"). Any space that is vacant of the First Amendment Extension Term Commencement Date shall not be deemed to be a space that "becomes available" during the Term and therefore shall not be considered an Additional Premises. Landlord's Lease Notice shall constitute an offer to lease the Additional Premises to Tenant at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice and shall state the anticipated date of availability of the Additional Premises. Tenant shall have thirty (30) days after receipt of Landlord's Lease Notice to accept such offer. Tenant shall accept such offer, if at all, only by delivery to Landlord of Tenant's irrevocable written commitment to lease the Additional Premises at the rental rate and upon the terms and conditions contained in Landlord's Lease Notice (the "Expansion Commitment").

(b) If Tenant delivers to Landlord the Expansion Commitment within such thirty (30) day period, all (but not part) of the Additional Premises shall be leased to Tenant commencing on the earlier of (a) the date Tenant first uses the Additional Premises for the Permitted Use; or (b) thirty (30) days after Landlord provides Tenant with possession of the Additional Premises and continuing for a period of time coterminous with the remaining Term, including any options to



extend the Term. Tenant shall lease the Additional Premises upon the same terms, conditions and covenants as are contained in the Lease except that (i) the Base Rent for the Additional Premises shall be at the rate set forth in Landlord's Lease Notice, and (ii) any terms and conditions set forth in Landlord's Lease Notice that are inconsistent with the terms and conditions of the Lease shall control.

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

(d) Time is of the essence with respect to the exercise by Tenant of its rights granted hereunder. In the event Tenant fails to deliver to Landlord Tenant's Expansion Commitment within the thirty (30) day period prescribed above, all rights of Tenant to lease the Additional Premises shall terminate and Landlord shall have no further obligation to notify Tenant of any proposed leasing of the Additional Premises, and Landlord shall thereafter have the unconditional right to lease the Additional Premises to third parties or to accept offers from third parties to lease the Additional Premises without further obligation to Tenant. The rights granted to Tenant under this Section 34 shall not apply to any sales or similar transfers of the Additional Premises."

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

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



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

14. OPTION TO EXTEND. Effective upon the First Amendment Extension Term Commencement Date, the Lease shall be amended by inserting a new paragraph 36 to the Original Lease which shall read as follows:

"36. OPTION TO EXTEND. Subject to the terms and conditions set forth herein. Tenant shall have one (1) option to extend the Term of this Lease ("Extension Option") for one (1) additional period of five (5) years (the "Extension Term") for all of the space then under the Lease under the same terms and conditions contained herein, except as otherwise provided in this Option to Extend provision. If Tenant wishes to exercise the Extension Option, Tenant shall deliver written notice to Landlord no less than nine (9) months prior to the expiration of the then existing Term ("Exercise Notice"). If Tenant fails to timely deliver the Exercise Notice, Tenant shall be considered to have elected not to exercise the Extension Option. Within thirty (30) days of receipt of Tenant's Exercise Notice, Landlord shall provide Tenant with its determination of "fair market" Base Rent, Tenant Improvements, Rental Abatement and any other tenant inducements then being offered to renewing Tenants.

The "Base Rent" for the Extension Term shall be determined based on the fair market rental rate for the Premises. For the purposes of this provision, "fair market" shall mean the prevailing rental rates for comparable office spaces in the Monterey Park sub-market, considering any tenant inducements being offered to other renewing tenants in comparable spaces within the past twelve (12) months from the date of receipt of the Exercise Notice. Such tenant inducements may include, but are not limited to, tenant improvement allowance, rent abatement, and any other concessions or incentives being offered to renewing tenants at that time. In addition to the Base Rent, provided that such inducements are being offered to other renewing tenants in comparable spaces in the Monterey Park sub-market, Landlord shall provide Tenant with (i) a market tenant improvement allowance per square foot of the Premises for the Extension Term, to be used for improvements and alterations to the Premises which shall be performed by Landlord in accordance with an approved space plan and/or scope of work provided by the County's assigned Project Manager in accordance with the Construction of Premises as described herein, and (ii) market rent abatement during which time Base Rent shall be waived, as mutually agreed upon by Tenant and Landlord. In the event of a dispute arising from the exercise of the Extension Option outlined in Section 36 of this lease agreement, both Landlord and Tenant agree to resolve such dispute through "baseball" arbitration. Except for Base Rent at the new rate



and any other new terms and conditions mutually agreed upon as set forth above, all of the terms and conditions of the Lease shall remain the same and shall remain in full force and effect throughout the Extension Term. The rights contained in this paragraph 36 shall be personal to the originally named Tenant and may be exercised only by the originally named Tenant (and not any assignee, sublessee, or other transferee of Tenant's interest in this Lease) and only if the originally named Tenant occupies the entire Premises as of the date it exercises the Extension Option in accordance with the terms of this section.

The Extension Option is subject to the following conditions precedent: (a) Tenant is not in Default (beyond any applicable notice and cure period) under this Lease at the time of exercising the option or at any time during the notice period preceding the commencement of the Extension Term; (b) Tenant shall not be in violation of any applicable laws, ordinances, or regulations governing the use of the Premises; and (c) Tenant shall be in possession of the Premises.

The terms and conditions of this Option to Extend provision shall be deemed incorporated into and made a part of the Lease Agreement, and any conflict between the terms of this provision and the Lease Agreement shall be resolved in favor of this provision."

15. 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 First Amendment other than Cushman & Wakefield, Inc ("Tenant's Agent") and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. The terms of any commissions due shall be pursuant to a separate commission agreement by and among Landlord and Tenant's Agent.

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

17. LEASE IN FULL FORCE AND EFFECT. Except as expressly amended as set forth in



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

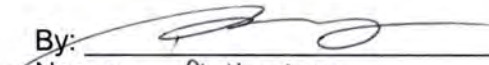
18. COUNTERPARTS; ELECTRONIC SIGNATURES. This First Amendment and any other document necessary for the consummation of the transaction contemplated by this First Amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of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

*[SIGNATURE PAGE IMMEDIATELY FOLLOWS]*

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the Effective Date.

LANDLORD:

901 CORPORATE CENTER, LP,  
a California limited partnership

By:   
Name: Phillip Lee  
Title: \_\_\_\_\_

TENANT:

COUNTY OF LOS ANGELES,  
a body politic and corporate

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
John T. Cooke  
Assistant Chief Executive Officer

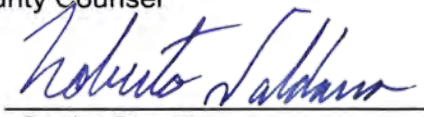
ATTEST:

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

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By:   
Senior Deputy

**BOARD LETTER/MEMO  
CLUSTER FACT SHEET**

Board Letter

Board Memo

Other

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024	
<b>BOARD MEETING DATE</b>	9/10/2024	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input checked="" type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Department of Children and Family Services	
<b>SUBJECT</b>	9-year Lease for 109,018 SF at 725 South Grand Avenue, Glendora, California 91740	
<b>PROGRAM</b>	Glendora Regional Office	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The lease expires September 30, 2025.	
<b>COST &amp; FUNDING</b>	Total cost: \$30,317,000	Funding source: The rental costs will be funded by 45 percent State and Federal funds and 55 percent by net County cost (NCC)
	TERMS (if applicable): The proposed lease will have an annual cost \$3,009,000, but with a one-month rent abatement of \$250,741, will equal approximately \$2,759,000, which includes parking at no additional cost for the first year. The landlord will be responsible for all operating expenses, including utilities, janitorial, repair and maintenance to the building.	
	Explanation: Sufficient funding to cover the proposed rent for the first year of the proposed lease term is included in the Fiscal Year 2024-25 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its Fiscal Year 2024-25 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 DCFS.	
<b>PURPOSE OF REQUEST</b>	Approval of the recommended actions will authorize and provide continued use of office space for DCFS.	
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The County has leased the subject location since October 2005. The proposed lease will provide 9 years of continued use of this location. The existing lease does not expire until September 30, 2025. This lease commences on the later of (1) first day after mutual execution of the lease, approval by the Board and 30 days after completion of LL Work and Tenant acceptance, or (2) October 1, 2025. The facility adequately meets the office space needs of DCFS.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Alexandra Nguyen-Rivera Section Chief, Leasing CEO Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov	





**Chief  
Executive  
Office.**

**COUNTY OF LOS ANGELES**

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

**CHIEF EXECUTIVE OFFICER**

Fesia A. Davenport

*"To Enrich Lives Through Effective and Caring Service"*

September 10, 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:

**NINE-YEAR LEASE  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
725 SOUTH GRAND AVENUE, GLENDORA  
(FIFTH DISTRICT) (3 VOTES)**

**SUBJECT**

Approval of a proposed nine-year lease to renew an existing lease to provide the Department of Children and Family Services (DCFS) continued use of 109,018 square feet of office space, and 415 on-site parking spaces for its Glendora Regional Office.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find that the proposed lease is exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed lease with Grand Glendora Services, LLC, a California limited liability corporation (Landlord), for approximately 109,018 square feet of office space, and 415 on-site parking spaces located at 725 South Grand Avenue, Glendora (Premises) to be occupied by DCFS. The estimated maximum first year base rental cost is \$3,009,000, but with a one-month rent abatement of about \$250,741, will equal approximately \$2,759,000. The estimated total proposed lease cost is \$30,317,000 over the nine-year term. The rental costs will be funded by 45 percent State and Federal funds and 55 percent by net County cost (NCC) that is already included in DCFS' existing budget. DCFS 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 rights.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

DCFS has occupied the Premises since October 1, 2005, for its Glendora Regional Office and the current lease term will expire on September 30, 2025. The Glendora Regional Office is one of twenty-one regional offices that provide a full-service child protection system dedicated to the safety and well-being of children in the San Gabriel Valley. Services provided include emergency response, family maintenance and reunification, and children's social workers. The smaller programs and other County departments working in collaboration at this location with Glendora Regional Office include the Coordinated Services Action Team, Child and Family Team Teaming, Mental Health, Health Services, Public Health, Public Social Services and contracted educational liaisons.

DCFS has implemented telework where possible. There are 731 employees assigned at the Premises., which includes 146 positions that have implemented telework. On-site coverage is needed for services such as client interviews and supervised visitation. Children's Social Workers must be present daily. Additionally, DCFS requires secured space to access and maintain confidential files, which may not be removed from the office.

The subject Premises continues to meet DCFS requirements. The Premises is adequately served by public transportation routes, and highways.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan North Star 1 – *"Make Investments That Transform Lives"* – provides that LA County is a highly responsive organization investing in solutions that address our most complex societal challenges (health, jobs, housing, food insecurity, and recidivism) affecting our most vulnerable communities – one person at a time.

The proposed lease is also consistent with Strategic Asset Management Goal 2 – Strengthen connection between service priorities and asset decisions, and Key Objective No. 5 – Fund Highest Priority Needs

The proposed lease supports the above goals and objective by providing DCFS with a facility to continue providing services to children and their families, located within the community it serves.

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



### **FISCAL IMPACT/FINANCING**

The estimated maximum first year base rental cost is \$3,009,000, but with a one-month rent abatement of about \$250,0741, will equal approximately \$2,759,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease over the entire nine-year term, including one month of rent abatement, is \$30,317,000 as shown in Enclosure B-1. The proposed lease costs will be fully funded by 45 percent State and Federal funds and 55 percent by NCC that is already included in DCFS' existing budget. DCFS 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 2024-25 Rent Expense budget and will be billed back to DCFS. DCFS has sufficient funding in its Fiscal Year 2024-25 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 DCFS.

### **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 (including operating expenses) will increase from \$23.86 per square foot, per year to \$27.60 per square foot, per year. Base rent is subject to annual increases based on fixed annual increases of 3 percent.
- The Landlord has agreed to one month of rent abatement.
- The Landlord, at Landlord's sole cost and expense, will complete certain improvements to the property, including installation of electric vehicle charging stations and solar panels, and other improvements to refresh the Premises as specified in the proposed lease.
- The Landlord is responsible for all operating and maintenance cost of the building and all utilities and janitorial costs. The County has no responsibility for any operating and maintenance costs. This differs from the existing lease where the County pays for operating expenses separately and in addition to the base rent.
- There are 415 on-site parking spaces 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.

- The County has the right to terminate the proposed lease any time after the 84<sup>th</sup> month, with 180 days' prior written 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 the regular 3 percent annual adjustment.
- The proposed lease will be effective upon approval by the Board and full execution of the proposed lease, but the term and rent will commence the later of (i) first day of the month following 30 days upon completion of the tenant improvements by the Landlord and acceptance of the Premises by the County or (ii) October 1, 2025.

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 \$27.60 and \$35.40 per square foot, per year. The base annual rental rate of \$27.60 per square foot, per year for the proposed lease represents a rate that is 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 office space is not suitable for this requirement due to the nature of services provided by DCFS at this location.

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 Glendora 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 DCFS' program, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

**ENVIRONMENTAL DOCUMENTATION**

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

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

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

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

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  
Auditor-Controller  
Children and Family Services

**DEPARTMENT OF CHILDREN AND FAMILY SERVICES  
725 SOUTH GRAND AVENUE, GLENDORA  
Asset Management Principles Compliance Form<sup>1</sup>**

1. <u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? <sup>2</sup>	X		
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>	X		
C	Does this lease centralize business support functions? <sup>2</sup>	X		
D	Does this lease meet the guideline of 200 sq. ft of space per person? <sup>2</sup> <b>Based on 731 employee space provides for 149 sq. ft. per person due to telework where possible.</b>		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? <sup>2</sup> <b>Parking ratio is 3.8 space/1,000 RSF due to allocation of 415 spaces.</b>		X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? <sup>2</sup>	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? <sup>2</sup>			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. <u>X</u> No suitable County occupied properties in project area.			
	3. <u>X</u> No County-owned facilities available for the project.			
	4. ___ Could not get City clearance or approval.			
	5. ___ The Program is being co-located.			
E	Is lease a full-service lease? <sup>2</sup>	X		
F	Has growth projection been considered in space request?	X		
G	<sup>1</sup> Has the Dept. of Public Works completed seismic review/approval?	X		
<sup>1</sup> As adopted by the Board of Supervisors 11/17/98				
<sup>2</sup> If not, why not?				

**OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS**

725 South Grand Avenue, Glendora  
 Department of Children and Family Services

**Basic Lease Assumptions**

Leased Area (sq.ft.)	109,018	
	<b>Monthly</b>	<b>Annual</b>
Rent (per sq. ft.)	\$2.30	\$27.60
Term (Months)	108	
Annual Rent Adjustment <sup>(1)</sup>	3%	

	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year	8 <sup>th</sup> Year	9 <sup>th</sup> Year	Total 9 Year Rental Costs
Annual Base Rent Costs <sup>(1)</sup>	\$3,008,897	\$3,099,164	\$3,192,139	\$3,287,903	\$3,386,540	\$3,488,136	\$3,592,780	\$3,700,564	\$3,811,580	\$30,568,000
Rent Abatement <sup>(2)</sup>	(\$250,741)									(\$251,000)
<b>Total Annual Lease Costs</b>	\$2,758,155	\$3,099,164	\$3,192,139	\$3,287,903	\$3,386,540	\$3,488,136	\$3,592,780	\$3,700,564	\$3,811,580	\$30,317,000

**Footnotes**

<sup>(1)</sup> The Base Rent Increase is three percent (3%) per annum.

<sup>(2)</sup> The first month of Base Rent is abated

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

## COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	<b>Existing Lease:</b> <b>725 South Grand Avenue, Glendora</b>	<b>Proposed Lease:</b> <b>725 South Grand Avenue, Glendora</b>	<b>Change</b>
Area (Square Feet)	109,018 sq. ft.	109,018 sq. ft.	None
Term (years)	20 years	9 years	-11 years
Annual Base Rent* (Base rent includes 415 parking spaces)	\$1,863,000	\$3,009,000	+\$1,146,000
Annual operating expenses*	\$685,000	None	-\$685,000
Utility/Day Porter Costs*	\$419,000	None	-\$419,000
Total Annual Lease Costs*	\$2,967,000	\$3,009,000	+\$42,000
Rental rate adjustment	Fixed for the first 10 years and subject to one time CPI adjustment at beginning of the 11 <sup>th</sup> year capped at 20 percent, or an average of two percent annually.	Fixed 3 percent increases	Fixed 3 percent increases

\* Rounded up to the nearest thousandth



## DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SPACE SEARCH – 5 MILE RADIUS FROM  
725 SOUTH GRAND AVENUE, GLENDORA

LACO	Name	Address	Ownership Type	Gross SQFT	Vacant
10334	DCFS - San Dimas	955 Overland Ct San Dimas 91773	Leased	33,804	No
B441	PW - Inc City Office (Irwindale)	5050 N Irwindale Ave Irwindale 91706	Gratis Use	665,597	No
A059	West Covina Regional Services Building	2934 E Garvey Ave West Covina 91791	Leased	57,633	Lease Termination
10241	DMH - EAST SAN GABRIEL VALLEY MENTAL HEALTH CENTER	1359 N GRAND AVE Covina 91724	Leased	28,619	No

## FACILITY LOCATION POLICY ANALYSIS

**Proposed lease:** Lease for the Department of Children and Family Services - 725 South Grand Avenue, Glendora – Fifth District.

**A. Establish Service Function Category** – Glendora Regional Office.

**B. Determination of the Service Area** – The proposed lease will allow DCFS to continue services located within the San Gabriel Valley.

**C. Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population: Community need for services in the San Gabriel Valley.
- Need for proximity to existing County facilities: N/A
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., Foothill Transit local bus routes and the 210 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 available that meet DCFS' space needs.
- Compatibility with local land use plans: The City of Glendora 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 \$30,317,000.



**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 \$27.60 and \$35.40 per square foot, per year. The base annual rental rate of \$27.60 per square foot, per year for the proposed lease represents a rate that is 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 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 731 employees and clients consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE**

**LEASE AGREEMENT**

**COUNTY OF LOS ANGELES - Tenant  
GRAND GLENDORA SERVICES, LLC – Landlord**

**725 SOUTH GRAND AVENUE,  
GLENDORA, CALIFORNIA 91740**

## TABLE OF CONTENTS

	Page
1. BASIC LEASE INFORMATION .....	1
1.1 Terms.....	1
1.2 Exhibits to Lease .....	3
2. PREMISES .....	3
2.1 Lease of Premises .....	3
2.2 Measurement of Premises .....	3
3. COMMON AREAS.....	4
4. COMMENCEMENT AND EXPIRATION DATES .....	4
4.1 Term .....	4
4.2 Termination Right .....	5
4.3 Early Entry .....	5
4.4 Early Termination.....	5
4.5 Lease Expiration Notice .....	5
5. RENT.....	5
5.1 Base Rent .....	5
5.2 Method of Payment and Required Information .....	6
5.3 Annual Base Rent Adjustments. ....	6
5.4 Rent Abatement.....	6
6. USES.....	7
7. HOLDOVER .....	7
8. COMPLIANCE WITH LAW.....	7
9. DAMAGE OR DESTRUCTION.....	7
9.1 Damage .....	7
9.2 Tenant Termination Right .....	8
9.3 Damage In Last Year .....	8
9.4 Default By Landlord .....	8
10. REPAIRS AND MAINTENANCE .....	8
10.1 Landlord Representations.....	8
10.2 Landlord Obligations.....	10
10.3 Tenant Obligations.....	11
10.4 Tenant's Right to Repair .....	11
11. SERVICES AND UTILITIES .....	12
11.1 Services .....	12
11.2 Utilities .....	13
12. TAXES.....	13
13. LANDLORD ACCESS .....	14
14. TENANT DEFAULT .....	14
14.1 Default .....	14
14.2 Termination.....	14
14.3 No Effect on Indemnity.....	14
15. LANDLORD DEFAULT .....	14
15.1 Remedies.....	14
15.2 Waiver.....	15
15.3 Emergency.....	15

16.	ASSIGNMENT AND SUBLETTING .....	15
	16.1 Assignment and Subletting .....	15
	16.2 Sale.....	16
17.	ALTERATIONS AND ADDITIONS.....	16
	17.1 Landlord Consent .....	16
	17.2 End of Term .....	17
18.	CONDEMNATION .....	17
	18.1 Controlling Terms .....	17
	18.2 Total Taking .....	17
	18.3 Partial Taking .....	17
	18.4 Restoration .....	18
	18.5 Award.....	18
	18.6 Waiver of Statute .....	18
19.	INDEMNIFICATION.....	18
	19.1 Landlord's Indemnity .....	18
	19.2 Tenant's Indemnity.....	18
20.	INSURANCE .....	19
	20.1 Waiver.....	19
	20.2 General Insurance Provisions – Landlord Requirements .....	19
	20.3 Insurance Coverage Types And Limits .....	22
	20.4 Landlord Requirements.....	22
21.	PARKING .....	23
	21.1 Tenant's Rights .....	23
	21.2 Remedies.....	23
22.	ENVIRONMENTAL MATTERS.....	23
	22.1 Hazardous Materials .....	23
	22.2 Landlord Indemnity .....	24
23.	ESTOPPEL CERTIFICATES.....	24
24.	TENANT IMPROVEMENTS .....	24
25.	LIENS .....	25
26.	SUBORDINATION AND MORTGAGES .....	25
	26.1 Subordination and Non-Disturbance .....	25
	26.2 Existing Deeds of Trust.....	26
	26.3 Notice of Default .....	26
27.	SURRENDER OF POSSESSION .....	26
28.	SIGNAGE .....	26
29.	QUIET ENJOYMENT .....	26
30.	GENERAL .....	26
	30.1 Headings.....	26
	30.2 Successors and Assigns.....	26
	30.3 Brokers .....	27
	30.4 Entire Agreement.....	27
	30.5 Severability .....	27
	30.6 Notices.....	27
	30.7 Governing Law and Venue .....	27
	30.8 Waivers.....	27

30.9	Time of Essence .....	28
30.10	Consent .....	28
30.11	Community Business Enterprises .....	28
30.12	Memorandum of Lease .....	28
30.13	Counterparts; Electronic Signatures .....	28
31.	AUTHORITY .....	29
32.	ACKNOWLEDGEMENT BY LANDLORD .....	29
32.1	Consideration of GAIN Program Participants.....	29
32.2	Solicitation of Consideration .....	29
32.3	Landlord Assignment .....	30
32.4	Smoking in County Facilities.....	31
33.	IRREVOCABLE OFFER.....	32

## **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 \_\_\_\_\_, 20\_\_ between GRAND GLENDORA SERVICES, LLC, a California limited liability corporation ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. **BASIC LEASE INFORMATION**

1.1 Terms

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

(a) Landlord's Address for Notices:	Grand Glendora Services, LLC Attn: Dave Parker 6444 San Fernando Road, Suite 3944 Glendale, CA 91221 Email: dparkinvest@yahoo.com
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate  With a copy to:  County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 109,018 rentable square feet in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 725 South Grand Avenue, Glendora, California, which is currently assessed by the County Assessor as APN 8633-006-019 (collectively, the "Property");
(e) Term:	Nine (9) years, commencing upon the later to occur of the first day of the month following mutual execution of a lease, approval by the Board of Supervisors, thirty (30) days after substantial completion of Landlord's Work and the date of Tenant's Acceptance of the Premises, or (ii) October 1, 2025, as defined in Section 4.1 (the "Commencement Date"), and terminating at midnight on the day before the <u>ninth (9<sup>th</sup>)</u> 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:	October 1, 2025
(g) Irrevocable Offer Expiration Date: (see Section 33)	September 1, 2024
(h) Base Rent:	\$2.30 per rentable square foot per month  (i.e., \$250,741.40 per month or \$3,008,896.80 per year)
(i) Early Termination (see Section 4.4)	One Hundred Eighty (180) days' notice on or after the 84th month (7th year) following the Commencement Date.
(j) Rentable Square Feet in the Premises:	109,018 rentable square feet
(k) Initial Departmental Use:	Department of Children and Family Services. Tenant may use and occupy the Premises for office use and, for any other lawful use, subject to Section 6.
(l) Parking Spaces:	415 unreserved parking spaces.



	unreserved spaces 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 March 18, 2024 prepared by Orswell & Kasman, Inc., a licensed California Asbestos contractor.
(o) Seismic Report	A report dated October 23 2003 prepared by the Department of Public Works.
(p) Disabled Access Survey	A report dated March 28, 2024 prepared by Building Principles.

1.2 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease
------------------------------	---

**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 Z65.1-2017, 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 commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete, Tenant has inspected the Premises, and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;
- (c) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

#### 4.2 Termination Right

If the Commencement Date has not occurred within one hundred and eighty (180) days after the Estimated Commencement Date, subject to Tenant Delays or Force Majeure Delays, as provided in Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference, then Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord, and the parties shall have no further rights or obligations to one another hereunder.

#### 4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures, and equipment in the Premises. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

#### 4.4 Early Termination

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 Method of Payment and Required Information

The Tenant may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment for any amounts due under this Lease. Landlord further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the A-C.

Subject to Section 5.1, the Landlord shall provide the A-C with electronic banking and related information for the Landlord and/or any other payee that the Landlord designates to receive payment pursuant to this Lease. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, 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.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments. Upon the Commencement Date or at any time during the duration of the Lease, a Landlord 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), shall decide whether to approve exemption requests.

5.3 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 increased by three percent (3%) per year as follows:

Term (Months)	Monthly Base Rent
1-12	\$250,741.40
13-24	\$258,263.64
25-36	\$266,011.55
37-48	\$273,991.90
49-60	\$282,211.65
61-72	\$290,678.00
73-84	\$299,398.34
85-96	\$308,380.29
97-108	\$317,631.70

5.4 Rent Abatement

The monthly rent for months 1 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, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

7. **HOLDOVER**

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease subject to the three percent (3%) annual increases under this Lease, plus any other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. **COMPLIANCE WITH LAW**

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

9. **DAMAGE OR DESTRUCTION**

9.1 **Damage**

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

9.2 Tenant Termination Right

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

9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (30) days after such destruction, in which case:

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

9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work using commercially reasonable efforts to completion, then upon not less than thirty (30) days prior written notice to Landlord, 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 nine (9) 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 nine (9) 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) Intentionally Omitted

(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. Tenant shall be responsible for all security measures and security personnel to the Premises at Tenant's sole cost and expense.

(g) Pest Control

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

11.2 Utilities

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

12. TAXES

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

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written

notice and thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

**13. LANDLORD ACCESS**

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

**14. TENANT DEFAULT**

**14.1 Default**

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

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

**14.2 Termination**

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

**14.3 No Effect on Indemnity**

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

**15. LANDLORD DEFAULT**

**15.1 Remedies**

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within 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 to any other governmental department of the County of Los Angeles ("Permitted Transfer") 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. Any other assignment or

transfer other than a Permitted Transfer shall require Landlord's prior written consent which will not be reasonably withheld.

## 16.2 Sale

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

Upon any sale or transfer of the Property by Landlord, Landlord shall provide thirty (30) days prior written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

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

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

## 17. ALTERATIONS AND ADDITIONS

### 17.1 Landlord Consent

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



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

17.2 End of Term

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

**18. CONDEMNATION**

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

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

the degree to which Tenant's use of the Premises and the Common Areas is impaired by such Condemnation.

18.4 Restoration

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

18.5 Award

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

18.6 Waiver of Statute

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

19. INDEMNIFICATION

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Landlord's obligations under 10.3 above, furnishing of utilities in 11.0 above, repair, maintenance and other acts and omissions arising from and/or relating to the Landlord's ownership of the Premises.

19.2 Tenant's Indemnity

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

## 20. INSURANCE

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

### 20.1 Waiver

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

### 20.2 General Insurance Provisions – Landlord Requirements

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

#### (a) Evidence of Coverage and Notice to Tenant

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

shall be construed as a waiver of any of the Required Insurance provisions.

- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

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

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

- (b) Additional Insured Status and Scope of Coverage

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

- (c) Cancellation of or Changes in Insurance

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

- (d) Failure to Maintain Insurance

Landlord's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may withhold payments due to Landlord, and/or suspend or terminate this Lease. County, at its sole discretion, may obtain damages from Landlord resulting from said breach.



Alternatively, the County may purchase the Required Insurance, and without further notice to Landlord, deduct the premium cost from sums due to Landlord or pursue Landlord reimbursement.

(e) Insurer Financial Ratings

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

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

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

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

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

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) 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) and Tenant notifies Landlord in writing of such, then Landlord shall have thirty (30) days to cure any parking deficiency. If Landlord fails to cure the parking deficiency, then Tenant may:

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

## **22. ENVIRONMENTAL MATTERS**

### **22.1 Hazardous Materials**

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous

to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

## 22.2 Landlord Indemnity

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

## 23. ESTOPPEL CERTIFICATES

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

## 24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord, at its sole cost and expense, shall complete the following Tenant Improvements and repairs/property improvements:

- a. Replace or recoat roof to make it watertight.

- b. Replace non-operational HVAC units.
- c. Upgrade interior lighting to LED.
- d. Install ten (10) electric vehicle charging stations in the parking lot. Landlord shall operate and maintain the charging stations. Tenant's employees shall pay the individual usage cost for charging of their personal vehicles.
- e. Convert parking lot lighting to LED.
- f. Add "No Overnight Parking" signs in the parking lot in visible areas.
- g. Landlord shall reslurry and restripe the existing parking lot within six (6) months of the Commencement Date.
- h. Landlord shall have the right, but not the obligation, to install solar panels in a portion of the surface parking lot and will not interfere with Tenant's operations. Landlord shall provide Tenant written notice of Landlord's intent to install solar panels in addition to a plan depicting the installation in advance of commencing said work. Tenant shall provide approval of said plan prior to Landlord commencing the work.
- i. Add concrete bollards at the north and south ends of the entry area, separating the concrete pads from the asphalt parking area.
- j. Repaint interior of Premises, with the exception of the childrens' rooms (see Exhibit "A").
- k. Replace carpeting.
- l. Replace hard flooring surfaces with new LVT.
- m. Add vinyl protective wall covering in mail room area and also in ISD pickup near south warehouse area (see Exhibit "A").
- n. Add corner guards on walls in high-traffic areas.
- o. Replace existing water fountains in the central restrooms with water refill stations (see Exhibit "A").
- p. Install new millwork in the breakroom and four coffee galleys.

## 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 CBRE (the "Tenant Agent") and CBRE ("Landlord 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. All parties acknowledge that CBRE, Inc. represents Landlord and Tenant in this transaction and agree to said dual agency. The terms of any commissions due shall be pursuant to a separate written 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 rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing

forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

**31. AUTHORITY**

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

**32. ACKNOWLEDGEMENT BY LANDLORD**

Landlord acknowledges that it is aware of the following provisions:

**32.1 Consideration of GAIN Program Participants**

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

**32.2 Solicitation of Consideration**

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

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

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

### 32.3 Landlord Assignment

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



to fix actual damages. In addition, 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.

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

LANDLORD:

Grand Glendora Services, LLC,  
a California Limited Liability Corporation

By: David A. Parker  
Name: David A. Parker  
Its: Authorized Signatory

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
John T. Cooke  
Assistant Chief Executive Officer

ATTEST:

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

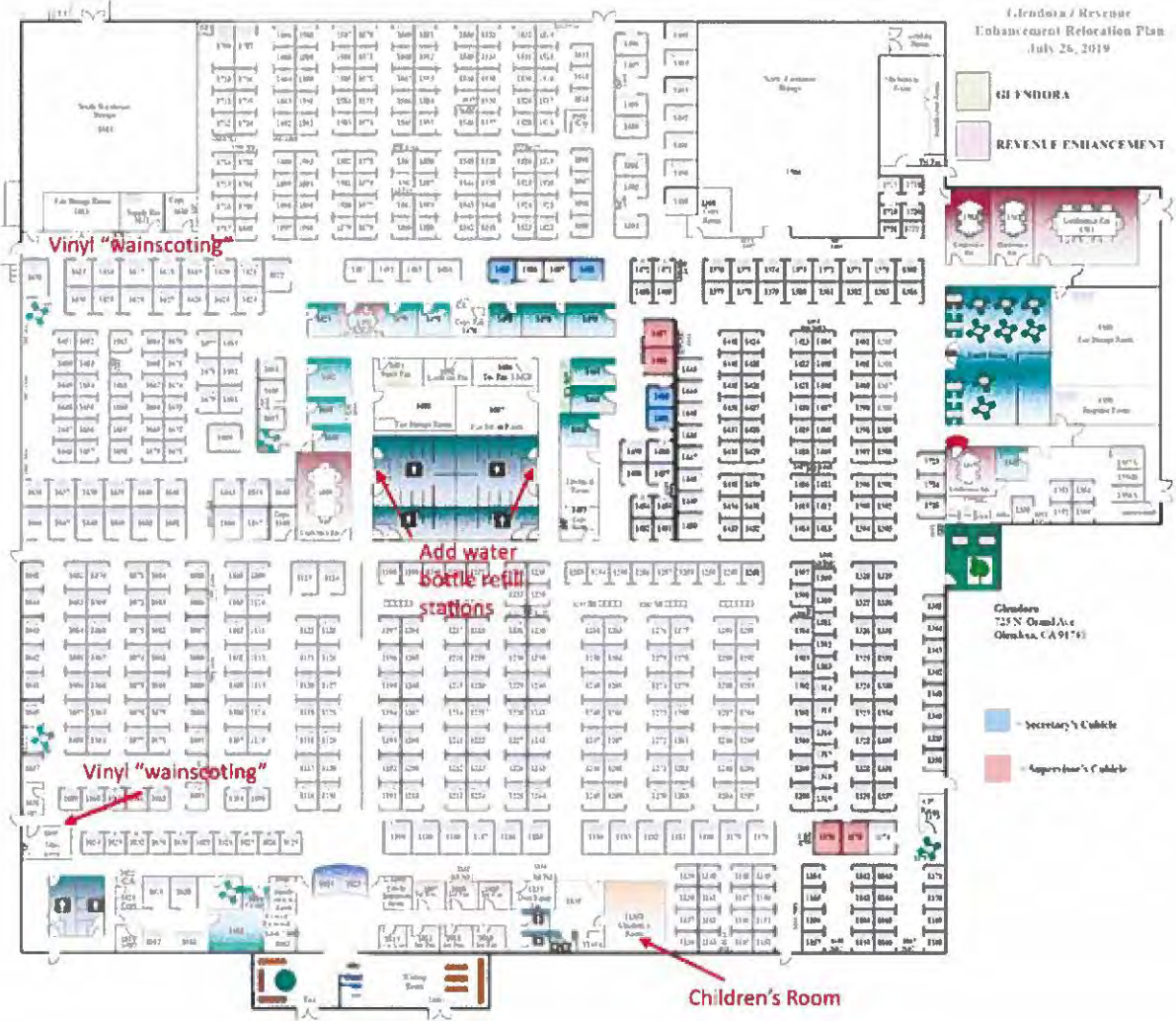
By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By: Roberto Saldaña  
Senior Deputy

# EXHIBIT A SITE 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 Grand Glendora Services, LLC, a California limited liability corporation ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 725 South Grand Avenue, Glendora, California ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on \_\_\_\_\_ ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on \_\_\_\_\_ ("Commencement Date");
- 4) The Premises contain 109,018 rentable square feet of space; and

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

- 5) Base Rent per month is \$250,741.40 (\$2.30 Per RSF).
- 6) 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 increased by three percent (3%) yearly as follows:

Term (Months)	Monthly Base Rent
1-12	\$250,741.40
13-24	\$258,263.64
25-36	\$266,011.55
37-48	\$273,991.90
49-60	\$282,211.65
61-72	\$290,678.00
73-84	\$299,398.34
85-96	\$308,380.29
97-108	\$317,631.70

- 7) Rent Abatement.

The monthly rent for months 1 of the Initial Term shall be abated.

IN WITNESS WHEREOF, this memorandum is executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Tenant:

Landlord:

COUNTY OF LOS ANGELES,  
a body corporate and politic

GRAND GLENDORA SERVICES, LLC,  
a California limited liability corporation

By: \_\_\_\_\_  
Joyce Chang  
Senior Manager

By: \_\_\_\_\_  
David A. Parker  
Authorized Signatory

## **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 10:00 a.m. to 3:00 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.



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: Chase Glendale Services, LLC  
PO Box 3944  
Glendale, CA 91221

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: David A. Parker \_\_\_\_\_  
Title: Authorized Signatory \_\_\_\_\_

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: \_\_\_\_\_

2. Address: \_\_\_\_\_

3. Contact Person/Telephone Number: \_\_\_\_\_

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.: _____			<b>III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION</b>		
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?      Yes      No		
Hispanic/Latin American			City of Los Angeles?      Yes      No		
Asian American			Federal Government? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Portuguese American			<b>Section D. OPTION TO PROVIDE REQUESTED INFORMATION</b>		
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 Grand Glendora Services, LLC, a California Limited Liability Corporation (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 October 1, 2025, and ending on a date nine (9) 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:

Grand Glendora Services, LLC,  
a California Limited Liability Corporation

By: \_\_\_\_\_  
David A. Parker  
Authorized Signatory

TENANT:

COUNTY OF LOS ANGELES,  
a body corporate and politic

FESIA A. DAVENPORT  
Chief Executive Officer

By: \_\_\_\_\_  
John T. Cooke  
Assistant Chief Executive Officer

ATTEST:

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

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By: \_\_\_\_\_  
Senior Deputy



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

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024	
<b>BOARD MEETING DATE</b>	9/10/2024	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Internal Services Department (ISD)	
<b>SUBJECT</b>	REQUEST FOR APPROVAL TO AWARD AND EXECUTE ONE CONTRACT WITH BATZA & ASSOCIATES, INC. FOR AS-NEEDED INVESTIGATIVE SERVICES	
<b>PROGRAM</b>	N/A	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable	
<b>DEADLINES/ TIME CONSTRAINTS</b>	N/A	
<b>COST &amp; FUNDING</b>	Total cost: Not-to-Exceed \$350,000 annually.	Funding source: The funding for the contracted services is included in ISD's Fiscal Year 2024-25 Recommended Budget.
	TERMS (if applicable): Initial term of one year with four additional one-year periods and six (6) month-to-month extensions, for a maximum total Contract term of five (5) years and six (6) months.	
	Explanation: ISD will exercise the renewal options and month-to-month extensions in accordance with the contract, as required.	
<b>PURPOSE OF REQUEST</b>	Approval of recommendations will allow ISD to award one Fraud Investigative Services contract and meet the immediate and continued need for such services using professional investigators. The recommended contractor will perform objective, fair, thorough, unbiased, and timely investigations into allegations of fraud, waste, or abuse by an ISD employee, personnel, and/or vendor/s.	
<b>BACKGROUND include internal/external issues that may exist</b>	The recommended contract will augment ISD's staff and ability to conduct fraud and/or abuse investigations internally to ISD. ISD does not have in-house resources and capabilities to perform this work, and the recommended contract will provide ISD with an avenue to obtain the as-needed fraud investigative services.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORT BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:	
<b>DEPARTMENTAL CONTACTS</b>	Christie Carr, Contract Manager, 267-323-3101, <a href="mailto:ccarr@isd.lacounty.gov">ccarr@isd.lacounty.gov</a>	



**MICHAEL OWH**  
Director

# County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue  
Los Angeles, California 90063

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

*Speed. Reliability. Value.*

September 10, 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:

**REQUEST FOR APPROVAL TO AWARD AND EXECUTE ONE CONTRACT WITH  
BATZA & ASSOCIATES, INC. FOR AS-NEEDED INVESTIGATIVE SERVICES  
(ALL DISTRICTS – 3 VOTES)**

**SUBJECT**

The Internal Services Department (ISD) is requesting authority to award and execute one contract to provide fraud investigation services for ISD.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Director of ISD, or their designee, to award and execute the attached contract (Attachment 1) with Batza & Associates, Inc. (Batza) to provide fraud and/or abuse investigative services for an initial term of one year with four additional one-year periods and six month-to-month extensions, for a maximum total Contract term of five years and six months for an annual not-to-exceed amount of \$350,000 and an aggregate not-to-exceed amount of \$1,925,000 million.
2. Authorize the Director of ISD, or their designee, to exercise the renewal options and month-to-month extensions in accordance with the attached contract; execute applicable contract amendments should the original contracting entity merge, be acquired, or otherwise have a change of entity; revise the terms and conditions to align with Board policy changes and directives; and, upon review by County Counsel, approve necessary changes to the scope of services.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The recommended contract will augment ISD's staff and ability to conduct fraud and/or abuse investigations internally to ISD. ISD does not have in-house resources and capabilities to perform this work, and the recommended contract will provide ISD with an avenue to obtain the as-needed fraud investigative services. The recommended contractor will perform objective, fair, thorough, unbiased, and timely investigations into

allegations of fraud, waste, or abuse by an ISD employee, personnel, and/or vendor. The investigations are intended to focus on the integrity of programs, operations, and/or personnel in various services throughout ISD. Investigations will include allegations of fraud, dishonesty, and other ethical transgressions; violations of the County's behavioral standards; timekeeping fraud and dishonesty; policy and misconduct violations; failure to perform duties; and other categories of fraud and/or abuse.

Approval of recommendation one will allow ISD to award the Fraud Investigative Services contract and meet the immediate and continued need for such services using professional investigators.

Approval of recommendation number two will allow ISD to effectively manage the contract throughout its term.

### **Implementation of Strategic Plan Goals**

The recommended contract supports the County's Strategic Plan, Goal North Star 2, C. Public Safety, by providing professional assistance to ISD in addressing the risks, dangers, harm, and conditions that cause, drive, or can help mitigate unlawful activity and crime, and supports accountability and transparency.

### **FISCAL IMPACT/FINANCING**

The contractor is not guaranteed a fixed workload and will be paid on a fee-for-service basis. The hourly rates are fixed for the term of the contract. This approach is deemed to be in the County's best interest as ISD will only be charged for investigation costs as they are incurred. Anticipated first year contract costs are not-to-exceed \$350,000. However, costs will fluctuate based on the actual use of the contracted services by ISD.

The funding for the contracted services is included in ISD's Fiscal Year 2024-25 Recommended Budget, while additional funding will be requested in future years to address the option periods.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The terms and conditions of the recommended contract have been approved as to form by County Counsel. The contract contains the Board's required contract provisions, including those pertaining to consideration of qualified County employees targeted for layoff as well as qualified START/GROW participants for employment openings,

compliance with the Jury Duty Ordinance, Safely Surrender Baby Law, Child Support Program, and Zero Tolerance Human Trafficking.

ISD has determined that the proposed contracts are not subject to the County's Living Wage Program. Los Angeles County Code, Chapter 2.201 does not apply to the contracted work as it is temporary and intermittent, and highly technical in nature. Further, there is no impact to current County employees, as no County employees will be displaced due to the approval of the recommended contract.

### **CONTRACTING PROCESS**

On October 31, 2023, ISD released an Invitation for Bids (IFB) for As-Needed Investigative Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" website and was transmitted to potential Bidders via email based on an alert from Los Angeles County's electronic Countywide Accounting and Purchasing System (eCAPS) (Attachment 2). Additionally, ISD held a mandatory virtual bidders' conference on November 29, 2023 and presented the IFB requirements, bid submittal process, key dates, and provided a Statement of Work overview to the 14 firms in attendance.

As a result of the competitive solicitation, four bids were received by the December 20, 2023 deadline. One bid arrived after the bid submission deadline and was therefore not accepted. The four bids that were received timely were reviewed for responsiveness and compliance with the minimum requirements set forth in the IFB. Three bids were disqualified because their references could not substantiate the requisite work experience to meet the IFB minimum requirements. The bid from Batza was the lowest-priced qualified bidder and therefore recommended for contract award.

There were no protests resulting from this solicitation.

A summary of Community Based Enterprise Program information for the recommended vendor is attached (Attachment 3). Selection of this contractor was made without regard to gender, race, creed, color, or national origin.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended contract will ensure that ISD is equipped to effectively reduce the backlog of cases requiring investigation. This action will also enhance accountability and transparency within the department, thereby improving overall operational efficiency and public trust.



The Honorable Board of Supervisors  
September 10, 2024  
Page 2

**CONCLUSION**

Upon approval by the Board, please return two adopted copies of the Board Letter to the Director of ISD.

Respectfully submitted,

MICHAEL OWH  
Director

MO:LG:CC:nv

Attachments

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

# **BOARD LETTER ATTACHMENTS (5)**

- 1. Contract**
- 2. Solicitation Posting on “Doing Business with US” website, Instagram, Twitter and LinkedIn**
- 3. Proposer’s Organization Questionnaire/Affidavit and Community Business Enterprise (CBE) Information**



**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**BATZA & ASSOCIATES, INC.**

**FOR**

**AS-NEEDED INVESTIGATIVE SERVICES**

**GCS-I10764-C**

## TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
<b>1.0</b>	<b>APPLICABLE DOCUMENTS.....</b>	<b>2</b>
<b>2.0</b>	<b>DEFINITIONS .....</b>	<b>2</b>
<b>3.0</b>	<b>WORK.....</b>	<b>3</b>
<b>4.0</b>	<b>TERM OF CONTRACT.....</b>	<b>4</b>
<b>5.0</b>	<b>CONTRACT SUM.....</b>	<b>4</b>
5.1	TOTAL CONTRACT SUM .....	4
5.2	WRITTEN APPROVAL FOR REIMBURSEMENT.....	4
5.3	NOTIFICATION OF 75% OF TOTAL CONTRACT SUM.....	4
5.4	NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/ TERMINATION OF CONTRACT .....	5
5.5	INVOICES AND PAYMENTS .....	5
5.6	DEFAULT METHOD OF PAYMENT: DIRECT DEPOSIT OR ELECTRONIC FUNDS TRANSFER .....	5
<b>6.0</b>	<b>ADMINISTRATION OF CONTRACT – COUNTY .....</b>	<b>6</b>
6.1	COUNTY ADMINISTRATION.....	6
6.2	COUNTY’S PROJECT DIRECTOR .....	6
6.3	COUNTY’S PROJECT MANAGER.....	6
6.4	COUNTY’S CONTRACT PROJECT MONITOR .....	7
<b>7.0</b>	<b>ADMINISTRATION OF CONTRACT - CONTRACTOR.....</b>	<b>7</b>
7.1	CONTRACTOR ADMINISTRATION .....	7
7.2	CONTRACTOR’S PROJECT MANAGER.....	7
7.3	APPROVAL OF CONTRACTOR’S STAFF .....	7
7.4	CONTRACTOR’S STAFF IDENTIFICATION.....	7
7.5	BACKGROUND AND SECURITY INVESTIGATIONS.....	8
7.6	CONFIDENTIALITY.....	9
<b>8.0</b>	<b>STANDARD TERMS AND CONDITIONS.....</b>	<b>10</b>
8.1	AMENDMENTS .....	10
8.2	ASSIGNMENT AND DELEGATION/MERGERS OR ACQUISITIONS .....	10
8.3	AUTHORIZATION WARRANTY .....	11
8.4	BUDGET REDUCTIONS .....	11
8.5	COMPLAINTS .....	11
8.6	COMPLIANCE WITH APPLICABLE LAWS .....	12
8.7	COMPLIANCE WITH CIVIL RIGHTS LAWS.....	12
8.8	COMPLIANCE WITH COUNTY’S JURY SERVICE PROGRAM.....	13
8.9	CONFLICT OF INTEREST .....	14
8.10	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ARE ON A COUNTY RE-EMPLOYMENT LIST .....	15
8.11	CONSIDERATION OF HIRING GAIN/START PARTICIPANTS.....	15
8.12	CONTRACTOR RESPONSIBILITY AND DEBARMENT.....	15
8.13	CONTRACTOR’S ACKNOWLEDGEMENT OF COUNTY’S COMMITMENT TO SAFELY SURRENDERED BABY LAW .....	18
8.14	CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM .....	18

**TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.15	COUNTY'S QUALITY ASSURANCE PLAN.....	18
8.16	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS.....	19
8.17	EMPLOYMENT ELIGIBILITY VERIFICATION.....	19
8.18	COUNTERPARTS AND ELECTRONIC SIGNATURES AND REPRESENTATIONS..	19
8.19	FAIR LABOR STANDARDS .....	20
8.20	FORCE MAJEURE.....	20
8.21	GOVERNING LAW, JURISDICTION, AND VENUE.....	20
8.22	INDEPENDENT CONTRACTOR STATUS.....	21
8.23	INDEMNIFICATION.....	21
8.24	GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE.....	21
8.25	INSURANCE COVERAGE .....	25
8.26	LIQUIDATED DAMAGES .....	26
8.27	MOST FAVORED PUBLIC ENTITY.....	27
8.28	NONDISCRIMINATION AND AFFIRMATIVE ACTION.....	27
8.29	NON-EXCLUSIVITY .....	29
8.30	NOTICE OF DELAYS.....	29
8.31	NOTICE OF DISPUTES .....	29
8.32	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT .....	29
8.33	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW .....	29
8.34	NOTICES .....	30
8.35	PROHIBITION AGAINST INDUCEMENT OR PERSUASION.....	30
8.36	PUBLIC RECORDS ACT.....	30
8.37	PUBLICITY.....	31
8.38	RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT.....	31
8.39	RECYCLED BOND PAPER.....	32
8.40	SUBCONTRACTING .....	32
8.41	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM.....	34
8.42	TERMINATION FOR CONVENIENCE .....	34
8.43	TERMINATION FOR DEFAULT .....	34
8.44	TERMINATION FOR IMPROPER CONSIDERATION .....	36
8.45	TERMINATION FOR INSOLVENCY.....	36
8.46	TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE ...	36
8.47	TERMINATION FOR NON-APPROPRIATION OF FUNDS .....	37
8.48	VALIDITY .....	37
8.49	WAIVER .....	37
8.50	WARRANTY AGAINST CONTINENT FEES.....	37
8.51	WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM.....	38
8.52	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM.....	38
8.53	TIME OFF FOR VOTING.....	38
8.54	COMPLIANCE WITH COUNTY'S ZERO TOLERANCE POLICY ON HUMAN TRAFFICKING.....	38
8.55	COMPLIANCE WITH FAIR CHANCE EMPLOYMENT HIRING PRACTICES.....	39
8.56	COMPLIANCE WITH THE COUNTY POLICY OF EQUITY .....	39
8.57	PROHIBITION FROM PARTICIPATION IN FUTURE SOLICITATION(S).....	39
8.58	INJURY AND ILLNESS PREVENTION PROGRAM .....	39



**TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
<b>9.0</b>	<b>UNIQUE TERMS AND CONDITIONS .....</b>	<b>40</b>
9.1	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) .....	40
9.2	OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT .....	40
<b>10.0</b>	<b>SURVIVAL.....</b>	<b>41</b>

**CONTRACT FOR  
AS-NEEDED INVESTIGATIVE SERVICES**

**TABLE OF CONTENTS OF EXHIBITS**

**STANDARD EXHIBITS**

- A Statement of Work and Attachments
- B Pricing Schedule
- C County's Administration
- D Contractor's Administration
- E Contractor Acknowledgement and Confidentiality Agreement
- F Safely Surrendered Baby Law

**UNIQUE EXHIBITS**

**Health Insurance Portability and Accountability Act (HIPAA) Agreement**

- G Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
BATZA & ASSOCIATES, INC.  
FOR  
AS-NEEDED INVESTIGATIVE SERVICES**

This Contract and Exhibits made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2024 by and between the County of Los Angeles, hereinafter referred to as County and Batza & Associates, Inc., hereinafter referred to as Contractor. Batza & Associates is located at 23504 Lyons Ave., Suite 403, Santa Clarita, CA 91321.

**RECITALS**

WHEREAS, the County may contract with private businesses for As-Needed Investigative Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing As-Needed Investigative Services; and

WHEREAS, this Contract is therefore authorized under California Codes, Government Code Section 31000.4 which authorizes the Board of Supervisors to contract for temporary services; and

WHEREAS, the Board of Supervisors has authorized the Director of Internal Services Department or designee to execute and administer this Contract.

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

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

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

### **Standard Exhibits:**

- Exhibit A - Statement of Work and Attachments
- Exhibit B - Pricing Schedule
- Exhibit C - County's Administration
- Exhibit D - Contractor's Administration
- Exhibit E - Contractor Acknowledgement and Confidentiality Agreement
- Exhibit F - Safely Surrendered Baby Law

### **Unique Exhibits:**

#### **Business Associate Agreement under Health Insurance Portability and Accountability Act (HIPAA)**

- Exhibit G - Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

## 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 acting as governing body.
- 2.2 Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.3 Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work

covered by the Statement of Work.

- 2.4 Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.5 County Contract Project Monitor:** Person with responsibility to oversee the day-to-day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.6 County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. A list of County observed holidays may be found on the County's website: <https://lacounty.gov/government/about-la-county/about/>.
- 2.7 County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.8 County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.9 Day(s):** Calendar day(s) unless otherwise specified.
- 2.10 Department:** The County of Los Angeles Internal Services Department (ISD) which is entering into this Contract on behalf of the County of Los Angeles.
- 2.11 Director:** Director of Department.
- 2.12 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.13 Statement of Work:** A written description of the work to be performed by Contractor to meet the needs of the County, including special provisions pertaining to the method, frequency, manner, and place of performing the contract services.
- 2.14 Subcontract:** An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.
- 2.15 Subcontractor:** Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.

### **3.0 WORK**

- 3.1** Pursuant to the provisions of this Contract, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.2** If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same will be deemed to



be a gratuitous effort on the part of the Contractor, and the Contractor will have no claim whatsoever against the County.

#### **4.0 TERM OF CONTRACT**

- 4.1** The term of this Contract will be one (1) year commencing after approval by County's Board of Supervisors, and executed by ISD, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2** The County will have the sole option to extend this Contract term for up to four (4) additional one-year periods and six (6) month-to-month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension will be exercised at the sole discretion of the Department Head. The County maintains a database that tracks/monitors contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether a bidder is responsible for the purposes of a future County contract or extension option.
- 4.3** The Contractor must notify ISD when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to (Department) at the address herein provided in Exhibit C (County's Administration).

#### **5.0 CONTRACT SUM**

##### **5.1 Total Contract Sum**

The Contractor's rates will remain firm and fixed for the term of the Contract as set forth in Exhibit B (Pricing Schedule). The not-to-exceed amount for the initial contract term is \$350,000.

##### **5.2 Written Approval for Reimbursement**

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

##### **5.3 Notification of 75% of Total Contract Sum**

The Contractor must maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, the Contractor must send written notification to

the Internal Service Department (ISD) at the address herein provided in Exhibit C (County's Administration).

#### **5.4 No Payment for Services Provided Following Expiration/ Termination of Contract**

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

#### **5.5 Invoices and Payments**

**5.5.1** The Contractor must invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A (Statement of Work and Attachments) and elsewhere hereunder. The Contractor must prepare invoices, which will include the charges owed to the Contractor by the County under the terms of this Contract.

**5.5.2** The Contractor's payments will be as provided in Exhibit B (Pricing Schedule), and the Contractor will be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment will be due to the Contractor for that work.

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

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

**5.5.5** All invoices under this Contract must be submitted in two (2) copies to the following: Fabian Del La Rosa at: [fdelarosa@isd.lacounty.gov](mailto:fdelarosa@isd.lacounty.gov).

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

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

**5.6.1** The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or

services provided under an agreement/ contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

- 5.6.2** The Contractor must submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 5.6.3** Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.
- 5.6.4** At any time during the duration of the agreement/contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business, or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.

## **6.0 ADMINISTRATION OF CONTRACT – COUNTY**

### **6.1 County Administration**

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

### **6.2 County’s Project Director**

Responsibilities of the County’s Project Director include:

- ensuring that the objectives of this Contract are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

### **6.3 County’s Project Manager**

The responsibilities of the County’s Project Manager include:

- meeting with the Contractor’s Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County’s Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

#### **6.4 County's Contract Project Monitor**

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

### **7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

#### **7.1 Contractor Administration**

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit D (Contractor's Administration). The Contractor will notify the County in writing of any change as they occur.

#### **7.2 Contractor's Project Manager**

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

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

**7.2.3** The Contractor's Project Manager must have two (2) years' worth of documented professional experience in providing fraud investigation services.

#### **7.3 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including the Contractor's Project Manager.

#### **7.4 Contractor's Staff Identification**

All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

**7.4.1** Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper County ID badge on their person.

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

the next business day after the employee has terminated employment with the Contractor.

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

## **7.5 Background and Security Investigations**

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

- 7.5.2** Contractor must certify under penalty of perjury that all contractor personnel assigned to provide Contract services must have no history of any prior founded nor sustained administrative investigation findings and/or no founded nor sustained post-employment investigation findings related in any way to violations of ethical or behavioral standards (Attachment 2 to SOW).

At the request of County, Contractor is required to provide proof of documentation.

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

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

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



**7.5.6** These terms will also apply to subcontractors of County contractors.

## **7.6 Confidentiality**

**7.6.1** Contractor must maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

All information related to the fraud investigation work conducted by the Contractor on behalf of ISD is to remain confidential at all times, including after the contract term.

**7.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.6 will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

**7.6.3** Contractor must inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

**7.6.4** Contractor must sign and adhere to the provisions of Exhibit E (Contractor Acknowledgement and Confidentiality Agreement).

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments**

- 8.1.1** For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment must be prepared and executed by the Contractor and by Department Head or their designee.
- 8.1.2** The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by Department Head or their designee.
- 8.1.3** The Department Head or their designee, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4 (Term of Contract). The Contractor agrees that such extensions of time will not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract must be prepared and executed by the Contractor and by Department Head or their designee.

### **8.2 Assignment and Delegation/Mergers or Acquisitions**

- 8.2.1** The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2** The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this paragraph, County consent will require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract will be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

**8.2.3** Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, will be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County will be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 Authorization Warranty**

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

### **8.4 Budget Reductions**

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

### **8.5 Complaints**

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

**8.5.1** Within ten (10) business days after Contract 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 five (5) 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 (5) 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 two (2) business days of mailing to the complainant.

## **8.6 Compliance with Applicable Laws**

- 8.6.1** In the performance of this Contract, Contractor must comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction or 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 Contract or under any project, program, or activity supported by this Contract. Additionally, contractor certifies to the County:

1. That contractor has a written policy statement prohibiting discrimination in all phases of employment.
2. That contractor periodically conducts a self-analysis or utilization analysis of its workforce.
3. That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, including the establishment of goals or timetables.

## **8.8 Compliance with County's Jury Service Program**

### **8.8.1 Jury Service Program:**

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

### **8.8.2 Written Employee Jury Service Policy.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the [Jury Service Program \(Section 2.203.020 of the County Code\)](#) or that the Contractor qualifies for an exception to the [Jury Service Program \(Section 2.203.070 of the County Code\)](#), the Contractor must have and adhere to a written policy that provides that its Employees will receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 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 the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor will also be subject to the provisions of this Paragraph. The provisions of this Paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the agreement.

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

## **8.9 Conflict of Interest**

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

work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

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

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

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

#### **8.11 Consideration of Hiring GAIN/START Participants**

**8.11.1** Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor will give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or 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](mailto:gainstart@dpss.lacounty.gov) and [BSERVICES@OPPORTUNITY.LACOUNTY.GOV](mailto: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 contract. It is the County's policy to conduct business only with responsible Contractors.

#### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five 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 of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### **8.12.4 Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department will be provided an

opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

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

#### **8.12.5 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 F, in a prominent position at the contractor's place of business. The contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. Information and posters for printing are available at:

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

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

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

**8.14.2** As required by the [County's Child Support Compliance Program \(County Code Chapter 2.200\)](#) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and will during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and 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 Contract on not less than an annual basis. Such monitoring will include assessing the contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor



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

#### **8.16 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 the Contractor or employees or agents of the Contractor. Such repairs must be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

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

#### **8.17 Employment Eligibility Verification**

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

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

#### **8.18 Counterparts and Electronic Signatures and Representations**

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

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

### **8.19 Fair Labor Standards**

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

### **8.20 Force Majeure**

- 8.20.1** Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").
- 8.20.2** Notwithstanding the foregoing, a default by a subcontractor of Contractor will not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor will not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this 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 Contract will be governed by and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the

exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further and consents that venue of any action brought hereunder will be exclusively in the County of Los Angeles.

## **8.22 Independent Contractor Status**

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

## **8.23 Indemnification**

The Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

## **8.24 General Provisions for All Insurance Coverage**

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in

addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor from liabilities that may arise from or relate to this Contract.

#### **8.24.1 Evidence of Coverage and Notice to County**

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

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

Carlos Rubio  
Internal Services Department  
Purchasing and Contracts/ General Contracts  
Administrative Services Manager II  
[crubio@isd.lacounty.gov](mailto:crubio@isd.lacounty.gov)

Contractor also must promptly report to County any injury or property damage accident or incident, including any injury to a

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

#### **8.24.2 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 Change in Insurance**

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

#### **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 Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.



Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

#### **8.24.5 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 Contract, must be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage must be in excess of and not contribute to any Contractor coverage.

#### **8.24.7 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 Contract. 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 policy's 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 claims made basis, any policy retroactive date will precede the effective date of this Contract. Contractor understands and agrees it will maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.11 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 ISO (Insurance Services Office, Inc.) 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 Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

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

**8.25.4 Professional Liability/Errors and Omissions**

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

**8.26 Liquidated Damages**

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

**8.26.2** If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the

Department Head, or his/her designee, may:

- (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
- (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix A, SOW and Attachments, Exhibit 2, hereunder, and that the Contractor will be liable to the County for liquidated damages in said amount. Said amount will be deducted from the County's payment to the Contractor; and/or
- (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

**8.26.3** The action noted in Paragraph 8.26.2 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 Contract.

**8.26.4** This Paragraph will not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Paragraph 8.26.2, and will not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

### **8.27 Most Favored Public Entity**

If the Contractor's prices decline or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices 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:
- 1) That contractor has a written policy statement prohibiting discrimination in all phases of employment.
  - 2) That contractor periodically conducts a self-analysis or utilization analysis of its workforce.
  - 3) That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
  - 4) Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.
- 8.28.3** The Contractor will 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 will include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4** The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5** The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6** The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 when so requested by the County.
- 8.28.7** If the County finds that any provisions of this Paragraph 8.28 have been violated, such violation will constitute a material breach of



this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

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

### **8.29 Non-Exclusivity**

Nothing herein is intended nor will be construed as creating any exclusive arrangement with the Contractor. This Contract will not restrict (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 Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party will, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

### **8.31 Notice of Disputes**

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

### **8.32 Notice to Employees Regarding the Federal Earned Income Credit**

The Contractor will 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 will 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 will notify and provide to its employees, and will require

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

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

#### **8.34 Notices**

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

#### **8.35 Prohibition Against Inducement or Persuasion**

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

#### **8.36 Public Records Act**

**8.36.1** Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract; as well as those documents which were required to be submitted in response to the Invitation for Bids (IFB) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and will be regarded as public records. Exceptions will be those elements in the [California Government Code Section 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 a bid 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 will not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor will develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor will not, and will not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director.

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

### **8.38 Record Retention and Inspection/Audit Settlement**

Any and all documents, evidence and property related to the work the Contractor conducts executing the contracted Fraud Investigation Services on behalf of ISD shall be turned over to ISD at the end of the contract term, as ISD is obligated to maintain all documents and evidence related to said investigations for at least 10 years should any matter related to the investigations be brought to litigation.

The Contractor will maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor will also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, will have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, will be kept and maintained by the Contractor and will be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material will 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 Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor will file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County will make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.38.2** Failure on the part of the Contractor to comply with any of the provisions of this Paragraph 8.38 will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3** If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference will be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference will be paid to the Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 Recycled Bond Paper**

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

### **8.40 Subcontracting**

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

- 8.40.2** If the Contractor desires to subcontract, the Contractor will provide the following information promptly at the County's request:
- A description of the work to be performed by the Subcontractor;
  - A draft copy of the proposed subcontract; and
  - Other pertinent information and/or certifications requested by the County.
- 8.40.3** The Contractor will indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 8.40.4** The Contractor will remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.40.5** The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.
- 8.40.6** The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor will forward a fully executed subcontract to the County for their files.
- 8.40.7** The Contractor will be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8** The Contractor will obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor will ensure delivery of all such documents to:

Carlos Rubio  
Internal Services Department  
Purchasing and Contracts/ General Contracts  
Administrative Services Manager II  
[crubio@isd.lacounty.gov](mailto:crubio@isd.lacounty.gov)

before any Subcontractor employee may perform any work hereunder.

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

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

#### **8.42 Termination for Convenience**

**8.42.1** This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten (10) days after the notice is sent.

**8.42.2** After receipt of a notice of termination and except as otherwise directed by the County, the Contractor will:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

**8.42.3** All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract will be maintained by the Contractor in accordance with Paragraph 8.38 (Record Retention and Inspection/Audit Settlement).

#### **8.43 Termination for Default**

**8.43.1** The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to



demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

- 8.43.2** In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor will continue the performance of this Contract to the extent not terminated under the provisions of this Paragraph.
- 8.43.3** Except with respect to defaults of any Subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Paragraph 8.43.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.
- 8.43.4** If, after the County has given notice of termination under the provisions of this Paragraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.43, or that the default was excusable under the provisions of Paragraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).
- 8.43.5** The rights and remedies of the County provided in this Paragraph 8.43 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 Termination for Improper Consideration**

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

#### **8.45 Termination for Insolvency**

- 8.45.1** The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
  - The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
  - The appointment of a Receiver or Trustee for the Contractor; or
  - The execution by the Contractor of a general assignment for the benefit of creditors.
- 8.45.2** The rights and remedies of the County provided in this Paragraph 8.45 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.46 Termination for Non-Adherence of County Lobbyist Ordinance**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in [County Code Section 2.160.010](#) retained by the Contractor,

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

#### **8.47 Termination for Non-Appropriation of Funds**

Notwithstanding any other provision of this Contract, the County will not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract will terminate as of June 30 of the last fiscal year for which funds were appropriated. The County will notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.48 Validity**

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

#### **8.49 Waiver**

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

#### **8.50 Warranty Against Contingent Fees**

- 8.50.1** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.
- 8.50.2** For breach of this warranty, the County will have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

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

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

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

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

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

#### **8.53 Time Off For Voting**

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

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

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

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

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

#### **8.55 Compliance with Fair Chance Employment Hiring Practices**

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

#### **8.56 Compliance with the County Policy of Equity**

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

#### **8.57 Prohibition from Participation in Future Solicitation(s)**

A Bidder, or a Contractor or its subsidiary or Subcontractor ("Bidder/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Bidder/Contractor has provided advice or consultation for the solicitation. A Bidder/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Bidder/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/Bidder from participation in the County solicitation or the termination or cancellation of any resultant County contract.

#### **8.58 Injury and Illness Prevention Program**

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

## **9.0 UNIQUE TERMS AND CONDITIONS**

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

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

### **9.2 Ownership of Materials, Software and Copyright**

- 9.2.1** County will be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, will execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.
- 9.2.2** During the term of this Contract and for five (5) years thereafter, the Contractor will maintain and provide security for all of the Contractor's working papers prepared under this Contract. County will have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.2.3** Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and will be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.2.4** The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce,



distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.

**9.2.5** Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under Paragraph 9.2.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Paragraph 9.3.3 or for any disclosure which the County is required to make under any state or federal law or order of court.


## **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:

Paragraph	Title
1	Applicable Documents
2	Definitions
3	Work
5.4	No Payment for Services Provided Following Expiration-Termination of Contract
7.6	Confidentiality
8.1	Amendments
8.2	Assignment and Delegation/Mergers or Acquisitions
8.6	Compliance with Applicable Law
8.19	Fair Labor Standards
8.20	Force Majeure
8.21	Governing Law, Jurisdiction, and Venue
8.23	Indemnification
8.24	General Provisions for all Insurance Coverage
8.25	Insurance Coverage
8.26	Liquidated Damages
8.34	Notices
8.38	Record Retention and Inspection-Audit Settlement
8.42	Termination for Convenience
8.43	Termination for Default
8.48	Validity
8.49	Waiver
8.58	Prohibition from Participation in Future Solicitation
9.2	Ownership of Materials, Software and Copyright
10	Survival

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be executed by the County's Director, Internal Services Department or their designee, and approved by County Counsel, and Contractor has caused this Contract to be executed in its behalf by its duly authorized officer.

CONTRACTOR: (Batza & Associates, Inc.)  
Name

By  \_\_\_\_\_  
Authorized Signature  
Vincent M. Batza, President  
Name, Title

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director, Internal Services Department

APPROVED AS TO FORM:  
DAWYN R. HARRISON  
County Counsel

By \_\_\_\_\_  
—

Principal Deputy County Counsel

## **CONTRACT EXHIBITS**

- A STATEMENT OF WORK AND ATTACHMENTS
- B PRICING SCHEDULE
- C COUNTY'S ADMINISTRATION
- D CONTRACTOR'S ADMINISTRATION
- E CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- F SAFELY SURRENDERED BABY LAW
- G BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE  
PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA)

# **EXHIBIT A**

## **STATEMENT OF WORK AND ATTACHMENTS**

## TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
<b>1.0 SCOPE OF WORK</b> .....	<b>1</b>
<b>2.0 FRAUD INVESTIGATIVE SERVICES</b> .....	<b>1</b>
2.1 Fraud Investigation Personnel Qualifications .....	1
2.2 Fraud/Abuse Investigative Services .....	1
2.3 Tracking of Hours .....	1
2.4 Additional Requirements .....	2
2.5 Changes to Contract .....	2
<b>3.0 QUALITY CONTROL</b> .....	<b>2</b>
<b>4.0 QUALITY ASSURANCE PLAN</b> .....	<b>2</b>
4.1 Scheduled Meetings .....	2
4.2 Contract Discrepancy Report (Attachment 4 of this Exhibit A) .....	2
4.3 County Observations .....	2
<b>5.0 DEFINITIONS</b> .....	<b>3</b>
<b>6.0 RESPONSIBILITIES</b> .....	<b>3</b>
<b>COUNTY</b> .....	<b>3</b>
6.1 County Project Director .....	3
6.2 County Project Manager .....	3
<b>CONTRACTOR</b> .....	<b>3</b>
6.3 Project Manager .....	3
6.4 Personnel .....	4
6.5 Uniforms/Identification Badges .....	4
6.6 Materials and Equipment .....	5
6.7 Training .....	5
<b>7.0 HOURS/DAY OF WORK</b> .....	<b>5</b>
<b>8.0 WORK SCHEDULES</b> .....	<b>5</b>
<b>9.0 UNSCHEDULED WORK</b> .....	<b>5</b>
<b>10.0 SPECIFIC WORK REQUIREMENTS</b> .....	<b>6</b>
10.1 Staff Evaluation .....	6
10.2 Personnel Requirements .....	6
10.3 Reports .....	7
<b>11.0 PERFORMANCE REQUIREMENTS SUMMARY</b> .....	<b>7</b>
11.1 Performance Requirements .....	7

## TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
<b>12.0 GREEN INITIATIVES .....</b>	<b>8</b>
<b>13.0 Outgoing Transition.....</b>	<b>8</b>
13.1 End of Contract .....	8
13.2 Reports and Documentation.....	8

### **SOW ATTACHMENTS**

- 1** Fraud Investigator Qualifications
- 2** Background and Security Investigations Certification
- 3** Performance Requirements Summary (PRS)
- 4** Contract Discrepancy Report (CDR)



# STATEMENT OF WORK (SOW)

## 1.0 SCOPE OF WORK

Contractor shall provide as-needed fraud and/or abuse investigative services for the Internal Services Department (ISD). Contractor will perform objective, fair, thorough, unbiased, and timely investigations into allegations of fraud, waste, or abuse by an ISD employee, personnel, or vendor. Investigations may focus on the integrity of programs, operations, and/or personnel in units throughout ISD. Investigations can include, but are not limited to, allegations of:

- Fraud, dishonesty, and other ethical violation
- Violations of the County's behavioral standards
- Timekeeping fraud and dishonesty
- Policy and misconduct violations
- Failure to perform duties

## 2.0 FRAUD INVESTIGATIVE SERVICES

### 2.1 Fraud Investigation Personnel Qualifications

2.1.1 Personnel shall possess the minimum qualifications as those outlined in Attachment 1 – Fraud Investigator Qualifications. Investigators that do not meet the qualifications cannot be assigned this Contract.

2.1.2 County Project Director may add or delete classifications at any time during the term of this Contract in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, subparagraph 8.1 - Amendments.

### 2.2 Fraud/Abuse Investigative Services

2.2.1 Contractor must maintain at least one qualified candidate capable of performing fraud investigation services.

2.2.2 Contractor must be able to complete fraud investigation assignments made by County to areas throughout and adjacent to the County of Los Angeles.

2.2.3 Contractor must assign a fraud investigator for new fraud investigation assignments within three (3) business days of County request in accordance with SOW, Section 10.1 - Staff Evaluation. The same assigned fraud investigator must remain with the assigned case through completion of the case.

### 2.3 Tracking of Hours

Contractor must track fraud investigation personnel work hours using an established procedure.

## **2.4 Additional Requirements**

Fraud investigation personnel will be required to provide transportation to and from interview, inspection, or other required facility visit(s). All transportation will be provided by and at Contractor's expense.

## **2.5 Changes to Contract**

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

## **3.0 QUALITY CONTROL**

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The plan shall include, but may not be limited to the following:

**3.1** Method of monitoring to ensure that Contract requirements are being met;

**3.2** A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.

## **4.0 QUALITY ASSURANCE PLAN**

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

### **4.1 Scheduled Meetings**

Contractor is required to attend, at a minimum, quarterly meetings, as scheduled. Failure to attend will cause an assessment of one hundred dollars (\$100).

### **4.2 Contract Discrepancy Report (Attachment 4 of this Exhibit A)**

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

The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report (CDR) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Monitor within three (3) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the CDR shall be submitted to the County Contract Project Monitor within five (5) workdays.

### **4.3 County Observations**

In addition to departmental contracting staff, other County personnel may observe performance, activities, and/or review documents relevant to this Contract at any

time during normal business hours. However, personnel may not unreasonably interfere with the Contractor's performance.

## **5.0 DEFINITIONS**

See Section **2.0 Definitions**, of the Contract for relevant definitions.

## **6.0 RESPONSIBILITIES**

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

### **COUNTY**

#### **6.1 County Project Director**

The County Project Director will administer the Contract according to the Contract, Paragraph 6, Administration of Contract - County. Specific duties will include:

- 6.1.1** Providing direction to the Contractor in areas relating to policy, information, and procedural requirements.
- 6.1.2** Preparing Amendments in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, subparagraph 8.1 - Amendments.

#### **6.2 County Project Manager**

The County Project Manager will oversee the day-to-day operation of the Contract. Specific duties will include:

- 6.2.1** Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.2.2** Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.2.3** Meeting with the Contractor Project Manager on a regular basis.
- 6.2.4** Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.
- 6.2.5** Overseeing the day-to-day administration of this Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

The County Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

### **CONTRACTOR**

#### **6.3 Project Manager**

- 6.3.1** Contractor shall provide a full-time Project Manager or designated alternate who shall act as a central point of contact for the Contractor.

Contractor Project Manager shall be available by phone and/or e-mail during business hours Monday through Friday and shall respond to phone calls or e-mails received outside of business hours no later than 12:00 noon of the following business day.

- 6.3.2** Project Manager shall have two (2) years' worth of documented professional experience, within the past six (6) years, providing fraud investigation services.
- 6.3.3** Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract.
- 6.3.4** Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

#### **6.4 Personnel**

- 6.4.1** All fraud investigators assigned by the Contractor to perform services shall be employees of the Contractor and the Contractor shall have the sole right to hire, suspend, discipline, or discharge them.
- 6.4.2** County Project Manager may, at his or her sole discretion, direct the Contractor to remove or replace any fraud investigators immediately. Contractor shall retrieve and return fraud investigators' County ID badge to the County on the next business day after the fraud investigation personnel has been removed from working on the County's Contract.
- 6.4.3** Contractor will be solely responsible for providing its employees with all legally required employee benefits and County shall not be called upon to assume any liability for the direct payment of any salaries, wages, or other compensation to any personnel provided by the Contractor.
- 6.4.4** Contractor shall assign a sufficient number of personnel to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.
- 6.4.5** Contractor shall be required to background check their employees as set forth in Paragraph 7.5, Background and Security Investigations, of the Contract.

#### **6.5 Uniforms/Identification Badges**

- 6.5.1** Contractor employees, when attending a meeting at County facilities, shall wear appropriate business attire at all times. Attire, as required and approved by the Director or his designee, will be provided by and at Contractor's expense.
- 6.5.2** Contractor shall ensure their employees are appropriately identified as set forth in Paragraph 7.4, Contractor's Staff Identification, of the Contract.

## **6.6 Materials and Equipment**

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

## **6.7 Training**

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

## **7.0 HOURS/DAY OF WORK**

Contractor shall maintain an office with a telephone where the Contractor conducts business. The office shall be staffed during the hours of 8:00 AM to 5:00 PM, Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. Contractor shall answer calls received by the answering service by no later than 12:00 noon of the following business day.

## **8.0 WORK SCHEDULES**

**8.1** Contractor shall submit for review and approval a work schedule to the County Project Director within ten (10) days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required ongoing maintenance tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.

**8.2** Contractor shall submit revised schedules when actual performance differs substantially from planned performance. Said revisions shall be submitted to the County Project Manager for review and approval within ten (10) working days prior to scheduled time for work.

## **9.0 UNSCHEDULED WORK**

**9.1** The County Project Manager or his designee may authorize the Contractor to perform unscheduled work, including, but not limited to, repairs and replacements when the need for such work arises out of extraordinary incidents such as vandalism, acts of God, and third-party negligence; or to add to, modify or refurbish existing facilities.

**9.2** Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor and materials. If the unscheduled work exceeds the Contractor's estimate, the County Project Director or his designee must approve the excess cost. In any case, no unscheduled work shall commence without written authorization.

**9.3** When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor shall contact County's Project Director for approval before beginning the work. A written estimate shall be sent within twenty-four (24)

hours for approval. Contractor shall submit an invoice to County's Project Director within five (5) working days after completion of the work.

**9.4** All unscheduled work shall commence on the established specified date. Contractor shall proceed diligently to complete said work within the time allotted.

**9.5** The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

## **10.0 SPECIFIC WORK REQUIREMENTS**

### **10.1 Staff Evaluation**

**10.1.1** Contractor must evaluate the experience, skills, and proficiency of candidates using a comprehensive process.

**10.1.2** Contractor must ensure candidates meet the minimum qualifications of each classification.

**10.1.3** Contractor must conduct interviews of all candidates prior to making referrals to the County to ensure the suitability of each candidate for the work assigned.

### **10.2 Personnel Requirements**

All fraud investigation personnel provided by the Contractor shall at a minimum, possess the ability to:

**10.2.1** Work in a complex, fast-paced, confidential and high-pressured working environment, while carrying out multi-tasked assignments.

**10.2.2** Fluently read, write, speak and understand English.

**10.2.3** Communicate effectively using good judgment and discretion when required to orally express ideas, provide feedback, report statuses, interpret and explain data, and when defending his/her position in the presentation of data.

**10.2.4** Display a neat, professional appearance and conduct themselves in a professional manner when dealing with peers, the public, and all levels of personnel. Contractor shall ensure their employees are appropriately identified as set forth in Contract, Paragraph 7.0, Administration of Contract - Contractor, subparagraph 7.4 - Contractor's Staff Identification.

**10.2.5** Handle sensitive materials and perform confidential duties, while refraining from communicating confidential data and/or materials to those who do not have a business right or need to know.

**10.2.6** Provide a valid California Driver's License and satisfy a California Department of Motor Vehicles (DMV) background check for assignments that require the fraud investigation personnel to operate a vehicle.

**10.2.7** Pass a criminal background check performed by County prior to placement into any assignment.



**10.2.8** Work and be available between the hours of 8:00 am and 5:00 pm Monday through Friday and adhere to scheduled work hours for the assignment.

**10.2.9** Commute via personal, public, or alternate method of transportation to the assigned job site.

### **10.3 Reports**

Contractor is required to provide the following reports (Internal Affairs (IA) Manager to provide templates):

**10.3.1** An Investigative Report and Case Closure Memo for each case assigned to the Contractor

**10.3.2** Weekly and monthly case status reports

**10.3.3** Contract Term Closure Report

## **11.0 PERFORMANCE REQUIREMENTS SUMMARY**

### **11.1 Performance Requirements**

County will monitor required services as set forth in Attachment 3 - Performance Requirements Summary (PRS). The services set forth in the PRS are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of Contractor beyond that defined in Contract and the SOW. In any case of apparent inconsistency between services as stated in Contract and the SOW and this PRS, the meaning apparent in Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor.

When Contractor's performance does not conform to the requirements of this Contract, County will have the option to apply the following non-performance remedies:

**11.1.1** Verbal notification of a Contract discrepancy will be made to the County Project Director as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor. The County Project Director will determine whether a formal Contract Discrepancy Report (CDR) (Attachment 4) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Project Director within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A formal Corrective Action Plan for correction of all deficiencies identified in the CDR shall be submitted to the County Project Director within ten (10) business days, subject to approval by County.

**11.1.2** In the Corrective Action Plan, Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.

- 11.1.3 Assess fees or deduct payment from Contractor by a computed amount based on the deductions/assessment fee(s) listed in the PRS.
- 11.1.4 Reduce, suspend or cancel this Contract for systematic problems, deliberate misrepresentations or unacceptable levels of performance.
- 11.1.5 Failure of Contractor to comply with/or satisfy the request(s) for improvement of performance, or to perform the neglected work specified within ten (10) business days, shall constitute authorization for County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of Contractor's failure to perform said service(s), as determined by County, shall be credited to County on Contractor's future invoice(s).

This section does not preclude County's right to terminate Contract, in accordance with Contract, Paragraph 8.0, Standard Terms and Conditions, subparagraph 8.42 - Termination for Convenience and subparagraph 8.43 - Termination for Default.

## **12.0 GREEN INITIATIVES**

- 12.1 Contractor shall use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits.
- 12.2 Contractor shall notify County Project Director of Contractor's new green initiatives prior to the contract commencement.

## **13.0 Outgoing Transition**

### **13.1 End of Contract**

At end of Contract, the Contractor shall ensure all assigned cases have been closed and that all reports outlined in 13.2 have been submitted and signed off on by the Internal Affairs manager. Additionally, Contractor shall participate in a mandatory Contract Term Exit Conference and return all County property, equipment, proprietary documents, evidence, and access badges, and return all ISD case documents, evidence, and property to ISD.

### **13.2 Reports and Documentation**

At end of Contract, the Contractor shall ensure that an Investigative Report and Case Closure Memo has been submitted and signed-off on by the Internal Affairs Manager for each case assigned to the Contractor. Additionally, Contractor shall provide a Contract Term Closure Report, (template to be provided by ISD). Finally, Contractor is responsible for returning to ISD all documents, evidence, and property related to Contractor's fraud investigation work, including but not limited to audio and video recordings, evidence, and Administrative Interview notes which ISD is legally required to retain for a period of no shorter than ten (10) years.

## **Fraud Investigator Qualifications**

### **Minimum Mandatory Experience:**

A minimum of two years' experience within the past six (6) years leading and/or performing Internal Affairs functions and investigations in a large public organization, such as within a law enforcement or local government agency. Performing "internal affairs functions" is defined as being assigned as a lead or principal investigator with the responsibility of:

1. Managing and prioritizing a large and varied caseload of investigations to meet target dates and deadlines.
2. Determining and preparing the appropriate types of questions to use during an interview.
3. Preparing and coordinating office and field assignments to obtain relevant evidence, information, records and/or documents as necessary, and invoking ingenuity and persistence to obtain case information not readily available.
4. Analyzing documentary evidence and delivering concise, accurate, and factual investigative results, orally and in writing.
5. Performing surveillance as necessary, anywhere in Los Angeles County and in adjoining counties.
6. Conducting witness/subject admonitions and thorough, unbiased in-person or virtual witness/subject administrative interviews.
7. Impartially evaluating testimony and evidence, along with any aggravating or mitigating circumstances, and writing thorough, well-researched, professionally written investigative reports that detail activities, findings and dispositions that can withstand the test of civil service hearings or civil or criminal court case trials.
8. Communicating professionally, effectively, and responsively with County fraud investigators, ISD executive management, and law enforcement.
9. Working independently with minimum supervision maintaining case confidentiality, conducting objective assessments, and making unbiased observations.
10. Demonstrating proficiency with County investigation procedures, regulations, investigation methods, and technology, including case management and tracking systems, to support the investigative process.
11. Providing regular case status updates to the Program Manager and bringing obstacles or issues of concern to their immediate attention as needed and appropriate.

### **Required Attestation by Affidavit**

Contracted personnel must certify by affidavit under penalty of perjury and signature guarantee that they have no history of dishonorable, deceptive, or unethical behavior.

**Contractor Acknowledgement and Confidentiality Agreement**

Contracted personnel must certify under penalty of perjury and signature guarantee on the required Contractor Acknowledgement and Confidentiality Agreement (Appendix A - Exhibit E of the Contract) that all information, documents, and evidence related to any and all investigative cases assigned to the Contractor shall be kept strictly confidential and shall not be disclosed to anyone outside of the Internal Affairs unit unless expressly authorized in writing by the Internal Affairs Manager. Contracted personnel must also certify under the same conditions that, upon termination of the Contract, the Contracted personnel will immediately return to ISD all of its property, equipment, and documents, including but not limited to electronically stored information.

## Background and Security Investigations Certification

CONTRACTOR INFORMATION		
<b>Company Name:</b> Batza & Associates, Inc.	<b>Contract No.:</b> GCS-I10764-C	
<b>Contract Program Manager:</b> Cody Simms	<b>Email:</b> csimms@batza-associates.com	
<b>Contractor Personnel:</b> Cody Simms	<b>Email:</b> csimms@batza-associates.com	
STATEMENT OF CERTIFICATION (To be signed by Contractor Personnel)		
<p><b><u>Contract Section - 7.5.2</u></b></p> <p>The Contractor certifies that all personnel assigned to provide Contract services have no history of any prior founded, nor sustained administrative investigation findings and/or no founded, nor sustained post-employment investigation findings related in any way to violations of ethical or behavioral standards.</p> <p><b>DECLARATION:</b> I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE INFORMATION ABOVE IS TRUE AND CORRECT.</p>		
Signature		
<b>Contractor Personnel</b> <b>Printed Name:</b> Cody Simms	<b>Signature:</b> 	<b>Date:</b> 05/14/2024

## PERFORMANCE REQUIREMENTS SUMMARY (PRS)

<b>CONTRACT</b>				
<b>Specific Performance Reference</b>		<b>Standard of Performance</b>	<b>Monitoring Method</b>	<b>Deductions/Fees to Be Assessed</b>
7.2	Contractor's Project Manager	Contractor shall notify the County in writing of any change in name or address of the Contractor Project Manager.	Inspection & Observation	\$250 per occurrence
7.3	Approval of Contractor's Staff	County's approval of staff.	Inspection and Observation	\$50 per occurrence
7.5.1	Background and Security Investigations	Contractor's staff must pass background checks. Fees at the expense of Contractor.	Inspection & Observation	\$200 per occurrence
7.5.1	Background and Security Investigations	Contractor's staff not passing background checks are not to work at County facilities and shall be removed from County facilities.	Inspection & Observation	\$200 per occurrence
7.5.2	Background and Security Investigations	Contracted personnel must certify by affidavit under penalty of perjury and signature guarantee that they have no history of dishonorable/non-ethical behavior	Background Check?	\$500 per assigned case
8.24 & 8.25	General Insurance Requirements	Compliance with Contract Insurance Requirements.	Receipt of document	\$100 per occurrence; possible termination for default of contract.



**PERFORMANCE REQUIREMENTS SUMMARY (PRS)**

8.34	Notices	Contractor to submit notices of changes in personnel to County.	Receipt of document	\$50 per occurrence
8.38	Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in subparagraph 8.38.	Inspection of files	\$500 per occurrence
8.40	Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	\$500 per occurrence; possible termination for default of Contract

**STATEMENT OF WORK**

Specific Performance Reference		Standard of Performance	Monitoring Method	Deductions/Fees to Be Assessed
2.2	Fraud/Abuse Investigation Fulfillment	Contractor must fill fraud investigation requests within three (3) business days of County request. 100% Completion of Requirement.	Review of County documentation and Observation	\$ 100 per occurrence
4.1	Scheduled Meetings	Contractor is required to attend, at a minimum, quarterly meetings, as scheduled.	Review of County documentation (sign-in sheets) and Observation.	\$100 per occurrence
6.3	Contractor Project Manager	Contractor shall provide a full-time Contractor Project Manager or designated alternate who shall act as a central point of contact for the Contractor. Contractor Project Manager must effectively communicate in English, both orally and in writing. 100%	Inspection & Observation	\$ 100 per occurrence

**PERFORMANCE REQUIREMENTS SUMMARY (PRS)**

		Completion of Requirement.		
7.0	Hours/Day of Work	Contractor shall maintain an office with a telephone in the company's name where the Contractor conducts business. The office shall be staffed during the hours of 8:00 AM to 5:00 PM, Monday through Friday. When the office is closed, an answering service shall be provided to receive calls. 100% Completion of Requirement.	Inspection & Observation	\$ 100 per occurrence
10.1	Staff Evaluation	Candidates must meet the minimum qualifications for each classification. 100% Completion of Requirement.	Review of County documentation and Observation	\$ 50 per occurrence

# CONTRACT DISCREPANCY REPORT

## SAMPLE

CONTRACTOR RESPONSE DUE BY \_\_\_\_\_ (enter date and time)

<b>Date:</b>		<b>Contractor Response Received:</b>	
<b>Contractor:</b>	<b>Contract No.</b>	<b>County's Project Manager:</b>	
<b>Contact Person:</b>	<b>Telephone: ( ) -</b>	<b>County's Project Manager Signature:</b>	
<b>Email:</b>		<b>Email:</b>	

A contract discrepancy(s) is specified below. The Contractor will take corrective action and respond back to the **County personnel** identified above by the date required. Failure to take corrective action or respond to this Contract Discrepancy Report by the date specified may result in the deduction of damages.

No.	Contract Discrepancy	Contractor's Response*	County Use Only		
			Date Correction Due	Date Completed	Approved
1					
2					
3					
4					

\*Use additional sheets if necessary

\_\_\_\_\_

*Contractor's Representative Signature* *Date Signed*

<b>Additional Comments</b>
----------------------------

**PRICING SCHEDULE**

This Pricing Schedule contains the Contractor's hourly rate for providing as-needed fraud investigation services in accordance with the attached Statement of Work and includes all costs associated with the services. The County shall only pay the hourly rate(s) set forth in this Pricing Schedule.

<b>Classification</b>	<b>Hourly Rate</b>
Fraud Investigator	\$145

**COUNTY'S ADMINISTRATION**

CONTRACT NO. **GCS-I10764-C**

**COUNTY PROJECT DIRECTOR:**

Name: Christie Carr  
Title: Division Manager  
Address: 1100 N. Eastern Ave  
Los Angeles, CA 90063  
Telephone: (323) 267-3101  
E-mail Address: [ccarr@isd.lacounty.gov](mailto:ccarr@isd.lacounty.gov)

**COUNTY'S PROJECT MANAGER:**

Name: Cherylynn Hoff  
Title: Section Manager  
Address: 1100 N. Eastern Ave  
Los Angeles, CA 90063  
Telephone: (323) 391-8560  
E-mail Address: [choff@isd.lacounty.gov](mailto:choff@isd.lacounty.gov)

**COUNTY'S CONTRACT ANALYST:**

Name: Carlos Rubio  
Title: Administrative Services Manager  
Address: 1100 N. Eastern Ave  
Los Angeles, CA 90063  
Telephone: (323) 607-1130  
E-mail Address: [crubio@isd.lacounty.gov](mailto:crubio@isd.lacounty.gov)

**CONTRACTOR'S ADMINISTRATION**CONTRACTOR'S NAME: Batza & Associates, IncCONTRACT NO: GCS-I10764-C**CONTRACTOR PROJECT MANAGER:**Name: Cody SimmsTitle: Director of InvestigationsAddress: 23504 Lyons Avenue, Suite 403 Santa Clarita CA 91355Telephone: (661) 799-7777E-Mail Address: csimms@batza-associates.com**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**Name: Vincent M. BatzaTitle: PresidentAddress: 23504 Lyons Avenue, Suite 403 Santa Clarita CA 91355Telephone: (661) 799-7777E-Mail Address: csimms@batza-associates.comName: Anita LedfordTitle: Director of OperationsAddress: 23504 Lyons Avenue, Suite 403 Santa Clarita CA 91355Telephone: (661) 799-7777E-Mail Address: aledford@batza-associates.com**Notices to the Contractor shall be sent to the following:**Name: Cody SimmsTitle: Director of OperationsAddress: 23504 Lyons Avenue, Suite 403 Santa Clarita CA 91355Telephone: (661) 799-7777E-Mail Address: csimms@batza-associates.com



### CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME Batza & Associates, Inc. Contract No. GCS-I10764-C

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:


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

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

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

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

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

SIGNATURE: 

DATE: 5 / 6 / 2024

PRINTED NAME: Vincent M. Batza

POSITION: President

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

Any fire station. Any hospital. Any time.



1.877.222.9723

[BabySafeLA.org](http://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](http://BabySafeLA.org) to learn more.

No shame | No blame | No names

ANY FIRE STATION.  
ANY HOSPITAL.  
ANY TIME.

1.877.222.9723  
[BabySafeLA.org](http://BabySafeLA.org)

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



BabySafeLA.org

No shame | No blame | No names





## FROM SURRENDER TO ADOPTION: ONE BABY'S STORY

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

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

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

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

## ANSWERS TO YOUR QUESTIONS

### Who is legally allowed to surrender the baby?

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

### Do you need to call ahead before surrendering a baby?

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

### What information needs to be provided?

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

### What happens to the baby?

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

### What happens to the parent or surrendering adult?

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

### How can a parent get a baby back?

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

### If you're unsure of what to do:

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

**1.877.222.9723 or BabySafeLA.org**

English, Spanish and 140 other languages spoken.

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

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

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

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

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

Therefore, the parties agree as follows:

**1. DEFINITIONS**

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



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



- who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such

Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)

- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

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

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

**3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

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

#### **4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION**

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

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

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.
  - 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.
  - 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
  - 5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach

of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.

5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.

5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

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

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

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

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

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its

reporting and/or notification obligation(s) for the time period specified by the official.

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

## **6. WRITTEN ASSURANCES OF SUBCONTRACTORS**

- 6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.
- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.



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

## **7. ACCESS TO PROTECTED HEALTH INFORMATION**

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

## **8. AMENDMENT OF PROTECTED HEALTH INFORMATION**

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

receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

## **9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION**

9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:

- (a) The date of the Disclosure;
- (b) The name, and address if known, of the entity or person who received the Protected Health Information;
- (c) A brief description of the Protected Health Information Disclosed; and
- (d) A brief statement of the purpose of the Disclosure.

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

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

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

## **10. COMPLIANCE WITH APPLICABLE HIPAA RULES**

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

Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).

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

**11. AVAILABILITY OF RECORDS**

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

**12. MITIGATION OF HARMFUL EFFECTS**

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

**13. BREACH NOTIFICATION TO INDIVIDUALS**

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.
- 13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.
- 13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

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

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

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

#### **14. INDEMNIFICATION**

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification

in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **15. OBLIGATIONS OF COVERED ENTITY**

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

## **16. TERM**

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

## **17. TERMINATION FOR CAUSE**

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

Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

**18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION**

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



Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.

- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

**19. AUDIT, INSPECTION, AND EXAMINATION**

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.
- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement,

with or without payment, that gives rise to Contractor's status as a Business Associate.

## **20. MISCELLANEOUS PROVISIONS**

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

[Home](#) / [Closed & Award Solicitations](#) / [Detail](#)

Solicitation Information

Solicitation Number:	RFBC-IS-CMS24000013		
Title:	As-Needed Investigative Services IFB GCS-10622-S		
Department:	Internal Services Department		
Bid Type:	Commodity / Service	Bid Amount:	N/A
Commodity:	INVESTIGATIVE SERVICES		
Description:	As-Needed Investigative Services IFB GCS-10622-S		
Open Day:	10/31/2023	Closed Date:	12/20/2023 5:00:00 PM
Contact Name:	CARLOS RUBIO	Contact Phone:	(323) 267-2483
Contact Email:	crubio@isd.lacounty.gov		
Notice of Intent to Award (0) :	<a href="#">Click here to view notice intent to award list.</a>		
Solicitation Award (0) :	<a href="#">Click here to view award list.</a>		
Last Changed On:	11/1/2023 3:45:16 AM		
Attachment File (9) :	<a href="#">Click here to download attachment files.</a>		

**Attachment 3  
COMMUNITY BUSINESS  
ENTERPRISES**

<b>TITLE</b>		<b>REFERENCE</b>			
1 FIRM/ORGANIZATION INFORMATION	The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.				
<b>Total Number of Employees in California:</b>		13			
<b>Total Number of Employees (including owners):</b>		13			
<b>Race/Ethnic Composition of Firm.</b> Enter the make-up of Owners/Partners/Associate Partners into the following categories:					
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed		
	Male	Female	Male	Female	
Black/African American			%	%	
Hispanic/Latino			%	%	
Asian or Pacific Islander			%	%	
American Indian			%	%	
Filipino		1	%	49.00%	
White	1		51.00%	%	



## BOARD LETTER/MEMO OPERATIONS CLUSTER FACT SHEET

 Board Letter

 Board Memo

 Other

<b>CLUSTER AGENDA REVIEW DATE</b>	7/31/2024		
<b>BOARD MEETING DATE</b>	9/10/2024		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Sheriff's Department		
<b>SUBJECT</b>	Accept A Grant Award From The State of California Office Of Traffic Safety For The Traffic Records Improvement Project Program		
<b>PROGRAM</b>	North Patrol Division		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
	If Yes, please explain why: The TRIP Grant funds will be used to modernize and upgrade the Department's existing Crossroads software and include citation and report writing modules.		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable		
<b>DEADLINES/ TIME CONSTRAINTS</b>	Yes, the Grant term ends September 30, 2025.		
<b>COST &amp; FUNDING</b>	Total cost:	Funding source:	
	\$1,561,000	TRIP Grant Agreement Number TR24016 And the Department's Asset Forfeiture Special Revenue Fund	
	TERMS (if applicable): To fulfill the TRIP Grant terms for reimbursement, the department must complete the primary objective of a successful transmittal of traffic collision data to the California Highway Patrol.		
	Explanation:		
<b>PURPOSE OF REQUEST</b>	This grant will support the Department's transition to an electronic, paperless workflow traffic collision report writing and citation system.		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	<p>The Department prepares and processes approximately 20,000 handwritten traffic crash reports and tens of thousands of citations each year.</p> <p>The updated hardware and software will provide feature rich electronic submissions, eliminate manual data entry, reduce common errors, and substantially reduce the time spent on crash reports and citations.</p>		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: <ul style="list-style-type: none"> <li>• Michael Politano, Lieutenant 661-948-8466 <a href="mailto:mvpolita@lasd.org">mvpolita@lasd.org</a></li> <li>• Diane Oceguera, Principal Info Sys Analyst 562-345-4232 <a href="mailto:dzocegue@lasd.org">dzocegue@lasd.org</a></li> <li>• Fred Nazarbegian, IT Manager III 562 345-4338 <a href="mailto:fnazarbe@lasd.org">fnazarbe@lasd.org</a></li> <li>• David Culver, ASD Director 213-229-3260 <a href="mailto:deculver@lasd.org">deculver@lasd.org</a></li> </ul>		



September 10, 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:

**ACCEPT A GRANT AWARD FROM THE STATE OF CALIFORNIA  
OFFICE OF TRAFFIC SAFETY FOR THE  
TRAFFIC RECORDS IMPROVEMENT PROJECT PROGRAM  
FISCAL YEAR 2023-24  
(ALL DISTRICTS) (4 VOTES)**

**SUBJECT**

Requesting Board approval to authorize the Sheriff of the Los Angeles County (County) to accept the State of California (State) Office of Traffic Safety (OTS) Traffic Records Improvement Project (TRIP) Grant Program (Program) grant award in the amount of \$1,500,000 for the period of October 1, 2023, to September 30, 2024. The funds are offered by the United States Department of Transportation, Assistance Listing Number 20.616, passing through the State. The funds will be used to purchase a license for a Crossroads software application, desktop computer equipment for patrol stations, and handheld wireless digital devices for field use.

**IT IS RECOMMENDED THAT THE BOARD**

1. Delegate authority to the Sheriff, as an agent for the County, to accept and execute the attached TRIP Grant Agreement Number TR24016 in the amount of \$1,500,000 to fund the County Sheriff's Department (Department) North Patrol Division for the grant period of October 1, 2023, through September 30, 2024.

2. Delegate authority to the Sheriff, or his designee, as an agent for the County, to execute and submit all required grant documents, including, but not limited to, agreements, modifications, extensions, and payment requests that may be necessary for the completion of the Program.
3. Delegate authority to the Sheriff, or his designee, as an agent for the County, to apply and submit a grant application to OTS for this Program in future fiscal years (FYs), and to execute all required grant application documents, including assurances and certifications, when and if such future funding becomes available.
4. Delegate authority to the Sheriff, or his designee, as an agent for the County, to accept all grant awards for the Program in future FYs, if awarded by OTS, and execute all required grant award documents, including, but not limited to, agreements, modifications, extensions, and payment requests, which may be necessary for completion of the Program in future FYs.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS**

This grant will support the Department's transition to an electronic, paperless workflow traffic collision report writing and citation system. The Department prepares and processes approximately 20,000 handwritten traffic crash reports and tens of thousands of citations each year. Each crash report requires time consuming statistical entries and a sketch of the scene, which can take up to an hour to complete. Errors on the statistical entries within the crash report are the substantial cause of an approximate 30-40 percent rejection rate by the reviewer. Errors and illegible handwritten citations cause an approximate 20-30 percent citation rejection rate from the court, requiring time consuming citation amendments to be mailed to the defendant and re-submitted to the court.

The new hardware and completely paperless software system will feature computer aided sketch tools and Google Maps integration to aid in the drawing of the sketch; electronic scanning of driver's licenses and registration documents to auto populate the report form and electronic citation form; and data validation which will eliminate common errors that result in crash report and citation rejections. The software will also eliminate tedious and time-consuming manual data entry by station clerks and paper copies for reporting of traffic crash data to the California Highway Patrol. The implementation and roll-out of this project will substantially reduce the time needed to prepare, review, and approve traffic crash reports and citations, and will facilitate the identification, prioritization, and implementation of traffic safety measures.

### **Implementation of Strategic Plan Goals**

The requested actions support the County Strategic Plan's North Star II: Foster Vibrant and Resilient Communities; Focus Area C: Enhance the safety of the public and our communities by addressing the risks, danger, harm, and conditions that cause, drive, or can help mitigate unlawful activity and crime and supports law enforcement accountability and transparency; Strategy I. Prevention, Protection & Security: Support and invest in innovative practices, crime prevention resources and infrastructure to provide protection and security.

### **FISCAL IMPACT/FINANCING**

This is a zero-net County cost grant program with no match requirement. Funding for this project will be included in the Department's FY 2024-25 Supplemental Changes budget request in the amount of \$1,500,000 in services and supplies appropriation fully offset by revenue from OTS. The \$1,500,000 will support/fund the Department's use of the Crossroads traffic collision and citation reporting software, the necessary system hardware (desktop computers and monitors, digital tablet devices, and mobile receipt printers), and Justice Data Interface Controller System/Computer-Aided Dispatch software licenses for the patrol stations with traffic enforcement teams.

Aside from the \$1,500,000 in grant funding the Department will be responsible for approximately \$61,000 in annual expenses associated with data hosting services (\$36,000) and software maintenance and support services (\$25,000), the first year of which will be supported by the Department's Asset Forfeiture Special Revenue Fund. Thereafter the annual nominal obligations will be supported by the Department through a combination of potential, anticipated savings in staff time/overtime (as the time associated with report writing/completion is expected to be reduced) and potential revenue maximization, including but not limited to other potential grant programs and cost-sharing opportunities.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On January 23, 2023, the Department submitted an application in response to the Program solicitation. The OTS reviewed the Department's application and selected the Department to receive \$1,500,000. The Department was notified of the award on November 1, 2023. The grant period is from October 1, 2023, through September 30, 2024. The Department requested, and has been pre-approved by OTS, to receive a second grant term for the period of October 1, 2024, through September 30, 2025. No additional grant funding will be provided. The second one-year term is solely to ensure sufficient time to procure system components, conduct training, and demonstrate the

The Honorable Board of Supervisors  
September 10, 2024  
Page 4

successful transmittal of traffic collision data to the California Highway Patrol, as necessary to receive grant reimbursement.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Accepting the grant award will have no negative impact on any current services or projects. Instead, it will improve the timeliness and accuracy of traffic collision reporting and issuing vehicle code violations and will help identify and address traffic safety issues.

**CONCLUSION**

Upon Board approval, please return two copies of the adopted Board letter to the Department's Grants Unit.

Sincerely,

ROBERT G. LUNA  
SHERIFF

RGL:JT:CM:RFM:rj/my/mdr  
(Financial Programs Bureau–Grants Unit)

- c: Board of Supervisors, Justice Deputies  
Edward Yen, Executive Officer, Board of Supervisors  
Fesia Davenport, Chief Executive Officer  
Sheila Williams, Senior Manager, Chief Executive Office (CEO)  
Rene Phillips, Manager, CEO  
Jocelyn Ventilacion, Principal Analyst, CEO  
Anna Petrosyan, Senior Analyst, CEO  
Michael Xie, Senior Analyst, CEO  
Dawyn R. Harrison, County Counsel  
Elizabeth D. Miller, Chief Legal Advisor, Legal Advisory Unit  
Michele Jackson, Principal Deputy County Counsel, Legal Advisory Unit  
April L. Tardy, Undersheriff  
Myron Johnson, Assistant Sheriff, Patrol Operations  
Jill Torres, Assistant Sheriff, CFAO  
Jason A. Skeen, Chief of Staff, Office of the Sheriff  
Allen Castellano, Acting Chief, North Patrol Division (NPD)  
Conrad Meredith, Division Director, Administrative Services Division (ASD)  
Glen Joe, Assistant Division Director, ASD  
Richard F. Martinez, Assistant Division Director, ASD  
Edward C. Ramirez, Commander, NPD  
Paul R. Bartlett, Captain, Lancaster Sheriff's Station  
David E. Culver, Director, Financial Program Bureau (FPB)  
Joseph F. Fender, Captain, Lancaster Sheriff's Station  
Rene A. Garcia, Lieutenant, ASD  
Erica M. Nunes, Sergeant, ASD  
Michael Politano, Lieutenant, Lancaster Sheriff's Station  
Kristine D. Corrales, Deputy, ASD  
Bonnie Chow, Administrative Services Manager (ASM) I, FPB, Grants Unit  
Lisa Dye, ASM I, FPB, Grants Unit  
Ricky Johnson, Operations Assistant III, FPB, Grants Unit  
(Grants – Traffic Records Improvement Project – November 17, 2023)

<b>1. GRANT TITLE</b> Traffic Records Improvement Project	
<b>2. NAME OF AGENCY</b> Los Angeles County	<b>3. Grant Period</b> From: 10/01/2023 To: 09/30/2024
<b>4. AGENCY UNIT TO ADMINISTER GRANT</b> Los Angeles County Sheriff's Department	
<b>5. GRANT DESCRIPTION</b> State and local agencies need timely, accurate, complete, accessible, and uniform traffic records to identify and prioritize traffic safety issues, to choose appropriate safety countermeasures and evaluate their effectiveness. Traffic records improvement grants provide traffic safety stakeholders with the ability to plan and initiate traffic records improvement projects such as the purchase and implementation of traffic crash reporting systems as well as electronic citation equipment and software.	
<b>6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$1,500,000.00</b>	
<p><b>7. TERMS AND CONDITIONS:</b> The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement:</p> <ul style="list-style-type: none"> <li>• Schedule A – Problem Statement, Goals and Objectives and Method of Procedure</li> <li>• Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable)</li> <li>• Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable)</li> <li>• Exhibit A – Certifications and Assurances</li> <li>• Exhibit B* – OTS Grant Program Manual</li> <li>• Exhibit C – Grant Electronic Management System (GEMS) Access</li> </ul> <p>*Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto.</p> <p>These documents can be viewed at the OTS home web page under Grants: <a href="http://www.ots.ca.gov">www.ots.ca.gov</a>.</p> <p>We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions.</p> <p>IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.</p>	
<b>8. Approval Signatures</b>	
<p><b>A. GRANT DIRECTOR</b>  NAME: Michael Politano  TITLE: Sergeant  EMAIL: mvpolita@lasd.org  PHONE: (661) 940-3814  ADDRESS: 501 West Lancaster Boulevard  Lancaster, CA 93534</p> <p>_____  <i>(Signature)</i>                      <i>(Date)</i></p>	<p><b>B. AUTHORIZING OFFICIAL</b>  NAME: Robert G. Luna  TITLE: Sheriff  EMAIL: grantsunit@lasd.org  PHONE: (213) 229-3000  ADDRESS: 211 West Temple Street.  Los Angeles, CA 90012</p> <p>_____  <i>(Signature)</i>                      <i>(Date)</i></p>
<p><b>C. FISCAL OFFICIAL</b>  NAME: David E. Culver  TITLE: Director, Financial Programs Bureau  EMAIL: deculver@lasd.org  PHONE: (213) 229-3260  ADDRESS: 211 West Temple St., 6th Floor  Los Angeles, CA 90012</p> <p>_____  <i>(Signature)</i>                      <i>(Date)</i></p>	<p><b>D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY</b>  NAME: Barbara Rooney  TITLE: Director  EMAIL: barbara.rooney@ots.ca.gov  PHONE: (916) 509-3030  ADDRESS: 2208 Kausen Drive, Suite 300  Elk Grove, CA 95758</p> <p>_____  <i>(Signature)</i>                      <i>(Date)</i></p>



<p>E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY</p> <p>NAME: Carolyn Vu  ADDRESS: 2208 Kausen Drive, Suite 300  Elk Grove, CA 95758</p>	<p><b>9. SAM INFORMATION</b></p> <p>SAM #: HAC7HNDLD115  REGISTERED  ADDRESS: 211 West Temple Street  CITY: Los Angeles  ZIP+4: 90012-4086</p>
--	--

10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
405c TR-	20.616	0521-0890-101	2022	43/22	BA/22	\$510,000.00
405c TR-24	20.616	0521-0890-101	2023	12/23	BA/23	\$990,000.00
					<b>AGREEMENT TOTAL</b>	<b>\$1,500,000.00</b>
					AMOUNT ENCUMBERED BY THIS DOCUMENT	
					<b>\$1,500,000.00</b>	
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>					PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT	
					<b>\$ 0.00</b>	
OTS ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED		TOTAL AMOUNT ENCUMBERED TO DATE	
					<b>\$1,500,000.00</b>	

<p><b>1. PROBLEM STATEMENT</b></p> <p>State and local agencies need timely, accurate, complete, accessible, and uniform traffic records to identify and prioritize traffic safety issues, to choose appropriate safety countermeasures and evaluate their effectiveness. They also need a more efficient method of issuing citations that will minimize errors and provide a seamless integration into current analytics software without the need for manual data entry. Currently, the California Highway Patrol collects crash report data via the Statewide Integrated Traffic Records System (SWITRS) from law enforcement agencies throughout the state. The Los Angeles County Sheriff’s Department utilizes the CHP 555 traffic crash form to report local traffic crash data for input into SWITRS.</p> <p>Several years ago, the Los Angeles County Sheriff’s Department purchased the Crossroads Analytics software to organize the statistical data from the crash reports and citations. However, this system does not facilitate the writing of the crash reports and citations by its personnel, does not communicate with SWITRS, and requires manual data entry from hand-written reports and citations. In order to process the crash data into SWITRS, records personnel have to print a copy of the crash report and mail it to CHP where it must be manually entered into a database yet again. This is not only labor intensive, but it creates unnecessary delays and backlogs with accessing crash data and statistics.</p> <p>For more than a decade, the Los Angeles County Sheriff’s Department has been utilizing an analytics program. This program, Crossroads Analytics, provided the organization with the capabilities to collect traffic safety data. At the time, the Crossroads Analytics provided the means to analyze the data that was assessed through its database; however, the data had to be manually entered from over 10, 000 hand-written reports, which were often missing valuable statistical information and were susceptible to human data entry errors. The lack of software to ensure personnel are completing reports with accuracy causes a crash report rejection rate of approximately 40%. The rejection and subsequent correcting of these reports causes a substantial delay in processing data and requires a significant amount of time from reviewing personnel. This delay has caused a backlog of traffic crash reports for several months for hundreds of reports. That backlog interrupts our ability to provide accurate and timely reports to the public and SWITRS database. In 2022, the Los Angeles County Sheriff’s Department had approximately 20,365 crash reports.</p> <p>Currently, there are only a few Sheriff Stations that utilize electronic citation writing. The citations must be reviewed for errors and rejected manually for corrections with citation amendments. The rejection rate for citations is approximately 15-20%. The lack of electronic citation software has caused delays in processing citations, which requires extending court dates numerous times and creates a lack of service to the public, who deserve a speedy trial.</p>	
<p><b>2. PERFORMANCE MEASURES</b></p> <p><b>A. Goals:</b></p> <ol style="list-style-type: none"> <li>1. Reduce the number of persons killed in traffic crashes.</li> <li>2. Reduce the number of persons injured in traffic crashes.</li> </ol>	
<p><b>B. Objectives:</b></p> <ol style="list-style-type: none"> <li>1. Purchase a new electronic crash reporting program or upgrade an existing electronic crash reporting program to the latest version available that includes the capability of exporting complete crash report records to a departmental records management system (RMS) and the California Highway Patrol’s Statewide Integrated Traffic Records System (SWITRS).</li> </ol>	<p><b>Target Number</b> 1</p>
<ol style="list-style-type: none"> <li>2. Purchase and implement a new complete electronic citation solution or upgrade an existing electronic citation solution that includes the capability of exporting data to both a departmental records management system (RMS) as well as the local court records system if and when the local court can receive electronic citation data.</li> </ol>	<p>1</p>
<p><b>3. METHOD OF PROCEDURE</b></p> <p><b>A. Phase 1 – Program Preparation (1<sup>st</sup> Quarter of Grant Year)</b></p>	

- Determine specific system requirements.
- Determine specific equipment requirements.
- Request vendor price quotation per host agency requirements.
- Procure an electronic crash reporting system with the following functionalities:
  - System licensing with installation and training.
  - GIS based mapping.
  - Segment crash diagraming tool.
  - Ability to create or import crash reports.
  - Ability to import and export agency RMS files.
  - Ability to perform complete analysis of crash reports.
  - Secure database accessible by appropriate agency personnel.
  - Ability to export complete crash report to the California Highway Patrol's Statewide Integrated Traffic Records System.
- Procure an electronic citation system with the following functionalities:
  - System licensing with installation and training.
  - Ability to import and export to agency RMS files.
  - Ability to perform complete analysis of citation reports.
  - Secure database accessible by appropriate agency personnel.
  - Ability to export complete citation reports to the local county court.

**B. Phase 2 – Program Operations (Throughout Grant Year)**

- Select vendor for system development, implementation, and installation.
- Monitor and oversee progress of system/software development.

**C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)**

- Prepare and submit grant claims invoice (due January 30, April 30, July 30, and October 30).
  - Successful project completion and confirmation of successful transmission of crash reports by the California Highway Patrol is required before submission of invoice claims seeking reimbursement from OTS.
- Prepare and submit quarterly performance reports (due January 30, April 30, July 30, and October 30).
  - Collect and report quarterly appropriate data that supports the progress of goals and objectives.
  - Provide a summary of quarterly accomplishments and explanations for objectives not completed.
  - Collect, analyze, and report statistical data relating to the grant goals and objectives.
- There is a statewide goal to improve the timeliness, accuracy, uniformity, and completeness of California crash data by increasing the percentage of crash reports submitted electronically from local law enforcement agencies. The Los Angeles County Sheriff's Department submits the largest number of paper crash reports to the California Highway Patrol and is instrumental to meeting the metrics of this statewide goal. If needed the Los Angeles County Sheriff's Department may complete this project in two phases utilizing a Federal Fiscal Year (FFY) 2025 grant which would be considered phase two of the project. The department will need to follow the OTS grant process which includes signing a FFY 2025 grant agreement to implement phase two allowing additional time to complete the project.

**4. METHOD OF EVALUATION**

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

**5. ADMINISTRATIVE SUPPORT**

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
405c TR-24	20.616	State Traffic Safety Information System Improvements	\$1,500,000.00

COST CATEGORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT
<b>A. PERSONNEL COSTS</b>				
<u>Straight Time</u>				\$0.00
<u>Overtime</u>				\$0.00
Category Sub-Total				\$0.00
<b>B. TRAVEL EXPENSES</b>				
				\$0.00
				\$0.00
Category Sub-Total				\$0.00
<b>C. CONTRACTUAL SERVICES</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>D. EQUIPMENT</b>				
Complete Traffic Crash and Electronic Citation Data Collection System	405c TR-24	\$377,500.00	1	\$377,500.00
Category Sub-Total				\$377,500.00
<b>E. OTHER DIRECT COSTS</b>				
Mobile Printer	405c TR-24	\$601,000.00	1	\$601,000.00
Computer or Tablet	405c TR-24	\$521,500.00	1	\$521,500.00
Category Sub-Total				\$1,122,500.00
<b>F. INDIRECT COSTS</b>				
				\$0.00
Category Sub-Total				\$0.00
<b>GRANT TOTAL</b>				<b>\$1,500,000.00</b>

**BUDGET NARRATIVE**

**PERSONNEL COSTS**

-

**TRAVEL EXPENSES**

-

**CONTRACTUAL SERVICES**

-

**EQUIPMENT**

Complete Traffic Crash and Electronic Citation Data Collection System - A combination traffic crash and electronic citation data collection system will handle both traffic crash and traffic citation data collection and processing. The traffic crash database system will collect, analyze, and display crash and enforcement data, including a full featured module for analysis, allowing queries for top ranking lists of locations, breakdowns by cause, type, injury, conditions, and many other attributes. Queries and Reports will be provided in a variety of formats including pie charts, bar charts, and summaries. The system provides for crash mapping on Google Earth, ESRI GIS, or similar mapping products. Costs may include laptop/desktop computers, software and licenses, printers, accessories, training, and associated shipping and taxes. The traffic citation system will collect citation data electronically in the field, print a violator copy of the citation, and transfer the information electronically to the agency RMS system and the courts for prosecution. The system will be used by traffic officers to improve the efficiency and accuracy of writing traffic citations. Costs may include the purchase of electronic citation devices, mag-strip readers, fingerprint readers, audio recorders, cameras, docking/charging stations, laptop/desktop computers, software, licenses, printers, accessories, training, and associated shipping and taxes.

**OTHER DIRECT COSTS**

Mobile Printer - Mobile printers to be used with electronic citation devices for traffic officers to print the citation in the field. Costs include the purchase of the printer, accessories, and associated shipping and taxes.

Computer or Tablet - For use in tracking or conducting grant activities and producing required reports. Costs may include a desktop computer, monitor, laptop, tablet, printer, software and accessories.

**INDIRECT COSTS**

-

**STATEMENTS/DISCLAIMERS**

There will be no program income generated from this grant. There will be no program income generated from this grant.

**Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)**

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

**GENERAL REQUIREMENTS**

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

**NONDISCRIMINATION**

**(applies to all subrecipients as well as States)**

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d](#) et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, ([23 U.S.C. 324 et seq.](#)), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794 et seq.](#)), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101 et seq.](#)), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#);
- [Executive Order 12898](#), *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- [Executive Order 13166](#), *Improving Access to Services for Persons with Limited English Proficiency* (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- [Executive Order 13985](#), *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (advancing equity across the Federal Government); and
- [Executive Order 13988](#), *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation* (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

## GENERAL ASSURANCES

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

*“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”*

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

## SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (c) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source: *“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”*
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
  - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
  - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
  - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
  - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.



By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

#### **THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)**

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace;
  2. The grantee's policy of maintaining a drug-free workplace;
  3. Any available drug counseling, rehabilitation, and employee assistance programs;
  4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
  5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
  1. Abide by the terms of the statement;
  2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
  1. Taking appropriate personnel action against such an employee, up to and including termination;
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

#### **POLITICAL ACTIVITY (HATCH ACT)**

**(applies to all subrecipients as well as States)**

**The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.**

#### **CERTIFICATION REGARDING FEDERAL LOBBYING**

**(applies to all subrecipients as well as States)**

#### **CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### **RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)**

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

#### **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to all subrecipients as well as States)**

#### **INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)**

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— PRIMARY TIER COVERED TRANSACTIONS**

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
  - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or

otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

#### **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION— LOWER TIER COVERED TRANSACTIONS**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### **BUY AMERICA**

**(applies to subrecipients as well as States)**

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

#### **CERTIFICATION ON CONFLICT OF INTEREST**

**(applies to subrecipients as well as States)**

#### **GENERAL REQUIREMENTS**

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
  - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
  - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

## **DISCLOSURE REQUIREMENTS**

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

## **PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE (applies to all subrecipients as well as States)**

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

## **POLICY ON SEAT BELT USE**

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at [www.trafficsafety.org](http://www.trafficsafety.org). The NHTSA website ([www.nhtsa.gov](http://www.nhtsa.gov)) also provides information on statistics, campaigns, and program evaluations and references.

## **POLICY ON BANNING TEXT MESSAGING WHILE DRIVING**

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.