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



Board of Supervisors Operations Cluster Agenda Review Meeting

DATE: April 16, 2025 TIME: 2:00 p.m. – 4:00 p.m. MEETING CHAIR: Michelle Vega, 5th Supervisorial District CEO MEETING FACILITATOR: Dardy Chen

THIS MEETING IS HELD UNDER THE GUIDELINES OF BOARD POLICY 3.055

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 <u>Click here to join the meeting</u>

Teams Meeting ID: 237 250 878 670 Passcode: UoBQAE

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

Members of the Public may address the Operations Cluster on any agenda item during General Public Comment. The meeting chair will determine the amount of time allowed for each item. THIS TELECONFERENCE WILL BE MUTED FOR ALL CALLERS. PLEASE DIAL *6 TO UNMUTE YOUR PHONE WHEN IT IS YOUR TIME TO SPEAK.

1. CALL TO ORDER

2. GENERAL PUBLIC COMMENT

3. BOARD MOTION ITEM(S):

None.

4. DISCUSSION ITEM(S):

A) Board Letter:

EIGHT-YEAR LEASE MUSEUM OF NATURAL HISTORY 4400 SEVILLE AVENUE, VERNON CEO/RE – Alexandra Nguyen-Rivera, Section Chief, Leasing

B) Board Letter:

SERVICE CONTRACT PUBLIC CONTRACTING AND ASSET MANAGEMENT CORE SERVICE AREA AWARD OF CONTRACT WITH LCPTRACKER, INC. LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES DPW/CIO – Soo Kim, Division Chief and John Calas, Departmental Chief Information Officer

C) Board Letter:

TREASURER AND TAX COLLECTOR RECOMMENDATION TO AWARD A CONTRACT FOR DELINQUENT ACCOUNT COLLECTION SERVICES TO BC SERVICES, INC. TTC – Nichole Alcaraz, Operations Chief and David Sandoval, Administrative Services Manager III

D) Board Letter:

LOS ANGELES COUNTY REGISTRAR RECORDER/COUNTY CLERK ELEVATOR PANEL REPLACEMENT PROJECT CATEGORICAL EXEMPTION ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87892 APPROVE PROJECT BUDGET (FY 2024-25) ISD-CEO/CP – Floyd Willis, M&O Division Manager

E) Board Letter:

APPROVE THE USE OF INFORMATION TECHNOLOGY FUND FOR IMPLEMENTATION OF CARECONNECT FOR DOMESTIC VIOLENCE SHELTERS AND AN APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2024-25 CEO-CIO – Peter Loo, Chief Information Officer DPH – Chanel Smith, Program Implementation Manager, HS

5. PRESENTATION ITEM(S):

None.

6. ADJOURNMENT

UPCOMING ITEMS FOR APRIL 23, 2025:

None.

IF YOU WOULD LIKE TO EMAIL A COMMENT ON AN ITEM ON THE OPERATIONS CLUSTER AGENDA, PLEASE USE THE FOLLOWING EMAIL AND INCLUDE THE AGENDA NUMBER YOU ARE COMMENTING ON:

OPS_CLUSTER_COMMENTS@CEO.LACOUNTY.GOV

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	□ Board Memo □ Other					
CLUSTER AGENDA REVIEW DATE	4/16/2025					
BOARD MEETING DATE	5/13/2025					
SUPERVISORIAL DISTRICT AFFECTED		2 nd 3 rd 4 th 5 th				
DEPARTMENT(S)	Museum of Natural Hist	ory (NHM)				
SUBJECT		al for 16,038 square feet of warehou Avenue, Vernon, CA 90058	use space and on-site			
PROGRAM	Natural History Museum	1				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🛛 Yes 🗌 No					
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No					
	If Yes, please explain w	hy:				
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	If unsure whether a ma	Not Applicable atter is subject to the Levine Act, county.gov to avoid delays in sch				
DEADLINES/ TIME CONSTRAINTS	Lease expired February	28, 2025 and is in holdover with no	o fee.			
COST & FUNDING		Funding source: The rental costs will be funded 10 (NCC) that is already included budget. NHM will not be reques action The proposed lease will have a first onsible for all utilities, property taxes	in the Museum's existing ting additional NCC for this -year base rent of \$197,000.			
	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 the Museum. The Museum 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 the Museum					
PURPOSE OF REQUEST	Approval of the recommended actions will authorize and provide continued use of warehouse by NHM.					
BACKGROUND (include internal/external issues that may exist including any related motions)	The County has been at this site since 1971 and it is near the NHM. The Museum uses the facility to store marine mammal collections and to process specimens received for its collection and study. NHM provides tours of marine mammal collections at this facility to prospective donors and upon request for educational purposes. This lease has been in holdover since February 28, 2025, with no fee. The proposed lease renewal will allow the County staff to continue using this site and avoid relocation costs.					
EQUITY INDEX OR LENS WAS UTILIZED	□ Yes ⊠ No If Yes, please explain how:					
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state which one(s) and explain how:					
DEPARTMENTAL CONTACTS	Alexandra Nguyen-Rivera Section Chief, Leasing CEO Real Estate Division 213-974-4189 arivera@ceo.lacounty.gov					

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



COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration500 West Temple Street, Room 713, Los Angeles, CA 90012(213) 974-1101ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

May 13, 2025

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

Dear Supervisors:

EIGHT-YEAR LEASE MUSEUM OF NATURAL HISTORY 4400 SEVILLE AVENUE, VERNON (FOURTH DISTRICT) (3 VOTES)

SUBJECT

Approval of a proposed eight-year lease to renew an existing lease to provide the Museum of Natural History (NHM) continued use of 16,038 square feet of warehouse space and on-site enclosed parking lot for the storage and research space for its marine mammal collection, including processing specimens received for its collection and study, providing tours to donors, and for educational purposes.

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 Mary Patricia Meyer, Trustee of the Meyer Family Trust dated December 11, 2019, and Robert W. Pistay (Landlord), for approximately 16,038 square feet of office space and on-site enclosed parking lot located at 4400 Seville Avenue, Vernon (Premises) to be occupied by NHM. The estimated maximum first year base rental cost is \$197,000. The estimated total proposed lease costs including utilities, property taxes, and janitorial costs are \$1,902,000, over the eight-year term. The rental costs will be funded 100 percent by net County cost

(NCC) that is already included in NHM's existing budget. NHM 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

NHM has occupied the Premises since 1971 as a single tenant with the same family as the Landlord. The lease has been in holdover since February 28, 2025, without any fees. The Premises is less than five miles away from the Natural History Museum located at 900 West Exposition Boulevard, Los Angeles.

NHM uses the Premises to store its marine mammal collection and to process specimens received for its collection and study. NHM also provides tours of the marine mammal collection at the Premises to prospective donors and upon request for educational purposes. One staff member works on-site and 13 staff, who are based at the Natural History Museum, travel to the Premises as required for tours, several times per month, conducting research on the specimens, or to transport artifacts between both sites.

The proposed lease will enable NHM to remain close to the Natural History Museum, avoid relocation costs, and interruption of any services. Additionally, due to the storage of specimen, it would be very challenging to find a comparable site in an industrial area with few neighbors and a willing landlord. The Premises is located near public transportation.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan North Star 3 – *"Realize Tomorrow's Government Today"* – The increasingly dynamic and complex environment, challenges collective abilities to respond to public needs and expectations. LA County is an innovative, flexible, effective, and transparent partner focused on advancing the common good & being fiscally responsible.

The proposed lease is also consistent with the Strategic Asset Management Goal – Strengthen connection between service priorities and asset decisions, and Key Objective No.3 – Optimize Real Estate Portfolio.

The proposed lease supports the above goals and objective by maximizing the effectiveness of County service by providing NHM continued use of the existing Premises due to operational needs and to avoid relocation expenses.

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 \$197,000, which includes parking at no additional cost. The aggregate costs associated with the proposed lease over the entire term, including utilities, janitorial, and taxes is \$1,902,000, as shown in Enclosure B-1. The proposed lease costs will be funded 100 percent by NCC that is already included in the NHM's existing budget. NHM 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 NHM. NHM 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 NHM.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

- Upon commencement of the proposed lease, the annual rental rate will increase from \$6.65 per square foot, per year to \$12.24 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 replace and make certain repairs throughout the Premises, to the parking lot, and to the roof at their sole cost.
- The Landlord is responsible for insurance and maintenance of the building and the County remains responsible for utilities, property taxes, and janitorial services.
- A comparison of the existing lease and the proposed lease term is shown in Enclosure B-2.
- The proposed lease includes an eight-year initial term with no option to renew.
 The Landlord would not agree to give the County an option to purchase or Right of First Refusal.
- The County has the right to terminate the proposed lease early any time after the 60th month, with 180 days' notice.

- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions. The monthly base rent during the holdover period will remain the same and subject to the regular annual increases.
- The proposed lease will be effective and commence upon the later of 1) approval by the Board and full execution of the proposed lease or 2) June 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 \$14.76 and \$18.24 per square foot, per year. The base annual rental rate of \$12.24 per square foot, per year for the proposed lease 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 Premises as the most suitable to meet the County's space requirements.

In addition, co-working office space is not suitable for this requirement due to the care and preservation of the specimens, research studies, and science education by NHM at this location. All specimens and artifacts must be properly stored and handled by NHM staff.

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 Vernon 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 NHM's 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 and with the State Clearinghouse in the Office of Land Use and Climate Innovation in accordance with section 21152 (a) of the California Public Resources Code and will be posted to the County's website, pursuant to section 21092.2.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will adequately provide the necessary office space and parking for this County requirement. NHM concurs with the proposed lease 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 County Counsel Auditor-Controller Museum of Natural History

Museum of Natural History 4400 Seville Avenue, Vernon

Asset Management Principles Compliance Form¹

1.	<u>Occ</u>	supancy	Yes	No	N/A
	А	Does lease consolidate administrative functions? ²		x	
	В	Does lease co-locate with other functions to better serve clients? ²			х
	С	Does this lease centralize business support functions? ²	х		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ²			x
		Not applicable as this is solely warehouse space			^
	Е	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ² Not applicable as this is solely warehouse space			x
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	x		
2.	<u>Car</u>	ital			
	A.	Is it a substantial net County cost (NCC) program?	x		
	В	Is this a long-term County program?	х		
	С	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		х	
	D	If no, are there any suitable County-owned facilities available?		х	
	Е	If yes, why is lease being recommended over occupancy in County-owned space?			х
	F	Is Building Description Report attached as Enclosure C?	х		
	G	Was build-to-suit or capital project considered? ²			x
3.	Por	tfolio Management			
	А	Did department use CEO Space Request Evaluation (SRE)?	х		
	В	Was the space need justified?	х		
	С	If a renewal lease, was co-location with other County departments considered?			х
	D	Why was this program not co-located with other County departments?			x
		1 The program clientele requires a "stand alone" facility.			
		2 No suitable County occupied properties in project area.			
		3 No County-owned facilities available for the project.			
		4 Could not get City clearance or approval.			
		5 The Program is being co-located.			
	Е	Is lease a full-service lease? ² No, the County is also responsible for utilities, property taxes, and janitorial services.		x	
	F	Has growth projection been considered in space request?			х
	G	¹ Has the Dept. of Public Works completed seismic review/approval?	х		
		¹ As adopted by the Board of Supervisors 11/17/98			•
		² If not, why not?			

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

4400 Seville Ave Museum of Natural History

Basic Lease Assumptions

Leased Area (sq.ft.)	16,038	
	Monthly	Annual
Rent (per sq. ft.)	\$1.02	\$12.24
Term (Months)	96	8
Annual Rent Adjustment	3%	

	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year	6 th Year	7 th Year	8 th Year	Total 8 Year
									Rental Costs
Annual Base Rent Costs	\$197,000	\$203,000	\$210,000	\$217,000	\$224,000	\$231,000	\$238,000	\$246,000	\$1,766,000
Utilities ⁽¹⁾	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$16,000
Property Taxes (2)	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$64,000
Janitorial (1)	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$56,000
Total Payments to Landlord	\$214,000	\$220,000	\$227,000	\$234,000	\$241,000	\$248,000	\$255,000	\$263,000	\$1,902,000

Footnotes

🕅 County is responsible for costs. The cost above is based upon costs from July 2023 through July 2024. This is an estimation and subject to change.

⁽²⁾ County is responsible for property taxes based on calendar year 2023. This is an estimation and subject to change.

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

COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE

	Existing Lease: 4400 Seville Ave, Vernon	Proposed Lease: 4400 Seville Ave, Vernon	Change
Area (Square Feet)	16,038	16,038	None
Term (years)	5 years	8 years	+3 years
Annual Base Rent ⁽¹⁾	\$107,000	\$197,000	+\$90,000
Insurance	County fully responsible for insuring the entire building including the replacement value of building and improvements, as well as rental value insurance covering a period of one year including all real estate taxes and insurance costs for the one year.	Landlord will be responsible for all insurance requirements including County's property and any betterments at the premises, including full replacement cost of the building.	Landlord will be responsible for all insurance requirements including County's property and any betterments at the premises, including full replacement cost of the building.
Total Annual Lease Costs payable to Landlord	\$107,000	\$197,000	+\$90,000
Rental rate adjustment	None	Annual CPI adjustments capped at 3 percent with no minimum.	Annual CPI adjustments capped at 3 percent with no minimum.

MUSEUM OF NATURAL HISTORY

SPACE SEARCH – 3 MILE RADIUS FROM 4400 SEVILLE AVENUE

						SQ. FT
LACO	FACILITY NAME	ADDRESS	OWNERSHIP	GROSS SF	NET SF	AVAILABLE
10379	Hazmat - Vernon Office	2800 S Soto St, Vernon, CA 90023	Consolidated	0	0	NONE
10391	DMH - Bienestar Wellness Center	6330 Rugby Ave, Huntington Park, CA 90255	Leased	0	0	NONE
10391	DMH - Bienestar Wellness Center	6330 Rugby Ave, Huntington Park, CA 90255	Leased	10975	10426	NONE
10450	DHS-Interim Housing	1426 Paloma St, Los Angeles, CA 90021	Leased	17917	17021	NONE
A384	Ag Comm/Wts & Measures	1320 E Olympic Blvd, Los Angeles, CA 90021	Leased	776	776	NONE
A438	DMH - San Antonio MH Center	2629 Clarendon Ave, Huntington Park, CA 90255	Leased	15484	14710	NONE
11981	Salazar Park - Arts and Crafts Building	3864 E Whittier Blvd, Los Angeles, CA 90023	Owned	871	827	NONE
1086	PW Sewer - South Yard Office	1129 E 59th St., Los Angeles, CA 90001	Owned	2416	1854	NONE
6578	DPSS - Metro East AP District Office	2855 E Olympic Blvd, Los Angeles, CA 90023	Owned	63066	28398	NONE
C740	DPSS - Florence AP District Office	1740 E Gage Ave, Los Angeles, CA 90001	Owned	60000	27352	NONE
C741	DPSS - Food Stamps/Fiscal Services Office	6367 S Holmes Ave, Los Angeles, CA 90001	Owned	5220	3872	NONE
Y425	Public Library - Florence Library	1610 E Florence Ave, Los Angeles, CA 90001	Owned	5124	4448	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Lease for the Museum of Natural History– 4400 Seville Avenue, Vernon – Fourth District.

- **A. Establish Service Function Category –** NHM uses the facility to store its marine mammal collection and to process specimens received for its collection and study.
- B. **Determination of the Service Area –** Not Applicable
- C. Apply Location Selection Criteria to Service Area Data
 - <u>Need for proximity to service area and population</u>: Need to be located within five miles from 900 West Exposition Boulevard, Los Angeles so staff based at the Natural History Museum can go to the Premises for tours, conducting research on the specimens, or to transport artifacts between sites
 - Need for proximity to existing County facilities: N/A
 - Need for proximity to Los Angeles Civic Center: NA
 - Economic Development Potential: N/A
 - <u>Proximity to public transportation</u>: The location is adequately served by local transit services.
 - <u>Availability of affordable housing for County employees</u>: The surrounding area provides for affordable housing and rental opportunities.
 - Use of historic buildings: N/A
 - Availability and compatibility of existing buildings: N/A
 - <u>Compatibility with local land use plans</u>: The City of Vernon has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
 - <u>Estimated acquisition/construction and ongoing operational costs</u>: The aggregate cost associated with the proposed lease over the entire term is \$1,902,000.

D. Analyze results and identify location alternatives

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 \$14.76 and \$18.24 per square foot, per year. The base annual rental rate of \$12.24 per square foot, per year. The base annual rental rate of \$12.24 per square foot, per year for the proposed lease 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 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 warehouse space for one employee located at the Premises 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

Mary Patricia Meyer as Trustee of The Meyer Family Trust- 2019, dated December 11, 2019, and Robert W. Pistay, a married man as his sole and separate property each as to an undivided 50% interest- Landlord

4400 Seville Avenue, Vernon, CA

HOA.102799113.6

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33.	IRREVOCABLE OFFER	
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EXHIBITS

- Exhibit A Floor Plan of the Premises
- Exhibit B Commencement Date Memorandum and Confirmation of Lease Terms
- 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 MARY PATRICIA MEYER as TRUSTEE of The MEYER FAMILY TRUST- 2019 dated DECEMBER 11, 2019, and ROBERT W. PISTAY, a married man as his sole and separate property each as to an undivided 50% interest ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 <u>Terms</u>

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:	c/o SD Herman Co. 1201 S. Olive Street Los Angeles, CA 90015 Email: GaryJR@SDHerman.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:
	а, л 	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 16,038 rentable square feet, designated in the Building (defined below), as shown in Yellow on <u>Exhibit A</u> attached hereto.

(d)	Building:	The Building located at 4400 Seville Avenue Vernon, California, which is currently assessed by the County Assessor as APN 6308-001-029 (collectively, the "Property");
(e)	Term:	Eight years, commencement shall be the later of: 1) approval of this Lease by the Board of Supervisors and full execution of this Lease by both parties or 2) June 1, 2025 (the "Commencement Date") and terminating at midnight on the day before the eighth annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. 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:	June 1, 2025
(g)	Irrevocable Offer Expiration Date: (see Section 33)	June 1, 2025
(h)	Base Rent:	\$1.02 per rentable square foot per month
		(i.e., \$16,358.76 per month or \$196,305.12 per year)
(i)	Early Termination (see Section 4.4)	One hundred eighty (180) days' notice on or after the 60 th month.
(j)	Rentable Square Feet in the Premises:	16,038 rentable square feet
(k)	Initial Departmental Use:	General warehouse use for the care and preservation, research studies, and science educational for the Los Angeles County Museum of Natural History Marine and Other Mammal fossils and collection items subject to Section 6.
(I)	Parking Spaces:	Exclusive use of enclosed lot
(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 July 24, 2024, prepared by <u>AAA</u> <u>Asbestos & Lead Inspections, INC.</u> , a licensed California Asbestos contractor.
(o	Seismic Report	A report dated July 22, 2024 prepared by Wahba F. Engineering, Inc.
(p	Disabled Access Survey	A report dated July 18, 2024, prepared by Proactive Access LLC.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Tenant's Work Lo Representative:	etter N/A
(b) Landlord's Work Representative:	Letter N/A
(c) Landlord's Addre Work Letter Notic	
(d) Tenant's Address Letter Notices:	s for Work County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate
1.3 <u>Exhibits to Lease</u>	 Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprises Form Exhibit H - Memorandum of Lease Exhibit I - Landlord's Work Letter

2. <u>PREMISES</u>

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 fieldmeasure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI/BOMA Z65.1-2010, as promulgated by the Building Owners and Management Association ("BOMA") International, except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, then Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1.1 accomplished by the mutual execution of an amendment to this Lease. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no increase made to the Base Rent if the measured square footage exceeds the amount represented by Landlord.

3. COMMON AREAS

Intentionally Deleted.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 <u>Term</u>

The term of this Lease shall be for a period of eight (8) years and shall commence the later of: 1) the approval of the Lease by the Board of Supervisors and full execution of the Lease by both parties or 2) June 1, 2025.

- 4.2 Intentionally Omitted
- 4.3 Intentionally Omitted
- 4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time after the Early Termination date specified in Section 1.1, by giving Landlord not less than onehundred 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. <u>RENT</u>

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-Controller (A-C) 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 Base Rent Adjustments

On the first (1st) anniversary of the Commencement Date and every anniversary thereafter (each an "Adjustment Date"), the Base Rent shall be increased by three percent (3%) of the Base Rent of the immediately preceding 12-month period.

6. <u>USES</u>

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.

7. HOLDOVER

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

8. COMPLIANCE WITH LAW

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, 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 <u>Damage</u>

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

9.2 Tenant Termination Right

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

Building or Premises, provided that insurance proceeds are available to repair the damages.

9.3 Damage In Last Year

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

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

9.4 Default By Landlord

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

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

10. REPAIRS AND MAINTENANCE

- 10.1 Landlord Representations
 - (a) Landlord represents to Tenant that, as of the date hereof and on the Commencement Date:
 - i. The Premises, the Building, (including electrical, heating, ventilating, and, mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances;
 - 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).

(c) <u>CASp Inspection</u>:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises:

[Check the appropriate box]

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

Have undergone inspection by a Certified Access Specialist \boxtimes 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, electrical, plumbing and fire/life systems serving the Building;
 - iii. exterior windows of the Building; and
 - iv. the sewer system
- (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:
 - the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);
 - ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every seven (7) years);
- (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. (iii) Lessee agrees to keep in good repair and maintain at its own expense fire extinguishers, janitorial supplies, lamps, tubes, exposed plumbing. All repairs and replacements shall:

- 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
 - If Tenant provides written notice (or oral notice in the event of an (a) 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 County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant. Tenant shall have a replacement cap of \$5,000 on any replacement items related to the heater and air conditioner if necessary. Any improvements by Landlord shall be subject to (i) the Work Letter provisions regarding selection and bidding of contractors, Landlord-Tenant coordination and audit rights, and Tenant's remedies found in said Work Letter; and (ii) compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and

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

11. SERVICES AND UTILITIES

- 11.1 <u>Services</u>
 - (a) Heating, Ventilation and Air Conditioning (HVAC)

Intentionally Deleted

(b) <u>Elevator</u>

Intentionally Deleted

(c) <u>Water</u>

Intentionally Deleted

(d) Janitorial

Tenant, at its sole cost and expense, shall provide janitorial services to the leased premises.

(e) <u>Access</u>

Intentionally Deleted

(f) Pest Control

Tenant, at its sole cost and expense, shall provide pest services to the leased premises.

(g) <u>Insurance</u>

Tenant shall be responsible for insurance premiums based on annual costs per section 20 (a)

11.2 Utilities

Tenant shall pay for all electrical power which includes water, gas, and other utilities used by Tenant, which is separately metered to the Premises.

12. <u>TAXES</u>

Landlord, 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. Tenant shall reimburse Lessor for property taxes.

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 <u>Remedies</u>

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:

- 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. Subject to Paragraph 10.3 Tenant Obligations

15.3 Emergency

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

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

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

16.2 <u>Sale</u>

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

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

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

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

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

(a) complies with all laws;

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

17.2 End of Term

Any Alterations not approved by the Landlord shall be removed by Tenant at the expiration of the Term.

18. <u>CONDEMNATION</u>

18.1 <u>Controlling Terms</u>

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 <u>Award</u>

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

18.6 Waiver of Statute

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

19. INDEMNIFICATION

19.1 Landlord's Indemnity

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

19.2 Tenant's Indemnity

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

20. INSURANCE

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

The Base Rent is predicated on the amount of the annual insurance premium – at the commencement of the Lease this amounts to Seven Cents (7ϕ) per square foot. During the Lease Term in the event the Property Insurance Premium increases, the Tenant is responsible for the increase in the insurance cost above the Base Premium of \$13,523.25.

Payment of Premium Increases:

- (a) Tenant shall pay to Landlord any insurance cost increase ("Insurance Cost Increase") occurring during the term of this Lease. Insurance Cost increase is defined as any increase in the actual cost of the insurance required under Paragraph 20.3(a) and 20.3(b), over and above the Base Premium as hereinafter defined calculated on an annual basis. Insurance Cost Increase shall include but not be limited to increases resulting from the nature of Tenant's occupancy, any act or omission of Tenant, increased valuation of the Premises and/or a premium rate increase. The Base Premium for the Required Insurance based on the Agreed Use of the Premises is \$13,523.25. In no event, however, shall Tenant be responsible for any portion of the increase in the premium cost attributable to liability insurance carried by Landlord under Paragraph 20.4(a) in excess of \$2,000,000.00 per occurrence.
- (b) Tenant shall pay any such Insurance Cost Increase to Landlord within 60 days after notice to Tenant by Landlord. Such notice to Tenant shall include a copy of the premium statement or other reasonable evidence of the additional amount due. Premiums for policy periods commencing prior to, or extending beyond the term of this Lease, shall be prorated to correspond to the term of this Lease.

20.2 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).

20.3 General Insurance Provisions - Landlord Requirements

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

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

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

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

(b) Additional Insured Status and Scope of Coverage

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

(c) Cancellation of or Changes in Insurance

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

(d) Failure to Maintain Insurance

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

(e) Insurer Financial Ratings

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

(f) Landlord's Insurance Shall Be Primary

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

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord hereby waives its and its insurer(s) rights of recovery against Tenant under all required insurance policies for any loss arising from or related to this Lease. The Landlord

shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

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

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

(i) Claims Made Coverage

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

(j) Application of Excess Liability Coverage

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

(k) Separation of Insureds

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

(I) 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.

20.4 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.

20.5 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 <u>Tenant's Rights</u>

Tenant shall have the right to the enclosed exclusive parking lot set forth in Section 1.1, without charge, for the Term of this Lease, and Tenant shall be entitled to full in/out privileges at all times.

21.2 Remedies

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

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

22. ENVIRONMENTAL MATTERS

22.1 <u>Hazardous Materials</u>

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 safetyrelated 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 <u>Exhibit F</u> 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

Upon Lease Commencement Date, Landlord shall complete the following building improvement:

- A. Replace twenty-one (21) incandescent light fixtures with new 18,000 lumen 50 Kelvin High Bay light fixtures, the fluorescent tubes in the office area with LED bypass tubes and retrofit twelve (12) 8-feet fluorescent light fixtures with LEDS.
- B. Roof repairs.
- C. Replace existing chain link fence and gate with an 8' high (6' high on top of the existing 2' high concrete block wall) wrought iron fence, double drive sliding gate 25' wide x 8' high with expanded metal to provide privacy. Also, secure the back door entrance with wrought iron 8' high fence and gate.
- D. Apply slurry coat to the front parking lot area.

25. <u>LIENS</u>

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 <u>Exhibit E</u> 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 <u>Exhibit E</u> 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 shall 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. <u>SIGNAGE</u>

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 <u>Headings</u>

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 as disclosed to the other in writing 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.

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) nationalrecognized, 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 <u>Time of Essence</u>

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 <u>Exhibit G</u> 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 <u>Exhibit H</u> attached hereto, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

30.13 Counterparts; Electronic Signatures

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

31. <u>AUTHORITY</u>

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 annovance 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 nosmoking 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:

MARY	PATRICIA	MEYER	AS	THE	
TRUSTE	E of THE N	<u>IEYER FAI</u>	MILY T	RUST	
DATED	2019, DEC	EMBER 11	, 2019	and	
ROBERT	W. PISTAY	', a married	l man	<u>as his</u>	
sole and undivide	Separate p DocuSigned by:	ropert <u>y, ea</u>	ch as Signed	to an	
By:	Robert W. P	istay	Mary	Patricia CF80BE4C5	Meyer
Name: 🖻		o Mary	F8F4D1	CF80BE4C5	ı
lts:	Co-Owner	C0-0	wner /	Trustee	

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Chief Executive Officer

By:

John T. Cooke Assistant Chief Executive Officer

ATTEST:

TENANT:

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

By:

Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel Roberto Saldana

holuto Jalan 2025.03.03 12:57:58 -08'00'

By: _

Senior Deputy

HOA.102799113.6

EXHIBIT A

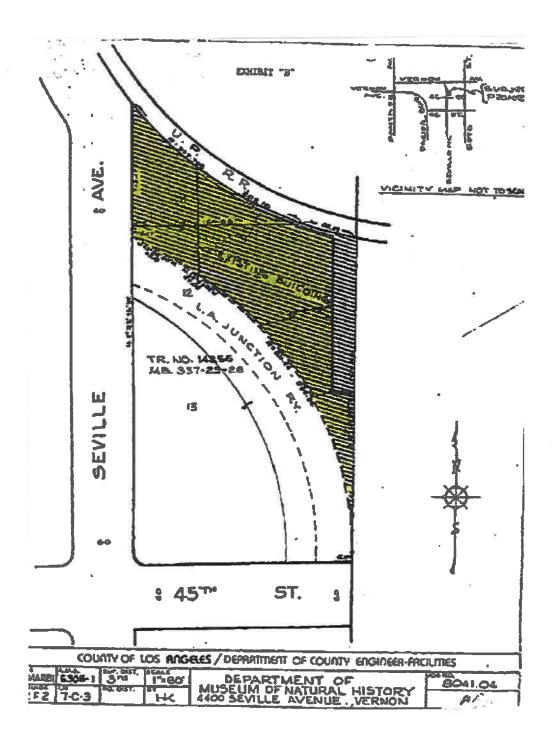




Exhibit A FLOOR PLAN OF PREMISES

EXHIBIT B

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Landlord and Tenant hereby acknowledge as follow:

- 1) Tenant is already occupying the Premises upon the execution of this Lease. ("Possession Date");
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Premises contain 16,038 rentable square feet of space; and

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

- 4) Base Rent per month is \$16,358.76.
- 5) Annual rental increase of three percent (3%).

HOA.102799113.6

Exhibit B COMMENCEMENT DATE OF MEMORANDUM AND CONFIRMATION OF LEASE TERMS IN WITNESS WHEREOF, this memorandum is executed this _____ day of _____,

Landlord:

20___.

Tenant:

COUNTY OF LOS ANGELES, a body corporate and politic

By:

Joyce Chang Senior Manager

	atricia Meyer, as Trustee of the Meyer Family Trust dated December 11, 2019 and Robert W. Pistay
a	
By:	DocuSigned by: Signed by: Robert W. Pistay Mary Patricia Meyer Name_Robert W. Pistay Mary Patricia Meyer ItsCo-Owner Co-Owner

HOA.102799113.6

Exhibit B COMMENCEMENT DATE OF MEMORANDUM AND CONFIRMATION OF LEASE TERMS

HOA.102799113.6

EXHIBIT E

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

))))))

RECORDING REQUESTED BY	
AND WHEN RECORDED MAIL TO:	
County of Los Angeles	
Chief Executive Office	
Real Estate Division	
320 W. Temple Street, 7th Floor	
Los Angeles, California 90012	

Space above for Recorder's Use

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

)

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

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

Factual Background

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

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

C. Tenant and Borrower (as "Landlord") entered into a lease dated _

(the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

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

Agreement

Therefore, the parties agree as follows:

HOA.102799113.6

Exhibit E SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT 1. <u>Subordination</u>. 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. <u>Definitions of "Transfer of the Property" and "Purchaser"</u>. 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. <u>Non-disturbance</u>. 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. <u>Attornment</u>. 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. <u>Lender Not Obligated</u>. 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.

HOA.102799113.6

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

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

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

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

By:	
Name:	
Title:	

BORROWER: [Insert name of Landlord]

By:	
Name:	
Title:	

LENDER:

[Insert name of Lender],

By:	
Name:_	
Title:	

HOA.102799113.6

Exhibit E SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

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 _____

_____, before me, _____ Date Name And Title O On 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)

HOA.102799113.6

Exhibit E SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

EXHIBIT F

TENANT ESTOPPEL CERTIFICATE

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

Attn:

Re:	Date of Certificate:	
	Lease Dated:	1
	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 <u>Exhibit A</u>.

(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 <u>Exhibit A</u>, 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 Participat	tion in Firm (F	Partners, Ass	sociate Partners,	Managers, Staff,	etc.)			
1. Firm Name:					3. Contact	Person/Tele	phone Number:	
2. Address:								
					-	_		
					4. Total n employ	umber of ees in the fin	m:	
5. Provide the number of all Ow		Owners, Pa	artners and					
minority employees and women in each category.		sociate Parti			lanagers			
women in cach category.	All O,F	2 & AP	Women	All Managers	Wom	ien	All Staff	Women
Black/African American								
Hispanic/Latin American								
Asian American								
Portuguese American								
American Indian/Alaskan Native	e							
All Others								
II. PERCENTAGE OF MINORI	TY/WOMEN C	WNERSHIP	P IN FIRM					
^{1.} Type of Business Structure: (Corporation, F	Partnership,	Sole Proprietors	hip, Etc.)				
^{2.} Total Number of Ownership/	Partners, Etc.:		1	RITY/WOMEN-OV	VNED FIRM			
 Provide the percentage of ownership in each 	All Employee	Women	Is your firm o	currently certified	as a minority c	wned busine	ss firm by the:	
Black/African American			State of	California?	□ Yes	🗆 No		
Diack/Allicall Allichean			City of L	os Angeles?	□ Yes	🗆 No		
Hispanic/Latin American			Federal	Government?	□ Yes	🗆 No		
Asian American								
Portuguese American			Section D.	OPTION TO PR		IESTED INFO	ORMATION	
American Indian/Alaskan								
Native			Firm Name:					
All Others			Signature/Title	:		-		
CONTRACTOR OF STREET			Ŭ					
	and the second s							

EXHIBIT H

MEMORANDUM OF LEASE

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

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

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

MEMORANDUM OF LEASE

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

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

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

LANDLORD:

, 20	Mary Patricia Meyer as Trustee of the Meyer Family Trust - 2019, dated December 11, 2019 and Robert W. Pis <u>tay</u> DocuSigned by:
	By: Robert W. Pistay Its:Signed by:
	By: Mary Patricia Myer Its:F8F4D1CF80BE4C5

COUNTY OF LOS ANGELES, a body corporate and politic

FESIA A. DAVENPORT Chief Executive Officer

By:

John T. Cooke Assistant Chief Executive Officer

ATTEST:

TENANT:

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)

HOA.102799113.6

BOARD LETTER/MEMO CLUSTER FACT SHEET

☐ Board Letter	🗌 Board Memo	□ Other	
CLUSTER AGENDA REVIEW DATE	4/16/2025		
BOARD MEETING DATE	5/6/2025		
SUPERVISORIAL DISTRICT AFFECTED	⊠ All □ 1 st □ 2 nd □ 3 rd □ 4 th □	5 th	
DEPARTMENT(S)	Public Works		
SUBJECT	Award of contract with LCPtracker, Inc. for Local and Targeted Worker Hiring Program (LTWHP) and Community Workforce Agreement (CWA) Monitoring System and Related Services		
PROGRAM	Local Targeted Worker Hiring Program		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🛛 Yes 🗌 No		
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No		
	If Yes, please explain why: N/A		
SB 1439 SUPPLEMENTAL	Yes 🗌 No – Not Applicable		
DECLARATION FORM REVIEW COMPLETED BY	If unsure whether a matter is subject to the	l evine Act email vour nacket	
EXEC OFFICE	If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your		
	Board Letter.		
DEADLINES/	The current contract will be extended for a maximum of tw May 27, 2027; however, it will expire upon award and exe		
TIME CONSTRAINTS	contract will continue the current services by the recommendation of the contractor providing this service.		
COST & FUNDING	Total cost: Funding source:		
	\$1,311,703.20 Capital Project Management	Program (B04) ices and Supplies and Other Charges)	
	TERMS (if applicable): This contract will be for a maxim		
	5-year initial term with five optional 1-year extensions.		
	Explanation: The maximum contract sum is \$1,290,913 agreement for up to two additional years will be in the am		
PURPOSE OF REQUEST	Public Works is seeking Board approval to award a service contract to provide a		
	software-as-a-service, LTWHP, and CWA monitoring system and related services, and to extend the existing contract so functionality remains available to the County while the replacement module		
	is being implemented on behalf of Los Angeles County.		
BACKGROUND (include internal/external	Public Works currently monitors the use of Local and Targeted Workers and LSBE, DVBE, and SE utilization using LCPtracker, and intends to begin monitoring CWA compliance for construction		
issues that may exist	contracts and CBE utilization. The award of this contract to LCPtracker will allow Public Works and		
including any related	various County departments to effectively capture, monitor, and evaluate adherence to LTWHP and Business Utilization goals of County contracts and construction contracts.		
motions) EQUITY INDEX OR LENS	Yes No		
WAS UTILIZED	If Yes, please explain how: Public Works notified over 34,000 subscribers in our "Do Business		
	with Public Works" website. Public Works also notified 1,555 Small Businesses Enterprises,		
	161 Disabled Veteran Business Enterprise, 167 Social Enterprises, and 1,034 Community Business Enterprises registered with the Department of Economic Opportunity and advertised in regional and		
	small newspapers in each Supervisorial District. Public Works follows Federal contracting laws		
SUPPORTS ONE OF THE	where applicable, State laws, Public Contract Code and a	all Board contracting policies.	
NINE BOARD PRIORITIES	Yes No If Yes, please state which one(s) and explain how: This agenda item supports Board Priority		
	No. 8, Anti-Racism, Diversity, and Inclusion by tracking the success of the LTWHP and		
DEPARTMENTAL	LSBE/DVBE/CBE/SE programs and compliance to the CV Name, Title, Phone # & Email:	WA.	
CONTACTS	Soo Kim, Division Chief, (626) 458-2500, skim@dpw.lacounty.gov		
	John Calas, Chief Information Officer, (626) 458-4117, jcalas@dpw.lacounty.gov		



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 http://dpw.lacounty.gov

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

> IN REPLY PLEASE REFER TO FILE:

May 6, 2025

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:

SERVICE CONTRACT PUBLIC CONTRACTING AND ASSET MANAGEMENT CORE SERVICE AREA AWARD OF CONTRACT WITH LCPTRACKER, INC. LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

CIO RECOMMENDATION: APPROVE (X)

SUBJECT

Public Works is seeking Board approval to award a service contract to provide a software-as-a-service, Local and Targeted Worker Hiring Program, and Community Workforce Agreement monitoring system and related services, and to extend the existing contract so functionality remains available to the County while the replacement module is being implemented on behalf of Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Find that the proposed work is not a project pursuant to the California Environmental Quality Act for the reasons stated in this Board letter.
- 2. Award and delegate authority to the Director of Public Works or his designee to execute a contract with LCPtracker, Inc. The firm will provide a specialized Local

MARK PESTRELLA, Director

The Honorable Board of Supervisors May 6, 2025 Page 2

> Targeted Worker Hiring Program and Community Workforce Agreement monitoring system and related services for a not-to-exceed contract amount of \$1,290,913.20 for the entire 5-year term plus five 1-year extension options if exercised, for a total possible contract term of 10 years. This not-to-exceed contract amount includes \$116,741 annual subscription fees for up to 10 years, \$6,500 for training, and \$117,000 in pool dollars for additional related services or optional work. The contract will be subject to the additional extension provisions specified below.

- 3. Delegate authority to the Director of Public Works or his designee to authorize additional services and extend the contract expiration date as necessary to complete those services when those additional services are: (1) previously unforeseen, (2) related to a previously assigned scope of work on a given project, and (3) are necessary for the completion of that given project.
- 4. Delegate authority to the Director of Public Works or his designee to use the designated pool dollars of \$117,000, as needed, for additional related services or optional work.
- 5. Delegate authority to the Director of Public Works or his designee to administer the agreement and, at the discretion of the Director of Public Works or his designee, to exercise the options extending the agreement for the five 1 -year extension options based upon project demands and the level of satisfaction with the services provided with no change to the initial not-to-exceed program amount, and to suspend/terminate the agreement for convenience, if necessary and appropriate to do so in the discretion of the Director of Public Works or his designee.
- 6. Delegate authority to the Director of Public Works or his designee to extend the current Agreement PW15386 with LCPtracker, Inc., for the continued provision of Module 2, Business Utilization Tracking software, for up to 2 years for \$20,790, so the County may continue to use this functionality until the new Module 2 software is successfully implemented through the new agreement with LCPtracker, Inc.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The recommended actions will find that the award of a service contract to LCPtracker, Inc., is exempt from the California Environmental Quality Act (CEQA), and award and delegate authority to Public Works to execute a service contract with LCPtracker to

The Honorable Board of Supervisors May 6, 2025 Page 3

provide Local and Targeted Worker Hiring Policy (LTWHP) and Countywide Community Workforce Agreement (CWA) compliance monitoring for construction contracts, and of tracking the business utilization for active County contracts.

To support hiring of local and targeted workers, the Board approved the updated LTWHP on June 11, 2019, which applies to all Board-awarded County construction and development projects. Project budget determines best effort or mandatory level compliance to the LTWHP. Both levels have a local worker hiring goal of at least 30 percent of California construction labor hours. In addition, the mandatory level has a targeted worker hiring goal of at least 10 percent of California construction labor hours.

On June 7, 2023, the Board approved a Countywide CWA for various projects to further support and ensure the hiring of local and targeted workers and encouraging participation in the proposed projects by local small businesses, disabled veteran-owned businesses, and social enterprises. The CWA requires robust labor compliance monitoring of the covered projects, including apprentice hours.

The proposed contract with LCPtracker will provide two modules for the LTWHP and CWA compliance monitoring for construction contracts (Module 1) and tracking the Business Utilization for active County contracts (Module 2). This work includes, but is not limited to, implementing, conducting training, and maintaining and supporting a web-based system in support of these County programs. Furthermore, LCPtracker has the capability of providing compliance monitoring for prime contractors and subcontractors and both modules can generate custom and ad hoc reports.

The award of this contract to LCPtracker will allow Public Works and various County departments, such as the Internal Services Department and the Department of Parks and Recreation, to effectively capture, monitor, and evaluate adherence to LTWHP and business utilization goals of County contracts and construction contracts.

As part of this new contract, LCPtracker is implementing new software for Module 2, and Public Works will need time to implement the new software, train staff, and migrate existing data into the new software for business utilization tracking. Implementation is anticipated to be completed in 12 to 18 months to ensure no interruption of services and the continued generation of necessary reports related to Module 2. Public Works will need to extend the current LCPtracker contract for up to an additional 2-year period.

The Honorable Board of Supervisors May 6, 2025 Page 4

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: North Star 3, Realize Tomorrow's Government Today, Focus Area Goal B, Diverse and Inclusive Workforce, Strategy ii, Fairness and Equity, by improving the economic and social well-being of our communities while maximizing and leveraging resources.

FISCAL IMPACT/FINANCING

The total cost of the system will be for a total contract amount of \$1,290,913.20 over a 5--year period with five optional 1-year extensions. The total contract amount includes an additional 10 percent using pool dollars for related additional or optional services. It is expected that the initial 5-year term of the agreement will start during Fiscal Year 2024--25. The amendment to extend the current agreement for up to two additional years will be in the amount of \$20,790.

Total annual expenditures will not exceed the program amount approved by the Board. Sufficient funding is available in the Internal Service Fund (B-04) – Capital Project Management Program (Services and Supplies and Other Charges) Fiscal Year 2024--25 Budget. Funds to finance the contract's remaining years will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed contract contains terms and conditions in compliance with the Chief Executive Officer's and the Board's requirements.

The term of the contract shall commence on the date of the full execution of the contract and shall extend for a period of 5 years from such commencement date, plus five 1-year extension options, for a maximum contract term of 10 years. The expiration of the contract is subject to the following condition: where services for a given project have been authorized in writing by the County but are not completed by the consultant prior to the stated expiration date, the expiration date will be automatically extended solely to allow for the completion of such services.

In compliance with Board Policy 6.020 "Chief Information Office Board Letter Approval", the Chief Information Office reviewed the information technology (IT) components of this request and recommends approval. The CIO Analysis is enclosed as Enclosure A.

The Honorable Board of Supervisors May 6, 2025 Page 5

County Counsel has reviewed and approved the proposed contract as to form, which is substantially similar to the enclosed draft agreement (Enclosure B).

Enclosure C reflects the consultant's minority participation and the Community Business Enterprises participation data.

The current agreement with LCPtracker, Agreement PW15386, expires on May 27, 2025. The Board was notified on November 26, 2024, of Public Works' intent to extend a sole source amendment with LCPtracker to extend the current agreement PW15386 to allow for the continued use of the system until successful implementation of a replacement system.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are not a project pursuant to CEQA because they are activities that are excluded from the definition of a project by Section 15378(b) of the CEQA Guidelines. The proposed action to award a contract for a LTWHP and CWA monitoring system and related services, is an administrative activity of government that will not result in direct or indirect changes to the environment.

CONTRACTING PROCESS

On August 8, 2024, Public Works released a Request for Proposals (RFP) for LTWHP and CWA monitoring system and related services. The RFP was advertised on the County's "Doing Business with Los Angeles County" website (Enclosure D), Public Works' "Do Business with Public Works" website, and X (formally Twitter). In addition, advertisements were placed in the *Los Angeles Daily Journal, Los Angeles Sentinel, La Opinión, San Gabriel Valley Tribune, Pasadena Star News, Press Telegram, Santa Monica Daily Press, Daily Breeze, The Signal, and World Journal.* Also, Public Works informed 1,555 Local Small Business Enterprises, 167 Social Enterprises, 161 Disabled Veteran Business Enterprises, 1,034 Community Business Enterprises, and 1,385 Community-Based Organizations. Thirteen firms registered on Public Works' website for this RFP.

During the solicitation, a security incident occurred with the existing system. As a result of the security incident, Public Works reviewed and revised security requirements in the new RFP to include additional provisions to ensure data integrity and security within the system, which holds personally identifiable information of contracted employees working on County construction projects. These updated requirements were included in the evaluation process. The Honorable Board of Supervisors May 6, 2025 Page 6

On October 23, 2024, a total of two proposals were received. One firm was disqualified because it chose not to use the required Pricing Schedule form included in the RFP, which would have allowed Public Works to properly score its price, which was a required evaluation component.

An evaluation committee consisting of staff from the Internal Services Department, Public Works Information Technology Division, and Public Works Project Management Division III evaluated the proposals based on the criteria described in the RFP, including technical expertise, experience, personnel, qualifications, and understanding of the work requirements. Based on the evaluation of the proposals, LCPtracker was selected without regard to race, creed, color, or gender.

The firm selected represents the highest rated firm to provide the required services. Public Works has determined that the firm's proposed rates for performing the services are reasonable. Three -year contracting history for the selected firm is on file with Public Works.

Public Works has evaluated and determined that the Los Angeles County Code Chapter 2.201 (Living Wage Program) does not apply to the recommended agreements. These agreements are exempt from the requirements of Proposition A because the services are required on a part-time and intermittent basis.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact to current County services or projects during the performance of the recommended contract. The proposed contract will allow the County to appropriately monitor construction contracts to ensure compliance with the County's LTWHP and CWA requirements, and business utilization goals in County contracts and construction contracts to Public Works and various County departments.

The Honorable Board of Supervisors May 6, 2025 Page 7

CONCLUSION

Please return one adopted copy of this Board letter to Public Works, Business Relations and Contracts Division, and to the Chief Executive Office, Capital Programs Division.

Respectfully submitted,

MARK PESTRELLA, PE Director of Public Works PETER LOO Chief Information Officer

MP:SK:ao

Enclosures

c: Chief Executive Office (Chia-Ann Yen) County Counsel (Truc Moore) Executive Office, Board of Supervisors

LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

THIS AGREEMENT, is made and entered into this _____ day of _____, 2025 ("Effective Date"),

BY AND BETWEEN

COUNTY OF LOS ANGELES, State of California, hereinafter referred to as County,

AND

LCPTRACKER, INC., a California Corporation, hereinafter referred to as Contractor.

The parties hereto do mutually agree as follows:

1. Definition

County means either County; County, as agent for such joint powers authority or nonprofit corporation as may be involved in the issuance of bonds, certificates of participation, or other evidences of indebtedness to finance the work contemplated herein; or said joint powers authority or nonprofit corporation.

2. Contractor's Services

The scope of work shall be as outlined in the Scope of Services, Exhibit A. Contractor's proposal, Request for Proposals – BRC0000491 (RFP), and all addenda/notices to the RFP, are incorporated herein as a part of this Agreement. In the event that any conflict or inconsistency between this Agreement and Contractor's proposal are found, such conflict or inconsistency shall be resolved by giving precedence first to the Agreement (also referred to herein as Agreement) and the attachments to the Agreement.

No work shall commence on this project until a written Notice to Proceed is issued by County. County does not guarantee or promise that any work will be assigned to Contractor under this Agreement until a written Notice to Proceed is issued by the County.

3. Consideration

In consideration of the performance by Contractor in a manner satisfactory to County of the services described in Paragraph 2 above, including receipt and acceptance of such work by Director of the County of Los Angeles Department of Public Works (hereinafter called "Director"), County agrees to pay the Contractor up to the contract amount not to exceed One Million Two Hundred Ninety Thousand Nine Hundred Thirteen Dollars and Twenty Cents (\$1,290,913.20) in the manner set forth immediately below and according to the Pricing Schedule attached to this Agreement as Exhibit B (Pricing Schedule). County does not warrant or represent that it will authorize the Contractor to perform any work or services of any specific monetary amount under this Agreement.

Contractor shall invoice County upon the completion of tasks, subtasks, deliverables, and other additional services specified in this Agreement, Scope of Work, and any change orders, as applicable, and which have been approved in writing by the County.

- a. Payments for the work accomplished shall be made upon verification and acceptance of such work by Director, as stated in the Scope of Services, Exhibit A. Invoices shall be accompanied by an analysis of work completed for the invoice period. This analysis shall be prepared in a format satisfactory to Director.
- b. At the sole discretion of the Director, or his/her designee, the initial contract/program amount may be supplemented by up to 25 percent based on workload requirements. The amendment/change order shall be executed in accordance with Paragraph 8, Amendment. Work will be based on Pricing Schedule attached to this Agreement as Exhibit B.
- c. Contractor shall not proceed with additional services not set forth in the scope of work or perform services outside the Agreement Term without an amendment to this Agreement as set forth in Paragraph 8. Contractor will not be paid for any expenditure beyond the Agreement amount stipulated without an amendment to this Agreement.
- d. No Payment for Services Provided Following Expiration/Termination of Agreement: Contractor shall have no claim against County for payment for any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

- e. A Cost of Living Adjustment will not be granted for this Agreement.
- f. Contractor will notify County when Agreement amount has been incurred up to 75% of the Agreement total.

4. Equipment and Supplies

Contractor agrees to furnish all necessary equipment and supplies used in the performance of the aforementioned services at Contractor's sole cost and expense.

5. County's Responsibility

County will make available drawings, specifications, and other records as available in County Department of Public Works' file. Notwithstanding the foregoing, County does not represent the accuracy of the content of said materials.

6. County's Representative

Director or Director's authorized representative, shall represent County in all matters pertaining to the services to be rendered pursuant to this Agreement.

7. <u>Term</u>

- a. The term of this Agreement shall begin on the Effective Date and shall continue for five (5) years. At the sole discretion of the County, this Agreement may be extended for five (5) additional option years not to exceed a total contract period of ten (10) years. No work will proceed until a Notice to Proceed is issued by the County.
- b. The Contractor shall notify Public Works when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to Public Works at the address herein provided in Notices Paragraph.
- c. If the County authorizes the Contractor in writing to perform services on a given project prior to the stated expiration date, but thereafter such services are not completed by the stated expiration date, then the expiration of the Agreement shall be automatically extended solely to allow for the completion of such services. County may authorize unforeseen additional services and extend the contract expiration date as necessary to complete those services when the unforeseen additional services are directly related to the initial scope of work and are necessary for the completion of a given project.

8. Amendment

- a. For any change which affects the scope of work, Term, Agreement Sum, payments, or any term or condition included under this Agreement, an Amendment shall be prepared and executed by the Contractor and by Director.
- b. 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 Agreement during the term of this Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment or a change order to the Agreement shall be prepared and executed by the Contractor and by the Director.
- c. The County, at its sole discretion, may authorize extensions of time as defined in Paragraph 7, Term. The Contractor agrees that such extensions of time shall not change any other term or condition of this Agreement during the period of such extensions. To implement an extension of time, a Notice to the Contractor will be prepared by County unless the term extension is applied automatically in accordance with Paragraph 7.c.
- d. For any change, which does not materially affect the Scope of Work or any other term or condition included under this Agreement, a change order shall be prepared by Public Works and signed by the Contractor. If the change order is prepared by the Contractor, it shall be approved by Public Works and signed by the Contractor and the County. For Board approved supplemental amount to the Agreement, a change order shall be prepared and executed by the Director or his designee to effectuate the increase in Agreement amount.

9. Assignment and Delegation/Mergers or Acquisitions

- a. The Contractor shall 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.
- b. The Contractor shall not assign, exchange, transfer, or delegate its rights or duties under this Agreement, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written Amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

c. 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, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

10. Authorization Warranty

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

11. 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 Agreement correspondingly for that fiscal year and any subsequent fiscal year during the term of this Agreement (including any extensions), and the services to be provided by the Contractor under this Agreement shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall 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 shall continue to provide all of the services set forth in this Agreement.

12. <u>Compliance with Applicable Law</u>

- a. In the performance of this Agreement, Contractor shall 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 Agreement are hereby incorporated herein by reference.
- b. Contractor shall 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 shall be conducted by County. Notwithstanding the

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

13. 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 shall, 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 Agreement or under any project, program, or activity supported by this Agreement. The Contractor shall comply with Contractor's EEO Certification.

14. Compliance with Jury Service Program

This Agreement is subject to 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, incorporated by reference and made a part of this Agreement.

- a. Unless Contractor, also referred herein as Contractor, has demonstrated to the County's satisfaction either that Contractor is not a Contractor as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall 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.
- b. For purposes of this Paragraph, Contractor means a person, partnership, corporation or other entity which has a Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Contracts or subcontracts. Employee means any California resident who is a full -time employee of Contractor. Full- time means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines

the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

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

15. Confidentiality

Contractor shall maintain the confidentiality of all records and information, proprietary information, software codes, trade secrets, confidential information, etc., whether of County or third parties, 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.

Contractor shall 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, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have

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

16. Conflict of Interest

No County employee in a position to influence the award of this Agreement or any competing Agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Agreement. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall 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.

Contractor represents and warrants that it is aware of, and its authorized officers have read, the provisions of Los Angeles County Code, Section 2.180.010, "Certain Contracts Prohibited," and that execution of this Agreement will not violate those provisions. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, including those identified in Section 2.180.010, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons so identified and a complete description of all relevant circumstances. Failure to comply with the provisions of this Paragraph may be a material breach of this Agreement subjecting Contractor to either Agreement termination for default or debarment proceedings or both.

17. <u>Consideration of Hiring County Employees Targeted for Layoff/or Re-Employment</u> List

Should the Contractor require additional or replacement personnel after the effective date of this Agreement to perform the services set forth herein, the Contractor shall 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 reemployment list during the life of this Agreement.

18. Consideration of Hiring GAIN/GROW Program Participants

Should the Contractor require additional or replacement personnel after the effective

date of this Agreement, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractor shall report all job openings with job requirements to: <u>GAINGROW@dpss.lacounty.gov</u> to obtain a list of qualified GAIN/GROW job candidates.

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

19. <u>Background and Security Investigations</u>

- a. Each of Contractor's staff performing services under this Agreement, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.
- b. If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Agreement. Contractor shall comply with County's request at any time during the term of the Agreement. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.
- c. 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.
- d. Disqualification of any member of Contractor's staff pursuant to this Paragraph shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement.
- 20. CARD Track/Monitoring Database

The County maintains databases that track/monitor contractor performance history.

Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

21. Compliance with County's Zero Tolerance Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Human Trafficking Policy 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 shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Agreement. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

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

22. Compliance with Fair Chance Employment Practices:

Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in <u>California Government Code Section 12952</u>. Contractor's violation of this paragraph of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement.

23. Compliance with the County Policy of Equity:

The consultant 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) (<u>https://ceop.lacounty.gov/</u>). The consultant 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 consultant, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the consultant, 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 consultant to termination of contractual agreements as well as civil liability.

24. Contractor Responsibility and Debarment

 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 Agreement. It is the County's policy to conduct business only with Page 10 of 38 responsible Contractors.

- b. 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 Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.
- c. 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 Agreement with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a Agreement with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
- d. 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.
- e. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall 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 shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
 - f. 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 shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- g. If the Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the

Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

h. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

i. These terms shall also apply to subcontractors of County Contractors.

25. <u>Contractor's Acknowledgement of County's Commitment to the Safely Surrendered Baby</u> Law and Notice to Employees Regarding the 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 a prominent position at the Contractor's place of business. The Contractor will also encourage its Subconsultants, if any, to post this poster in a prominent position in the Subconsultant's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

The Contractor shall notify and provide to its employees, and shall require each Subconsultant to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at <u>www.babysafela.org</u> for printing purposes.

26. <u>Contractor's Warranty of Adherence to County's Child Support Compliance Program</u>

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

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

Failure of Contractor to maintain compliance with these requirements shall constitute a default by Contractor under this Agreement.

27. County's Quality Assurance Plan

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

28. County Rights

The County may employ, either during or after performance of this Agreement, any right of recovery the County may have against the Contractor by any means it deems appropriate including, but not limited to, set-off, action at law or in equity, withholding, recoupment, or counterclaim. The rights and remedies of the County under this Agreement are in addition to any right or remedy provided by California law.

29. Damage to County Facilities, Buildings Grounds

- a. When applicable, the Contractor shall 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 shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- b. 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 shall be repaid by the Contractor by cash payment upon demand.

30. Default Method of Payment: Direct Deposit or Electronic Funds Transfer

- a. 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 shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).
- b. The Contractor shall submit a direct deposit authorization request via the website <u>https://directdeposit.lacounty.gov</u> 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.
- c. 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.
- d. At any time during the duration of the Agreement, 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), shall decide whether to approve exemption requests.

31. Disallowed Cost

If Contractor's compliance with a County contract has been reviewed by the Department of the Auditor-Controller within the last 10 years, Contractor must not have unresolved questioned costs identified by the Auditor-Controller, in an amount over \$100,000.00, that are confirmed to be disallowed costs by the contracting County department, and remain unpaid for six months or more from the date of disallowance, unless such disallowed costs are the subject of current good faith negotiations to resolve the disallowed costs, in the opinion of the County.

32. Employment Eligibility Verification

Contractor warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in Federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verifications and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County, its officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

33. Facsimile/Electronic Representations

The County and the Contractor hereby agree to regard facsimile/electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Agreement, Change Orders and amendments prepared, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to amendments to this Agreement, such that the parties need not follow up facsimile/electronic transmissions of such documents with subsequent (non-facsimile/electronic) transmission of "original" versions of such documents. Electronic signatures include facsimile or email electronic signatures. Each executed counterpart shall be deemed an original. All counterparts, taken together, constitute the executed Agreement. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, used in connection with the execution of this Agreement 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 Agreement had been delivered had been signed using a handwritten signature. Contractor and County (i) agree that an electronic signature, whether digital or encrypted, of a party to this Agreement 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 Agreement based on the foregoing forms of signature. If this Agreement 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.

34. Fair Labor Standards

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, 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 services performed by Contractor's employees for which County may be found jointly or solely liable.

35. Force Majeure

- a. Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Paragraph as "force majeure events").
- b. Notwithstanding the foregoing, a default by a subcontractor of Contractor shall 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 shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- c. 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.

36. Governing Law, Jurisdiction, and Venue

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

37. Termination for Improper Consideration

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

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 <u>https://fraud.lacounty.gov/</u>.

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

38. Independent Contractor Status

This Agreement is by and between County of Los Angeles and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. The County shall 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. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of Workers' Compensation liability, employees solely of Contractor and not of County.

Contractor shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any person for injuries arising from, or connected with, services performed on behalf of Contractor pursuant to this Agreement.

39. Indemnification and Insurance

The Indemnification and Insurance Provisions are set forth in Exhibit C of this Agreement. The insurance requirements set forth in Exhibit C are the County's basic requirements. The County reserves the right to add additional insurance types and/or adjust the limits on a project-by-project basis.

40. Integrated Pest Management Program Compliance

Contractor acknowledges that County has established an Integrated Pest Management Program (the Program) which aims to reduce or eliminate pollutants moved into surface water through storm water management systems and facilities. Contractor certifies compliance on Integrated Pest Management Program Compliance Certification in Required Forms, that contractor has reviewed, understands, and will adhere to the County's IPM Program requirements as set forth in Integrated Pest Management Program Compliance and at: <u>www.lacountyipm.org.</u>

Contractor must ensure and certify that its employees who apply pesticides on County owned or maintained property are appropriately trained. The training, which must be conducted on an annual basis, but no later than June 30th of each calendar year, must meet the County's minimum requirements under the Program.

Employee training may be self-certified by Contractors, provided the County has the ability to audit the training, and must include, at a minimum, the following:

- The potential for pesticide-related surface water toxicity;
- Proper use, handling, and disposal of pesticides;
- Least toxic methods of pest prevention and control, including IPM; and
- Reduction of pesticide use.

All users of commercial pesticides are required by State law to provide a monthly pesticide report to the Los Angeles County Department of Agricultural Commissioner/ Weights and Measures (ACWM). In addition to the mandatory monthly reporting requirement, Contractor shall provide to the Department, with a copy to the ACWM, an annual summary of the pesticides used outdoors on County-owned or maintained property by Fiscal Year (July 1 to June 30). For each pesticide, the summary shall include all of the following:

- Product trade name
- Active ingredient(s)
- EPA Registration Number
- Total amount used

The units reported shall be appropriate to the product (gallons, ounces, pounds, etc.). This provision shall apply when applicable to the scope of work being performed.

41. Liquidated Damages

- a. If, in the judgment of the Director, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Director, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Director, or his/her designee, in a written notice describing the reasons for said action.
- If the Director or his/her designee, determines that there are deficiencies in b. the performance of this Agreement that the Director, or his/her designee, deems are correctable by the Contractor over a certain time span, the Director, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director, or his/her designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Agreement 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 Five Hundred Dollars (\$500) per day per infraction, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall 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.
- c. The action noted in this Paragraph shall 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 Agreement.
- d. This Paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Agreement provided by law or as specified in Paragraph b above, and shall not, in any manner, restrict or limit the County's right to terminate this Agreement as agreed to herein.

42.<u>Local Small Business Enterprise/Social Enterprise/Disabled Veterans Business</u> <u>Enterprise Utilization</u>: When requested by the County, the Contractor shall provide to the County via methods specified by the County, such as submission of electronic live (or dynamic) data on invoices for the prime and all subcontractors using Countydesignated third party software system or to a County approved website, or other means of submitting expenditure information on subcontractors, including but not limited to the following information: the name, business address and telephone number/email address of each subcontractor.

In addition, the Contractor shall be required to provide each of the specified subcontractor's Local Small Business Enterprise (LSBE), (i.e., whether any of the listed subcontractors are Local SBE's), Social Enterprise (SE) status, and Disabled Veterans Business Enterprise (DVBE) status, and the proposed monetary amount of the work the subcontractor will perform on each Notice to Proceed. At the time of submittal of each invoice, the consultant shall indicate, via methods specified by the County, the actual dollar amounts paid to each listed subcontractor who performed work on the project. The subcontractor may be requested to confirm receipt of the actual payment to the subcontractor by the prime.

The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure to the Contractor to comply with this Article. The parties will agree that under the current circumstances a reasonable estimate of such damages is specified in this Contractor Services Agreement, Liquidated Damages Paragraph, and that the Contractor shall be liable to the County for said amount.

If in the judgment of the Director, or his/her designee, the Contractor is deemed to be in non-compliance with the terms and obligations, the Director or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided in the Contractor Services Agreement, may deduct and withhold liquidated damages from County's final payment to the Contractor.

43. Mental Health Services for Critical Incidents

In the event of a serious accident on the Project site, the Los Angeles County Department of Mental Health (DMH) will, if requested, respond. The response may be within a few hours or as long as a few days after the incident, depending on when the request was made. The services DMH will provide include crisis intervention, normalization of the stress response that survivors may be experiencing, stress management techniques and resources if the stress reactions increase in frequency or intensity. Requests for services may be made by calling the DMH Emergency Outreach Bureau Deputy Director, (213) 738-4924, during normal business hours or the ACCESS Center, (800) 854-7771, evenings, holidays, and weekends.

44. Most Favored Public Entity

If the Contractor's prices decline, or should the Contractor at any time during the term of this Agreement provide the same goods or services under similar quantity and delivery

conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Agreement, then such lower prices shall be immediately extended to the County.

45. Nondiscrimination and Affirmative Action

- a. The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall 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.
- b. The Contractor shall certify to, and comply with, the provisions of Contractor's EEO Certification.
- c. The Contractor shall 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 shall 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.
- d. 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.
- e. The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, 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 Agreement or under any project, program, or activity supported by this Agreement.
- f. The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph when so requested by the County.
- g. If the County finds that any provisions of this Paragraph have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment

Opportunity Commission that the Contractor has violated Federal or State antidiscrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.

h. The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Agreement, the County shall, 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 Agreement.

46. Non Exclusivity

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

47. Notice of Delays

Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

48. Notice of Disputes

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Manager's Supervisor any dispute between the County and the Contractor regarding the performance of services as stated in this Agreement. If the County's Project Manager or County's Project Manager's Supervisor is not able to resolve the dispute, the Director of Public Works or his/her designee shall resolve it.

49. Notice to Employees Regarding the Federal Earned Income Credit

Contractor shall notify its employees, and shall 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 shall be provided in accordance with the requirement set forth in Internal Revenue Service Notice 1015.

50. Notices

Any notice required or desired to be given pursuant to this Agreement shall be given in writing and addressed indicated below and emailed as follows:

<u>COUNTY</u>

CONSULTANT

Department of Public Works Business Relations and Contracts Division Contracts Section II, 8th Floor 900 South Fremont Avenue Alhambra, CA 91803 (626) 458-2584 rrubio@dpw.lacounty.gov LCPtracker, Inc. 117 E. Chapman Avenue Orange, CA 92866 Ms. Kris Vincil (810) 279-2946 kvincil@lcptracker.com

The address for notice may be changed by giving notice pursuant to this Paragraph.

51. Ownership of County Materials

Except for Contractor's proprietary System, Contractor and County agree that if a. Contractor is required to develop any materials, including but not limited to, designs, specifications, techniques, plans, reports, deliverables, data, photographs, diagrams, maps, images, graphics, text, videos, advertising, software, source codes, website plans and designs, interactive media, drafts, working papers, outlines, sketches, summaries, edited and/or unedited versions of deliverables, and any other materials or information developed under this Agreement, then any and all Intellectual Property rights to these materials, including any copyrights, trademarks, service marks, trade secrets, trade names, unpatented inventions, patent applications, patents, design rights, domain name rights, know-how, and any other proprietary rights and derivatives thereof, are and/or shall be the sole property of County (hereafter collectively, "County Materials"). Contractor hereby assigns and transfers to County all Contractor's right, title and interest in and to all such County Materials developed under this Agreement. Contractor and County agree that this Agreement, as of the Effective Date, does not require Contractor to develop any County Materials.

Notwithstanding such County ownership in the County Materials, Contractor may retain possession of working papers and materials prepared by Contractor under this Agreement. During and for a minimum of five years subsequent to the term of this Agreement, County shall have the right to inspect any and all such working papers and materials, make copies thereof and use the working papers and materials and the information contained therein.

b. Contractor shall execute all documents requested by County and shall perform all other acts requested by County to assign and transfer to, and vest in County, all Contractor's right, title and interest in and to the County Materials, including, but not limited to, any and all copyrights, trademarks, service marks, trade names, unpatented inventions, patent applications, patents, design rights, domain name rights, know-how, and any other proprietary rights and derivatives thereof resulting from this Agreement. County shall have the right to register all applicable copyrights, trademarks and patents in the name of the County of Los Angeles. Further, County shall have the right to assign, license, or otherwise transfer any and all County's rights, title and interest, including, but not limited to copyrights, trademarks, and patents, in and to the County Materials.

c. Contractor represents and warrants that the County Materials prepared herein under this Agreement, are the original work of Contractor and do not infringe upon any Intellectual Property or proprietary rights of third parties. For those portions of the County Materials that are not the original work of Contractor, Contractor represents and warrants that it has secured all appropriate licenses, rights, and/or permission from appropriate third parties to include such materials in the County Materials.

Contractor shall defend, indemnify and hold County harmless against any claims by third parties based on infringement of copyright, patent, trade secret, trademark, or any other claimed Intellectual Property or proprietary right, arising from County's use of County Materials created and/or prepared by Contractor. Contractor will also indemnify and defend at its sole expense, any action brought against County based on a claim that County Materials furnished hereunder by Contractor and used within the scope of this Agreement infringe any copyright, patent, trade secret, trademark, or any other claimed intellectual property or proprietary right of third parties, and Contractor will pay any costs, damages and attorney's fees incurred by County. County will notify Contractor promptly and in writing of any such action or claim and will permit Contractor to fully participate in the defense thereof.

- Contractor shall affix the following notice to all County Materials: "© Copyright 2024 (or such other appropriate date of first publication), County of Los Angeles. All Rights Reserved." Contractor shall affix such notice on the title page of all images, photographs, documents and writings, and otherwise as County may direct.
- e. County shall also have the sole right to control the preparation, modification, and revisions to, all acknowledgment and/or attribution language for all County Materials resulting from this Agreement. County will however, honor requests by Contractor seeking removal of all acknowledgment and/or attribution language relating to the Contractor, should Contractor no longer wish to receive attribution for its work on the County Materials.
- f. If directed to do so by County, Contractor will place the County name and County logo on County Materials developed under this Agreement. Contractor may not, however, use the County name and County logo on any other materials prepared or developed by Contractor that falls outside the scope of this Agreement.

52. Prohibition Against Inducement or Persuasion

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

53. Prohibition from Participation in Future Solicitation(s)

The County Board of Supervisors has adopted a countywide policy that prohibits any person, or any firm or any subsidiary of a firm (collectively "firm") from submitting a bid or proposal in any County solicitation process where the person or firm, assisted in the development or preparation of the solicitation document(s).

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

54. Public Records Act

- a. 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 Record Retention and Inspection/Audit Settlement Paragraph of this Agreement; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Agreement, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 7920 et seq. (Public Records Act) and which are marked "trade secret," "confidential," or "proprietary." The County shall 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.
- b. In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential," or

"proprietary," the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the Public Records Act.

55. Publicity

- a. The Contractor shall not disclose any details in connection with this Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Agreement within the following conditions:
 - i. The Contractor shall develop all publicity material in a professional manner; and
 - ii. During the term of this Agreement, the Contractor shall not, and shall 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 Director of Public Works or his/her designee. The County shall not unreasonably withhold written consent.
- b. The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Agreement with the County of Los Angeles, provided that the requirements of this Paragraph shall apply.

56. Record Retention and Inspection/Audit Settlement

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

- a. In the event that an audit of the Contractor is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall 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 Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- b. Failure on the part of the Contractor to comply with any of the provisions of this Paragraph shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement.
- c. If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, representatives of the County conduct an audit of the Contractor regarding the work performed under this Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall 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's dollar liability for such work is more than the payments made by the County to the County to the Contractor, then the difference shall be paid to the Contractor by the County to the Contractor, then the difference shall be paid to the Contractor by the County to the Contractor, then the difference shall be paid to the County's maximum obligation for this Agreement exceed the funds appropriated by the County for the purpose of this Agreement.

57. <u>Recycled Bond Paper</u>

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 Agreement.

58. Subcontracting

- a. The requirements of this Agreement may not be subcontracted by the Contractor without the advance approval of the County. Subconsultants listed in the Contractor's Proposals are approved by County, unless otherwise indicated by County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Agreement.
- b. If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request.
 - A description of the work to be performed by the Subconsultant;
 - A draft copy of the proposed subcontract; and

- Other pertinent information and/or certifications requested by the County.
- c. The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subconsultant in the same manner and to the same degree as if such Subconsultant(s) were the Contractor employees.
- d. The County does not have contractual privity with the subcontractor. The Contractor shall remain fully responsible for all performances required of it under this Agreement, including those that the Contractor has determined to subcontract. Contractor shall remain fully responsible for services rendered by any subcontractor pursuant to a subcontract between the Contractor and subcontractor.
- e. The Contractor shall be solely liable and responsible for all payments or other compensation to all Subconsultants and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- f. The Contractor shall obtain certificates of insurance, which establish that the Subconsultant maintains all the programs of insurance required by the County from each approved Subconsultant. The Contractor shall ensure delivery by email of all such documents to:

Department of Public Works Business Relations and Contracts Division Contracts Section II Contract Analyst: Rori Rubio Email Address: rrubio@dpw.lacounty.gov (626) 458-2584

before any Subconsultant employee may perform any work hereunder.

59. <u>Termination/Suspension for Breach of Warranty to Maintain Compliance with County's</u> <u>Child Support Compliance Program</u>

Failure of the Contractor to maintain compliance with the requirements set forth in rounds upon which the County may terminate or suspend this Agreement pursuant to Termination/Suspension for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

60. Termination/Suspension 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 "Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Page 28 of 38 Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate or suspend this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

61. Termination/Suspension for Convenience

- a. This Agreement may be terminated or suspended, in whole or in part, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination or suspension of work hereunder shall be effected by notice of termination or suspension to the Contractor specifying the extent to which performance of work is terminated or suspended and the date upon which such termination or suspension becomes effective. The date upon which such termination or suspension becomes effective shall be no less than three (3) days after the notice is sent.
- b. After receipt of a notice of termination or suspension and except as otherwise directed by the County, the Contractor shall 1) stop work under this Agreement on the date and to the extent specified in such notice, and 2) complete performance of such part of the work as shall not have been terminated or suspended by such notice.
- c. All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Agreement shall be maintained by the Contractor in accordance with Record Retention and Inspection/Audit Settlement Paragraph.
- d. County shall not incur any liability to Contractor, other than payment for work already performed, up to the date of termination or suspension.

62. Termination/Suspension for Default

- a. The County may, by written notice to the Contractor, terminate or suspend the whole or any part of this Agreement, if, in the judgment of the Director or Public Works or his/her designee:
 - Contractor has materially breached this Agreement; or
 - Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Agreement; or
 - Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Agreement, or of any obligations of this Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- b. In the event that the County terminates or suspends this Agreement in whole or in

part as provided in this Paragraph, 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 or suspended. The Contractor shall 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 shall continue the performance of this Agreement to the extent not terminated or suspended under the provisions of this sub-paragraph.

- Except with respect to defaults of any Subconsultant, the Contractor shall not be C. liable for any such excess costs of the type identified in above sub-paragraph if its failure to perform this Agreement 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 Subconsultant, and if such default arises out of causes beyond the control of both the Contractor and Subconsultant, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subconsultant were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Paragraph, the term "Subconsultant(s)" means Subconsultant(s) at any tier.
- d. If, after the County has given notice of termination or suspension under the provisions of this Paragraph, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph, or that the default was excusable under the provisions of Paragraph, the rights and obligations of the parties shall be the same as if the notice of termination or suspension had been issued pursuant to Termination/Suspension for Convenience Paragraph.
- e. The rights and remedies of the County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

63. <u>Termination/Suspension for Improper Consideration</u>

County may, by written notice to Contractor, immediately terminate or suspend the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement or the making of any determinations with respect to Contractor's

performance pursuant to the agreement. In the event of such termination or suspension, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

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

64. Termination/Suspension for Insolvency

- a. The County may terminate or suspend this Agreement forthwith in the event of the occurrence of any of the following: 1) Insolvency of the Contractor. The Contractor shall 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; 2) The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code; 3) The appointment of a Receiver or Trustee for the Contractor; or 4) The execution by the Contractor of a general assignment for the benefit of creditors.
- b. The rights and remedies of the County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

65. Termination/Suspension 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, shall 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 shall constitute a material breach of this Agreement, upon which the County may in its sole discretion, immediately terminate or suspend this Agreement.

66. Termination/Suspension for Non-Appropriation of Funds

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

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

67. Time Off for Voting

The Contractor shall notify its employees, and shall 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 shall 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.

68. 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 Agreement will maintain compliance, with Los Angeles County Code Chapter. 2.206.

69. Validity

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

70. <u>Waiver</u>

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

71. Warranty Against Contingent Fees

a. The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any Agreement or understanding for a commission, percentage, brokerage, or contingent fee,

excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

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

72. Local Small Business Enterprise (SBE) Preference Program

- a. This Agreement is subject to the provisions of the County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- b. The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.
- c. The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.
- d. If the Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Agreement to which it would not otherwise have been entitled, shall:
 - 1. Pay to the County any difference between the Agreement amount and what the County's costs would have been if the Agreement had been properly awarded;
 - 2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the Agreement; and
 - 3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

73. Disabled Veteran Business Enterprise Preference Program

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

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and ISD of this information prior to responding to a solicitation or accepting a contract award.

74. Social Enterprise (SE) Preference Program

a. This Agreement is subject to the provisions of the County's ordinance entitles Social Enterprise (SE) Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

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

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

75. Advertising and Other External Communications About the Project

Contractor shall obtain the County's prior written approval before disclosing or communicating any information concerning the award of the Agreement, the progress of the work, or the completion of the work, to any non-party, including but not limited to outside media and news organizations. This requirement includes, but is not limited to: (1) a Contractor's, application for an award or any other recognition of the project; and (2) any advertising or promotion of the project and/or theContractor's role on the project. The County retains the sole discretion as to the release of such information, including the right to deny the request for disclosure, the right to direct the timing of the disclosure, and/or the right to direct Contractor to make revisions to the information prior to disclosure.

76. <u>Compliance with County's Women in Technology Hiring Initiative</u>

At the direction of the Board, the County has established a "Women in Technology" (WIT) Hiring Initiative focused on recruiting, training, mentoring and preparing all genders, including women, at-risk youth, and underrepresented populations (program participants) for County Information Technology (IT) careers. In support of the subject initiative, IT contractors currently offering certification, training, and/or mentoring programs must make such program(s) available to WIT program participants, if feasible. Contractors must report such programs available to: WITProgram@isd.lacounty.gov.

77. Additional Information Technology (IT) Provisions

Exhibit D, Additional IT Provisions, and Exhibit E, Information Security and Privacy Requirements, are incorporated into this Agreement.

78. Campaign Contribution Prohibition Following Final Decision in Agreement Proceeding

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

79. Federally Funded Work

This provision will apply when federally funded or potentially federally funded work is needed by County. In accordance with Federal Executive Order 12549 and 12689 (Debarment and Suspension), individuals or entities that have been debarred by the Federal government may not receive work under this Agreement as a Contractor or Subcontractor. Contractors and/or Subcontractors listed on the governmental exclusions in the System for Award Management (SAM) are not eligible to receive federally funded work under this Agreement. See Office of Management and Budget guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension". The SAM exclusions contains the names of parties debarred, suspended, or otherwise excluded by Federal agencies as well as parties declared ineligible under statutory or regulatory authority.

For federally funded work, the Project Manager will, before assigning work or Notice to Proceed to the Contractor, verify that the Contractor is not listed on the governmental exclusions in the SAM as a party excluded or ineligible by Federal agencies to participate in federally funded projects. For your reference, a List of Debarred Contractors by U.S. Department of Labor's (DOL) Office of Federal Contract Compliance Programs (OFCCP) may be obtained by going to the following website: <u>https://sam.gov/content/home</u>.

If the Contractor is listed on the governmental exclusions in the SAM as a party excluded or ineligible by Federal agencies to participate in federally funded projects, then said Contractor will not be offered the work. The Project Manager will notify the Contractor of their negative standing in the SAM. The Project Manager will also notify the Contractor of their ineligibility to receive any federally funded work under this contract, until the Contractor is able to satisfactorily correct the issue. The Contractor shall notify the Project Manager when the Contractor has corrected their negative standing in the SAM, and the Contractor is no longer listed on the governmental exclusions in the SAM.

If the Contractor is not listed on the governmental exclusions in the SAM as a party excluded or ineligible by Federal agencies to participate in federally funded projects, Public Works may offer said Contractor the federally funded work. In addition, if applicable, the Contractor is required to verify that its subcontractors/subconsultants are not listed on the governmental exclusions in the SAM, before assigning federally funded work to its subcontractors/subconsultants.

79. Entire Agreement

This Agreement constitutes the entire Agreement between County and Contractor and may be modified only by further written Agreement between the parties hereto.

| | | | | | | | | | | | | | | IN WITNESS WHEREOF, the County has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of the Department of Public Works, and the Contractor has hereunto subscribed its corporate name and affixed its corporate seal by its duly authorized officers the day, month, and year herein first above written.

COUNTY OF LOS ANGELES

Department of Public Works

Deputy Director

LCPTRACKER, INC.

Ву_____

President

Type/Print Name

Ву____

By___

Secretary

Type/Print Name

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

By_____

Principal Deputy County Counsel

Type/Print Name

LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

EXHIBIT A

SCOPE OF SERVICES

LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

SCOPE OF SERVICES

- 1.0 Introduction
- 2.0 General Requirements
- 3.0 Scope of Services
- 4.0 Deliverables Summary
- 5.0 Contract Discrepancy Report
- 6.0 Support Services
- 7.0 Maintenance Services
- 8.0 Optional Work

EXHIBITS TO SCOPE OF SERVICES

- A.1 System Requirements
- A.2 Contractor Discrepancy Report
- A.3 Acceptance Certificate
- A.4 Sample Reports

1.0 INTRODUCTION

1.1 Background

The County of Los Angeles Public Works (Public Works) is inviting proposals from qualified firms to provide Local and Targeted Worker Hiring Policy Program and Community Workforce Agreement Monitoring System and Related Services on behalf of the County of Los Angeles (County).

The Los Angeles County Board of Supervisors (Board) has determined that the County is in a unique position to strengthen its local economy by promoting and increasing the utilization of Local Small Business Enterprises (LSBE), Disabled Veteran Business Enterprises (DVBE), Social Enterprises (SE), and Community Business Enterprises (CBE) within Los Angeles County for contracting and purchasing. As such, the Board directed that the County Code be amended to add an ordinance that codified the County's Local Small Business and Disabled Veteran Business utilization goal of 25% and 3%, respectively.

To support the creation of new local and disadvantaged worker employment opportunities, the Board also approved the County-wide Local and Targeted Worker Hiring Policy, which applies to County-sponsored design/build contracts and construction contracts. Depending on the project budget, there shall be a *best efforts* or *mandatory* hiring goal of at least 30% California construction labor hours performed by qualified local residents and a 10% hiring goal of California construction labor hours performed by those classified as a Targeted Worker.

Additionally, the Board executed the County's first Countywide-Community Workforce Agreement (CWA) to be applied to County construction projects with an estimated construction value of \$5M or above. A Community Workforce Agreement, commonly referred to as a Project Labor Agreement, is a pre-hire collective bargaining agreement between the County of Los Angeles and The Los Angeles/Orange Counties Building and Construction Trades Council and the Signatory Craft Councils and Local Unions. Covered projects promote the public interest in assuring timely and economical completion of such projects while simultaneously maximizing and strengthening the economic development opportunities for Los Angeles County residents and businesses.

To comply with Public Contract Code (PCC) 2600 through 2602, the County requires the implementation and monitoring of skilled and trained workforce labor for certain Design-Build, Best Value, and Construction Manager-at-Risk contracts. Contractors are required to submit an enforceable commitment to use a skilled and trained workforce to perform all work on the project or contract for all apprenticeable occupations in the building and construction trades.

Unless otherwise specified as an obligation of County, Contractor shall perform all tasks and subtasks and provide all deliverables as defined herein. Any capitalized term not otherwise defined herein will have the meaning given to it in the Contract.

1.2 Project Scope

The County desires to monitor the effectiveness of both programs and is inviting proposals from qualified firms to provide a vendor-hosted system/Software as a Service (SaaS) and related services described in this Exhibit A, Scope of Services, for various Los Angeles County departments. The general Scope of Work includes, but is not limited to: providing, implementing, and conducting training on a web based Local Targeted Worker Hire Monitoring and Business Utilization Tracking System (System) which will meet all functional and SaaS requirements listed in Exhibit A.1 (System Requirements) with the following two (2) modules:

Module 1.0 Local and Targeted Worker Hiring and Community Workforce Agreement Compliance Monitoring for construction contracts

- 1.1 The ability to track construction contractors' certified payroll records and confirmation of compliance with labor standard requirements in regards to employee pay, apprenticeship, and skilled and trained workforce;
- 1.2 The capability to report select employee information of a project, including, but not limited to, hours worked, employee title, demographic data, Local/Targeted Worker qualification as further described in Exhibit A.1 (System Requirements);
- 1.3 The capability to track the success of the Local and Targeted Worker Hiring Program and compliance to the Community Workforce Agreement by reporting aggregate information across various projects;
- 1.4 The capability to track and report across all trades or classifications within and across multiple projects.
- 1.5 Proposer shall not subcontract Module 1.0.
- 1.6 The capability to update the current prevailing wages based on the most recently published wage determination issued by the Department of Industrial Relations in the System for contractors to submit payrolls in a timely manner, when requested by County.
- 1.7 The System shall not contain full social security numbers. The System shall advise users to not upload documents that may contain full social security numbers and provide notifications or warnings prior to a user uploading supporting documentation.

When requested by County, full functionality of Contractor labor compliance software as a service suite/module will be available to the County at no additional cost.

- Module 2.0 Local Small Business Enterprise (LSBE), Disabled Veteran Business Enterprise (DVBE), Community Business Enterprise (CBE) and Social Enterprise (SE) Utilization Tracking (Diversity Management/Business Utilization Module) for active County contracts.
 - 2.1 The capability to submit payment information including invoices and other related information to monitor and track the utilization of certified LSBEs, DVBEs, CBEs and SEs throughout the project;
 - 2.2 The capability to capture data, including, but not limited to, dollars paid to subcontractors, certifications, and other information as stated in Exhibit A, System Functional and SaaS Requirements, over the duration of the project;
 - 2.3 The capability to track the success of the LSBE, DVBE, CBE, and SE programs by reporting aggregate information across all projects.

Contractor shall provide and deliver all software in a vendor-hosted environment for Module 1.0 and Module 2.0 as described above, other goods, maintenance and support services, and related project management to accomplish all of the Tasks set forth in this Exhibit A - Scope of Services and Exhibit A.1 (System Requirements), including delivery and implementation of the System to the County Project Managers' satisfaction.

2.0 GENERAL REQUIREMENTS

This Section describes the desired qualifications of the Contractor and methods for managing and delivering the tasks, Deliverables, goods, Services and other work described in this Scope of Services.

2.1 County Resources

County will provide the following:

County's Project Director will approve and accept all System Deliverables and other work.

County's Project Manager will act at the primary point of contact on behalf of the County for the day to day operations of the project. The County's Project Manager will track all Contractor Tasks, Subtasks, and Deliverables. The County Project Manager will provide

support for the project to include monitoring project progress against the Countyapproved Contractor Project Schedule timelines and milestones, project costs, and project risk assessment.

The County's project team members, as mentioned earlier, would be responsible for specific project activities, as determined by County's Project Manager, including working with Contractor staff, providing certain subject matter expertise and additional resources for workgroups, requirements validation, testing, and review of Deliverables and other work.

2.2 Contractor Resources: Key Staff

Contractor shall provide the following Contractor key staff, which shall be part of Contractor project management team. All proposed staff must perform and render all Services within the continental United States.

Contractor's Project Director will be responsible for the overall management and coordination to ensure that the project's team completes all Deliverables and other requirements successfully and meets deadlines.

Contractor's Project Manager shall act as a central point of contact with County staff. The Project Manager shall have at least 3 years of related experience. The Project Manager shall have full authority to act on behalf of Contractor on all matters relating to the daily operation of the Agreement. Project Manager shall be able to effectively communicate, in English, both orally and in writing. County must have access to the Project Manager from 8:00 a.m. to 5:00 p.m. PST, Monday through Friday, each week of the year.

2.3 Deliverable Acceptance Criteria (General)

Contractor shall develop Contractor Project Schedule as part of Deliverable 1.1.1 (Project Control Document (PCD)) that defines the schedule of Deliverables, identifying any dependencies between Deliverables that require County approval of one or more prior Deliverables. Once this schedule is approved and County provides Acceptance, unless otherwise authorized in writing by County's Project Director, Deliverables must be approved by County's Project Director according to this schedule prior to Contractor beginning work on any subsequent Deliverables.

If Contractor begins work on the next scheduled Deliverable without receiving County's Project Director approval, Contractor does so at Contractor's sole risk. In general, County requires a minimum of ten (10) business days to review each Deliverable, with a corresponding ten (10) business days resolution period for Contractor to correct any Deficiencies regarding the Deliverable. However, Contractor acknowledges and agrees that some Deliverables may require a more extensive review and resolution and will be notified by County of a time frame for review. County reserves the right to extend the review of any deliverable.

Contractor shall identify such Deliverables and schedule Deliverable review/resolution periods accordingly in its proposed Contractor Project Schedule. County reserves the right to increase the review period prior to its final approval of the proposed Contractor Project Schedule.

Contractor shall submit each Deliverable to County in electronic copy in the Microsoft Office Suite in the County-specified version. County's right to approve all Deliverables and other work, as set forth in Section 4.0 (Acceptance) of Exhibit D (Additional Information Technology (IT) Provisions) of the Contract, shall not be limited in any way by the contents of any prior approved Deliverable by County.

3.0 SCOPE OF SERVICES

3.1 TASK 1: PROJECT ADMINISTRATION

Contractor shall provide full project management, planning, monitoring, supervision, tracking, and control for all project activities during the term of the Contractor shall employ project management standards and best practices, in the performance of all work.

3.1.1 Subtask 1.1: Project Initiation

Contractor shall perform the following work in this Subtask:

- 1. Deliver and obtain County approval for the PCD, including the initial Contractor Project Schedule.
- 2. Prepare Incoming Orientation Plans to allow appropriate knowledge transfer between the County's subject matter experts and Contractor.

Contractor shall deliver and present Deliverable 1.1.1, PCD to County at a meeting within thirty (30) days of the Effective Date of Board approval. Approval by County's Project Director of Deliverable 1.1.1, PCD must occur before any further work under the Contract may continue. At County's Project Director's request, from time-to-time during the term of the, Contractor shall provide an updated PCD.

As part of Deliverable 1.1.1, PCD, Contractor shall include the initial version of Contractor Project Schedule, developed in County-specified version of Microsoft Project (or such other project management software as approved in advance by County's Project Director). In Contractor Project Schedule, Contractor shall identify the time required to complete all tasks and subtasks.

Within thirty (30) days after the Effective Date, Contractor shall prepare Deliverable 1.1.2 (Incoming Orientation Plans) to provide appropriate knowledge transfer from County to Contractor regarding existing system functionality and business processes.

County will review Deliverable 1.1.2 (Incoming Orientation Plans) with Contractor to verify its completeness. Contractor shall revise Deliverable 1.1.2 (Incoming Orientation Plans), as appropriate, following the joint review with County. Contractor shall incorporate all orientation activities into Contractor Project Schedule.

3.1.1.1 Deliverable 1.1.1: Project Control Document (PCD)

Contractor shall provide the PCD which shall include:

- 1. All work described in this Scope of Services and elsewhere in the Contract;
- 2. An approach to completing all work, including a work breakdown structure (WBS) with task and subtask descriptions, associated Deliverables, and resource requirements;
- 3. Contractor Project Schedule shall include:
 - A. All Deliverables, tasks, subtasks, and other work;
 - B. Start date and date of completion for each Deliverable, task, subtask, and other work;
 - C. Proposed County review period for each Deliverable;
- 4. Comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract.
- 5. Quality assurance (QA) methodology and practices;
- 6. Approach to project communications;
- 7. An approach to configuration management and change management. Changes, in this context, refer to changing the functionality of a component or adding additional functionality (e.g., changes to the project scope). The approach shall ensure that the impacts and rationale for each change are analyzed and coordinated before being approved. The change management process may vary from item to item, as determined by County's Project Director.

3.1.1.2 Deliverable 1.1.2: Incoming Orientation Plans

Contractor shall provide an Incoming Orientation Plan for the System. The Incoming Orientation Plan shall include:

1. Any information, data, and documentation required from existing system consultants and subject matter experts;

- 2. Activities needed to ensure appropriate knowledge transfer from existing system consultants and subject matter experts to Contractor, regarding existing functionality and business processes; and
- 3. Contractor roles and responsibilities for all activities.

3.1.2 Subtask 1.2: Ongoing Project Administration

Contractor shall perform ongoing project administration during the term of the Contract, which shall include:

- 1. Manage all Contractor staff, including subconsultant staff, assigned to the project;
- 2. Coordinate with other County departments, or external agencies, as appropriate;
- 3. Manage issues raised by County and documented in status reports on an on-going basis, as agreed upon by County and Contractor;
- 4. Provide planning and direction by following the County approved PCD, ensuring that proper project management controls exist and are in use;
- 5. Provide change management, following the methodology documented in the Change Management Plan;
- 6. Provide routine and realistic assessments of progress as targeted in Contractor Project Schedule;
- 7. Implement quality assurance measures that allow the delivery of high quality, effective Deliverables to County;
- 8. Participate in the Deliverable review/resolution process for all Deliverables;
- 9. Provide updated copies of the PCD, including Contractor Project Schedule, which incorporates only County -approved variances from the current County -approved PCD.
- 10. Contractor Project Director shall attend status meetings with County's Project Director to review any issues, and the status of Contractor Project Schedule, on a bi-weekly basis or as requested by County.

11. Contractor Project Manager shall provide System status reports on a bi-weekly basis or as requested by County.

3.1.2.1 Deliverable 1.2.1: Ongoing Project Administration

Contractor shall provide ongoing project administration to include:

- 1. System status reports; and
- 2. Updates to the PCD, including Contractor Project Schedule.

3.2 TASK 2: REVIEW, ANALYSIS, AND DESIGN

The Contractor shall review all System Requirements and use best practices in the development of a proposed technical approach, which will guide the activities identified in Task 3: System Configuration and Development.

3.2.1 Subtask 2.1: Requirements Review and Analysis

Contractor conduct sessions or workshops with stakeholders and key users to thoroughly review, validate, and refine requirements specified in Exhibit A.1 (System Requirements).

3.2.1.1Deliverable 2.1.1: System Requirements Document (SRD)

Consultant shall provide an SRD that shall document the complete set of verified requirements for the System as required in this Subtask 2.1.

3.2.2 Subtask 2.2: Design

Consultant shall provide a System design based on Deliverable 2.1.1 (SRD). The design shall be documented in Deliverable 2.2.1 (System Design Document) and include the following considerations:

- Assumptions, limitations, and constraints.
- Hosted Environments. Consultant shall define and document the various hosted environments (e.g., Test, Staging, Production, Reporting, etc.) used throughout the contract term. Documentation shall include a description of each hosted environment and maintenance-related processes (replication, etc.) for non-production environments. The System shall include a minimum of two (2) hosted environments.
 - Test the environment to facilitate System testing or validation before changes are deployed to the Production environment.
 - Production the environment where the live, operational version of the System is deployed and accessed by end-users.

- System Architecture. Consultant shall develop the System's architectural design and identify all technologies and components, including third-party products, used in the System.
- Functional Design. Consultant shall develop the functional design which identifies all functions that the system and/or system component(s) must perform to meet all requirements listed in the SRD.
- Customizations. If customizations are required to meet County's requirements, Consultant shall identify all customizations and define a sustainable customization approach. All customizations shall be part of the System and are subject to the terms of this agreement throughout the Contract term.

3.2.2.1 Deliverable 2.2.1: System Design Document

Contractor shall prepare the System Design Document as required in this Subtask 2.2.

3.3 TASK 3: SYSTEM CONFIGURATION AND DEVELOPMENT

Contractor shall perform all work to provision, setup, configure, develop, and test the System based on the approved designs in the System Design Document in Task 2.

3.3.1 Subtask 3.1: System Configuration and Development

Upon County's approval of Deliverable 2.2.1 (System Design Document), Consultant shall provision, set up, configure, and customize (when applicable) the System per Deliverable 2.2.1 (System Design Document).

After the completion of each System module, Consultant shall conduct quality assurance testing to ensure System functionality meets County's requirements and present and release the module to County for review and feedback.

3.3.1.1 Deliverable 3.1.1: Working System

Contractor shall deliver the configured system as required in this Subtask 3.3.1.

3.3.2 Subtask 3.2: Reports

Contractor shall work with County staff to create and provide templates for custom reports and dashboards, similar in content and style, but not limited to, the sample reports provided in Exhibit A.4 (Sample Reports).

3.3.2.1 Deliverable 3.2.1: Reports

Contractor shall deliver the reports as required in this Subtask 3.2.

3.4 TASK 4: SYSTEM TEST

Contractor shall develop a detailed test plan, execute the tests according to the plan, and document the test results validating successful completion.

3.4.1 Task 4.1: Detailed Test Plan

Contractor shall develop a detailed test plan which defines the approach to testing, including methodologies, techniques, and tools to be used.

3.4.1.1 Deliverable 4.1.1 Test Plan

Contractor shall deliver the Test Plan which includes the following information:

- Functional testing, addressing all requirements listed in Deliverable 2.1.1 (SRD).
- Stress testing, measuring system performance under heavy usage to validate meeting performance targets. Contractor shall perform performance analysis and tuning until performance targets are met or as agreed to by the County.
- User acceptance testing (UAT), describing the use cases and UAT processes.
- Test environments with a description and purpose for each environment (test and production, etc.).
- Test tools that will be utilized. Contractor shall provide all testing tools unless stated otherwise by the County.
- Test participants and their roles during the test process.
- Test schedule, detailing the timeline for performing the tests and aligned to the project schedule.
- Reporting and issue resolution, which describes the process to report and resolve issues.
- Exit criteria that must be met before testing can be considered complete.

3.4.2 Task 4.2: System Test

Contractor shall prepare and provide all materials needed to conduct testing such as test scripts, tools, and environments and execute the Test Plan. Contractor shall document and present all test results to the County. The results shall meet all test exit criteria before proceeding to Task 7 Implementation.

3.4.2.1 Deliverable 4.2.1: Test Materials

Contractor shall provide test scripts, test tools, and the test environment

3.4.2.2 Deliverable 4.2.2: Test Completion Report

Contractor shall deliver the results of the test which clearly demonstrates meeting all test criteria.

3.5 TASK 5: DATA MIGRATION

Contractor shall assist in the migration of the existing open and current projects in County's existing system (from November 2016 to current) into the System. The number of projects to be migrated is approximately 2,000 with a total contract amount of \$4.5 billion.

Contractor shall develop a detailed Migration Plan, migrate the data according to the plan, and validate successful migration of data into the System

3.5.1 Subtask 5.1: Data Migration Plan

Contractor shall develop a detailed migration plan which documents how the Contractor will move data from the source system to the target system while ensuring data integrity, security, and minimal disruptions to operations.

Contractor shall provide the migration plan and details to Public Works Information Technology Division to ensure that any sensitive data being migrated meets all security requirements. Data shall not be migrated without prior approval from the Public Works Information Technology Division.

3.5.1.1 Deliverable 5.1.1 – Data Migration Plan

Contractor shall deliver the Data Migration Plan which includes:

- Data migration strategy and roadmap, outlining the steps for migration.
- All tools that will be used in the process (Extract, Transform, and Load tools, etc.). The Contractor shall provide all data migration tools unless stated otherwise by the County.
- Key stakeholders and their roles during the migration process.
- Data cleansing and pre-migration activities.
- Migration schedule, detailing the timeline for migrating different data sets.
- Data integrity and validation processes.
- Contingency or rollback plan in case the migration encounters critical issues or fails. Define procedures to revert to the original state if necessary.

3.5.2 Subtask 5.2 Data Migration

Contractor shall perform the necessary work to prepare or cleanse the data, migrate the data, document migration activities in the migration log, validate the successful migration of data into the System, and document the results of the data migration.

3.5.2.1 Deliverable 5.2.1 Data Cleaning Report

Contractor shall deliver the Data Cleansing Report, indicating cleansing activities and their results.

3.5.2.2 Deliverable 5.2.2 Migration Log

Contractor shall deliver the Migration Log detailing the migration activities performed and any issues encountered during migration and resolution.

3.5.2.3 Deliverable 5.2.3 Data Migration Completion Report

Contractor shall deliver the Data Migration Completion Report, including data validation test results indicating the successful migration of data to the target system.

3.6 TASK 6: TRAINING

The Contractor shall conduct all necessary training (including in person training) for all Users of the System to enhance the use, knowledge, and understanding of the System.

3.6.1 Subtask 6.1: Training Plan

Contractor shall develop a detailed Training Plan identifying the strategy and approach for training the following audiences: System Administrators and End-Users.

3.6.1.1 Deliverable 6.1.1 – Training Plan

Contractor shall deliver the Training Plan which includes, but not be limited to, the following:

- Training topics or subject areas, objectives, and approach.
- List of all training materials that will be developed and delivered. All training materials shall reflect the configurations and workflows specific to the County.

- Training methods such as classroom or instructor-led training, self-paced computer-based training, and/or online or e-learning/webinars.
- Training schedule.

3.6.2 Subtask 6.2 – Develop Training Materials

Contractor shall develop System training materials in a format as agreed to by County and Contractor. Contractor shall provide County with access to Training Materials to enhance training, including sample demonstration scripts, which will be used by County and Contractor staff to be customized and deliver application demonstrations for end users and other trainee groups. Contractor shall provide County with access to the Training Materials and user guides in a format agreed to by County and Contractor. Contractor grants County permission to make unlimited copies of all Contractor-developed Training Materials and to make derivative works for County's exclusive use in training System end users. Contractor shall deliver Training Materials to the County Project Manager prior to conducting training. All users shall be required to complete a training on data security and Contractor shall train users to not include full social security numbers in the System or as part of any documentation or attachment uploaded into the System. Social security numbers shall be limited to the last four digits only.

3.6.2.1 Deliverable 6.2.1 – Training Materials

Contractor shall provide the Training Materials as described in Subtask 6.2 and shall include:

- 1. Master copies in electronic format of all training materials and manuals provided by Contractor and third parties (e.g., product vendors); and
- 2. Electronic copy training materials for each trainee.
- 3. System help and how-to guides.

3.6.3 Subtask 6.3: System Monitoring and Operations Guide

Contractor shall prepare a Monitoring and Operations Guide, which includes practices specific to the County's configurations and workflows for System Administrators to monitor and operate the System effectively.

Contractor shall provide 10 hours of knowledge transfer to designated County Staff.

3.6.3.1 Deliverable 6.3.1: System Monitoring and Operations Guide

Contractor shall deliver the System Monitoring and Operations Guide as described in this Subtask 6.3.

3.6.3.2 Deliverable 6.3.2: Knowledge Transfer Log

Contractor shall deliver the Knwoledge Transfer Log listing the dates and attendees in which the 10 hours of knowledge transfer was provided.

3.6.4 Subtask 6.4: Conduct Training

Contractor shall conduct training in accordance with Deliverable 6.1.1 (Training Plan). Contractor shall provide all trainers, training manuals and materials necessary to train County-specified Users of the System and prepare Deliverable 6.4.1 (Software Training Report) that contains how many Users received training, and any retraining that was required.

3.6.4.1 Deliverable 6.4.1: Software Training Report

Contractor shall provide the Software Training Report which shall summarize all training delivered to Users, document the effectiveness of this training and provide recommendations for further training activities or processes.

3.7 TASK 7: DEPLOYMENT AND GO-LIVE

The Contractor shall develop a detailed Go-Live Plan, perform three (3) Go-Live simulations to validate the Go-Live Plan, and execute the Go-Live Plan.

3.7.1 Subtask 7.1: Go-Live Plan

Contractor shall meet with the County to identify Go-Live requirements and constraints and develop a detailed Go-Live Plan which identifies the steps and activities to deploy the System to all System Users for live, production use.

3.7.1.1 Deliverable 7.1.1: Go-Live Plan

Contractor shall deliver the Go-Live Plan which shall include, but is not limited to the following:

- Go-Live team and responsibilities.
- Go-Live schedule with dates and times for each Go-Live activity.
- Pre-Go-Live Activities, outlining all tasks that need to be completed before Go-Live.
- Go-Live Methodology, including the rationale behind the chosen methodology.

- Communication plan such as notification to System Users, stakeholders, and support teams.
- Backup, rollback procedures, and decision points in case critical issues are encountered during the Go-Live process.
- Post-Go-Live activities immediately following Go-Live such as monitoring system performance and post-Go-Live testing.

3.7.2 Subtask 7.2: Go-Live Simulations

Contractor shall conduct a minimum of three (3) Go-Live simulations. After each Go-Live simulation, the Contractor shall prepare, submit, and review a simulation report with the County, which summarizes the outcome of the Go-Live simulation and includes information such as observations, issues encountered, resolutions applied, and lessons learned. The Contractor shall adjust the Go-Live Plan based on lessons learned from each simulation.

3.7.2.1 Deliverable 7.2.1: Go-Live Simulation Report

Contractor shall deliver the Go-Live Simulation Report as described in this Subtask 7.2.

3.7.3 Subtask 7.3: Go-Live

Contractor shall execute the Go-Live Plan. Immediately following the Go-Live, the Contractor shall submit a Go-Live Completion report and conduct a Post-Go-Live review with the County to assess the success of the Go-Live.

After the County's approve of the Go-Live Report, Contractor shall prepare and submit the Final Acceptance Certification.

3.7.3.1 Deliverable 7.3.1: Go-Live Completion Report

Contractor shall deliver the Go-Live Completion Report which shall include, but not be limited to, the following:

- Activities completed.
- Outcomes.
- Observations during the Go-Live process.
- Follow-up actions or steps to be taken post-Go-Live.

3.7.3.2 Deliverable 7.3.2: Final Acceptance Certification

Contractor shall provide the Final Acceptance Certification, certifying: (i) successful completion of implementation and that Contractor has completed all work necessary for the Software to be available for Production Use by all Users; (ii) Deficiencies identified by Contractor or County have been corrected by Contractor in accordance with this Scope of Services; (iii) corrections of such Deficiencies have been approved by County's Project

Director; (iv) a SaaS requirements validation report confirming that all SaaS requirements described in Exhibit A.1 (System Requirements) has been provided by the Contractor to the County and has been verified in the production environment and accepted by the County's IT Staff; and (v)following County's Project Director's approval of all such corrections, the Software has performed for thirty (30) consecutive days in compliance with the Specifications, including all performance requirements. The Certification shall also document the review with County of Deliverable 7.3.1 (Go-Live Completion Report), including agenda, attendees, action items and supporting documentation.

County requires thirty (30) days to approve this Deliverable 7.3.2. County approval of this Deliverable 7.3.2 shall signify Final Acceptance of the System by County. Contractor shall provide an updated PCD, Software Training Plans, and any other applicable documents.

Task	Deliverable Number	Deliverable Name	Due Date
1 - Project Administration	1.1.1	Project Control Document (PCD)	Effective date + 30 days
1 - Project Administration	1.1.2	Incoming Orientation Plans	Effective date + 30 days
1 - Project Administration	1.2.1	Ongoing Project Administration	In PCD
2 – Review, Analysis, and Design	2.1.1	System Requirements Document (SRD)	In PCD
2 – Review, Analysis, and Design	2.2.1	System Design Document	In PCD
3 – System Configuration and Development	3.1.1	Working System	In PCD
3 – System Configuration and Development	3.2.1	Reports	In PCD
4 – System Test	4.1.1	Test Plan	In PCD
4 – System Test	4.2.1	Test Materials	In PCD
4 – System Test	4.2.2	Test Completion Report	In PCD
5 – Data Migration	5.1.1	Data Migration Plan	In PCD
5 – Data Migration	5.2.1	Data Cleaning Report	In PCD
5 – Data Migration	5.2.2	Migration Log	In PCD
5 – Data Migration	5.2.3	Data Migration Completion Report	In PCD
6 – Training	6.1.1	Training Plan	In PCD
6 – Training	6.2.1	Training Materials	In PCD
6 – Training	6.3.1	System Monitoring and Operations Guid	In PCD
6 – Training	6.3.2	Knowledge Transfer Log	In PCD

4.0 DELIVERABLES SUMMARY

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6 – Training	6.4.1	Software Training Report	In PCD
7 – Deployment and Go-	7.1.1	Go-Live Plan	In PCD
Live			
7 – Deployment and Go-	7.2.1	Go-Live Simulation Report	In PCD
Live			
7 – Deployment and Go-	7.3.1	Go-Live Completion Report	In PCD
Live			
7 – Deployment and Go-	7.3.2	Final Acceptance Certification	In PCD
Live			

5.0 <u>CONTRACT DISCREPANCY REPORT (EXHIBIT A.2)</u>

Verbal notification of a Contract discrepancy will be made to the County 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 Director will determine whether a formal Contract Discrepancy Report in the form attached hereto as Exhibit A.2 (Contract Discrepancy Report) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Director within five (5) business days, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report (CDR) shall be submitted to the County Contract Project Director within five (5) business days.

The Contractor is responsible for the resolution of all discrepancies as listed in the CDR. Contractor shall respond to the CDR with its action plan. Contractor shall consult County to update the CDR as it remedies the discrepancy and/or modify the CDR accordingly. Contractor shall comply with the CDR to complete the discrepancy.

6.0 SUPPORT SERVICES

When the System has achieved Final Acceptance, the Contractor services will transition from Implementation to Support Services.

Contractor shall provide Support Staff that will be fully responsible for assisting the County with use of the System, including but not limited to, setting up Federal and State wages in the System. Support Staff shall be available to assist County, and its consultants and contractors after hours and on weekends via telephone and/or email within 24 hours after a call or email inquiry. In addition, Contractor shall provide email and phone support service from 8:00 a.m. to 5:00 p.m., Monday through Friday, so that complaints, problems or inquiries can be received in a timely manner.

The Support Staff shall meet the following requirements:

- 1. Support Staff shall act as a central point of contact with County and shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.
- 2. Support Staff shall have full authority to act for Contractor on all matters relating to the daily operation of the System.
- 3. Support Staff must be able to effectively communicate in English both orally and in writing.
- 4. Support Staff shall support the County's program with training as requested by County.
- 5. Support Staff shall attend and facilitate County's program meetings on an as needed basis.
- 6. Support Staff shall provide off-site technical phone support service for the web Hosted Software Program to include off hours and weekends, 365 days per year. This support would include debugging and other application program and related support for this system.
- 7. Contractor shall assign adequate staffing and resources to provide the scope of services under this agreement. Resumes of Contractor's staff shall be reviewed and approved by the County.
- 8. Contractor shall be required to background check their On-Site Support Staff employee(s) outlined in Section 18, Contractor Employee Criminal Background Investigation, of the Contract.
- 9. The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. The Contractor shall use materials and equipment that are safe for the environment and safe for use by employees.
- 10. Contractor shall provide the Support Services as outlined in this Section. If applicable, the County shall monitor the daily attendance and activities of the On-Site Support Staff.

7.0 MAINTENANCE SERVICES

Contractor shall provide maintenance and continued management and operation services for the System upon Final Acceptance of the System and throughout the Term of the Contract, as described herein ("Maintenance Services") and in the Contract, at no additional cost. Contractor shall also provide, as part of Maintenance Services, the hosting services required by the Contract, as outlined in A.1 (System Requirements) and Exhibit D (Additional Information Technology Provisions).

7.1 System Performance Requirements

Contractor represents, warrants, covenants and agrees that: (a) the System shall meet the System Availability requirements as further defined herein; and (b) the System shall meet the Response Time requirements as further specified herein. All System Performance Deficiencies shall be deemed at a minimum Priority Level 2 for the correction of Deficiencies and other County remedies to the extent that such System Performance Deficiencies meet the definition of a Priority Level 2 Deficiency.

System Performance Category	System Performance Requirement
System Availability	Ninety-nine percent (99.5%)
Response Time Baseline	For each page of the System, an average Response Time of three (3) seconds.

The following criteria shall be applied with regards to System Performance Requirements:

7.2 System Availability

System Availability shall be calculated as follows:

System Availability = (Total Monthly Time – Unscheduled Downtime) ÷ Total Monthly Time

7.3 Response Time Monitoring

Contractor shall implement and maintain a method to monitor Response Time. In the event County reports any Response Time Deficiency in any month, Contractor shall measure the Response Time for three (3) periods of Response Time measurement during these two (2) periods: Business Hours and Off-Business Hours. Response Time measurement shall be calculated using a simple average method for each of the two (2) periods of Response Time measurement . Contractor shall provide County a written report with respect to the month summarizing the results of Contractor Response Time monitoring.

7.4 Scheduled Downtime

Unless agreed to otherwise in advance by County and the Contractor shall provide all Maintenance Services, including the installation of Revisions, during Scheduled Downtime.

For this Exhibit, Scheduled Downtime shall occur between the hours of 8:00 p.m. Pacific Time on Fridays until 2:00 a.m. Pacific Time on Saturdays. Contractor may change the Scheduled Downtime window by notifying County at least three (3) days prior to modifying the Scheduled Downtime, subject to approval by County's Project Manager. Any Downtime outside of the above window of time without such prior notice and County's Project Manager's approval shall be considered "Unscheduled Downtime" which may entitle County to remedies as specified in Sub-section 7.5 (Remedies). Notwithstanding the foregoing, Contractor may request System Downtime for the provision of an emergency correction to the System. Such Downtime shall be deemed Scheduled Downtime, provided it has been approved by the County's Project Manager.

7.5 REMEDIES

7.5.1 General

Credits shall accrue for Unscheduled Downtime in accordance with the Service Credits outlined in Section 7.5.2 below, including Contractor failure to meet the System Availability requirements and/or Response Time requirements (hereinafter "Service Credit(s)"). For purposes of assessing Service Credits, "Unscheduled Downtime" shall mean the total amount of time during any calendar month, measured in minutes, during which the System has a Deficiency that is unresolved by Contractor, excluding Scheduled Downtime.

7.5.2 Service Credits

Without limiting any other rights and remedies available to County, either according to this Contract, by law or in equity, County shall be entitled to Service Credits calculated based on the length of Unscheduled Downtime as provided below.

LENGTH OF CONTINUOUS UNSCHEDULED DOWNTIME	SERVICE CREDITS
3.5 hours or more but less than 5 hours	30% of monthly owed Fees
5.1 hours or more but less than 10 hours	50% of monthly owed Fees
10.1 hours or more but less than 24 hours	60% of monthly owed Fees
24 hours or more	100% of monthly owed Fees

1. Service Credits for Unscheduled Downtime:

2. Continued Management and Operation Services. Contractor shall provide all goods, services and other work necessary to maintain the System to ensure performance per the requirements of this Contract. As part of Maintenance Services, Contractor shall (a) correct any and all errors, including compatibility issues among System components themselves and/or among System

components (b) provide updates and version releases to the System, (c) provide operational support for the System, and (d) provide training, training materials and other implementation support for Software updates and version releases. Contractor shall provide County with written notice no later than ninety (90) days before the scheduled implementation of any updates that will impact existing functionality and business processes.

- 3. Continued Customization and Enhancement Services. Contractor shall provide continued provision of County requested customizations and enhancements to the System because of changes in County/program requirements. Contractor shall provide County with written notice no later than thirty (30) days before the scheduled implementation of any customizations and enhancements.
- 4. Problem Resolution
 - A. Identification of Errors

Errors, as detailed in Table 1.0 below (Severity Level Error Definitions), may be identified either as a result of Contractor use of its own tools or as discovered by County or Contractor. Upon discovery of an Error by County, County will report the Error to Contractor Help Desk or otherwise during Support Hours via telephone or as otherwise directed in writing by Contractor for resolution in accordance with Contract. If an Error of Severity Level 1 or 2 is identified by Contractor shall notify County at first available opportunity during County's business day.

The Severity Level of an Error will be assigned by the County as specified in Table 1.0 below (Severity Level Error Definitions) below (each a "Severity Level"). Based on Contractor proposed solution to correct the Error and/or workaround(s) for the Error, County may, in its sole discretion, escalate or downgrade the Severity Level of the Error as provided for below.

B. Error Level Definitions

County shall assign one of the Severity Levels described below to each Error. Contractor shall resolve such Errors within the timeframes as follows:

Table 1.0	
Description of Error	Resolution Time Requirement (subject to escalation by COUNTY)
Widespread System unavailability; or Error disrupts functionality to the extent the System cannot be used.	SEVERITY LEVEL 1: CRITICAL Two (2) hour, beginning when County reports the Error to Contractor or upon discovery of Error by Contractor, whichever occurs first.
A problem that severely degrades the performance of the System or materially restricts business; or restricts the use of one or more features of the System to perform necessary business functions but does not completely restrict usage of the System; or ability to use the System, but an important function is not available and operations are severely impacted.	County reports the Error to Contractor or upon discovery of Error by
A problem that causes only a minor impact on the use of the System (e.g., report generation issues, issues with any non-Production Environment), but the problem can be easily circumvented; or the problem can cause some functional restrictions, but does not have a critical or severe impact on operations.	Seven (7) calendar days beginning when County reports Error to Contractor or upon discovery of Error
Cosmetic defects that do not affect the functionality, but affect the general look and feel of the System.	SEVERITY LEVEL 4: COSMETIC Earlier of (a) the next Version Release or (b) within twelve (12) months of when County reports Error to Contractor or upon discovery of Error by Contractor, whichever occurs first.

C. Resolution of Errors

Contractor shall either resolve or escalate an Error reported by County in accordance with the time frames set forth above.

D. Escalation

The County or Contractor may escalate an Error's Severity Level as necessary for resolution. The Contractor shall assist County with all

aspects of Maintenance Services and Error resolution and escalation, as required by County. The County may engage the support of Contractor at any time and for any aspects of the System. If any Error is not resolved within the applicable resolution time set forth above, in addition to other remedies available to County set forth in the Contract, County shall have the right to escalate the problem to the next more severe Severity Level.

E. Resolution

Contractor shall resolve each Error reported hereunder in accordance with the applicable resolution time specified herein. The time for resolving each Error shall start tolling when County notifies Contractor of such Error by telephone or otherwise, or upon discovery of Error by Contractor, whichever occurs first, and shall end when Contractor submits resolution of such Error to County for approval thereof, provided such resolution is thereafter so approved by County without prior rejection by County or significant delay in County's approval thereof.

Contractor acknowledges that, as part of corrective measures to resolve an Error, Contractor may be required to repair, replace or reinstall all or any part of the System, or provide other material or update the System, in order to remedy such Error.

Contractor shall assign a Contractor technical support team member to diagnose and determine the course of action to resolve Errors. Contractor shall maintain ongoing communication with County regarding the status of correction of all Error reported or discovered. In addition, County may contact Contractor personnel to inquire about the status of resolution of any Error. For each day that the Error is not resolved within the Time Resolution Requirements, County shall assess a Five Thousand Dollar (\$5,000) credit per day until the Error is successfully resolved.

Deliverable Contractor shall provide the Maintenance Services as outlined in this Section to the satisfaction of the County.

7.6 Service Organization Control (SOC) 2 Type 2 Report

On an annual basis, the Contractor shall provide to County the Service Organization Control (SOC) 2 Type 2 Report by an objective third party, stating the application/environment has been tested for security, availability, processing integrity, confidentiality, and privacy of a system, on an annual basis no later than 30 days after they are received by the vendor. The report shall include the documented corrective action plan which addresses each audit finding or exception and identify in detail the remedial action to be taken along with the date(s) when each remedial action is to be implemented.

8.0 OPTIONAL WORK

If requested in writing by County and mutually agreed upon, Contractor shall provide to County Optional Work, provided there are sufficient funds available for such Optional Work. Optional Work may include software modifications, consisting of New Software and/or Professional Services (e.g., Consulting Services). Any enhancements or modifications of the Specifications, resulting from Optional Work shall be incorporated into, and become part of, the specifications. Any product of Optional Work shall become part of the System, as applicable, and shall be subject to County written approval in accordance with the terms of the Contract.

Upon County's request, Contractor shall submit to County for approval a not-to-exceed Maximum Fixed Price and a proposed scope of services for Optional Work. County and Contractor shall agree on the scope of services for provision of such Optional Work, including, as applicable, testing, warranty, etc.

In the event the County requests additional training after the System has been fully implemented, such training shall be provided at the rates identified in Exhibit B (Pricing Schedule).

Proposer Name:

LCPtracker, Inc.

1.0 System Functional Requirements

1.1	General Processing				
	Functional Requirement Response Form Matrix	Res	Response Code		
		Available	Customization	Not Available	Comments (Mandatory)
1.1.1	The System shall be user-friendly, including in presentation, navigation, and other ease of use features.	x			LCPtracker has a user-friendly interface which includes dashboard-style pages with numerous filters and sorting capabilities. The system also contains pre- filled fields and copying functions for contractors employee/payroll entry screens.
1.1.2	The System shall provide access to both current and historical software data.	x			LCPtracker includes many pages and reports that contain the ability to access data on 'closed projects'. The system also provides for historical employee addresses.
1.1.3	The System shall provide rules based on data entry to prevent duplication and inconsistencies in the data.	x			For both the Administrator and Contractor side of the software, the system has various mechanisms in place to prevent duplicates and inconsistencies in checking the data entered by users. On the Administrator side, the system can check for and disallow duplicate entries, such as creating duplicate projects, work orders or contractor accounts. On the Contractor side, the system also will not allow duplicate data to be entered, such as creating duplicate employee profiles, certifying payrolls for the same week-end date on the same project or setting up lower-tier Subcontractors. There are also payroll-level validations in place that check mathematical correctness against several data points, to help catch inconsistencies or user error on manual entry.
1.1.4	The System shall provide field-level and cross-field validation upon completion of data entry by user and immediately display appropriate corrective instructions for the related field.	x			LCPtracker main validation engine, regarding the entry and completion of certified payroll by Contractors, is made up of 80 or so validation settings that can be controlled by County Administrators. These validations monitor a variety of things from: missing field data to prevailing wage checks and balances. If there are errors flagged by the systems' validations, users can be immediately notified in a detailed manner. Aside from certified payroll entry, the system also has data completeness checks for important, required fields and will flag users if information has been left off.
1.1.5	The System shall provide screen-level validation and display a summary list of corrective instructions for each field with erroneous data for the entire screen.	x			LCPtracker will give instructions of corrective actions needed for specific data elements that have not met validation checks that have been set by either the system or by the Administrator.

		1	1	1	
1.1.6	The System shall perform batch processing updates without affecting the performance of the System.	х			LCPtracker meets this need.
1.1.7	The System shall allow real-time access to all records.	Х			All records available in real time.
1.1.8	The System shall support online real-time processes.	Х			As a cloud-based solution, LCPtracker supports real- time processes.
1.1.9	The System shall provide the ability for County- specified users to send broadcast messages to all users or groups of users.	х			LCPtracker can broadcast
1.1.10	The System shall provide the ability to send email notifications and/or notes to users and other designated recipients based on business rules.	х			LCPtracker's Admin Notices allows Administrators to send emails to Contractors using pre-made and editable templates. Communications via Admin Notices are recorded in the system for a full audit trail.
1.1.11	The System shall have search capabilities across multiple displays, reports, contract, and project types.	x			Search capabilities exist throughout many screens and reports in the system. Search criteria include, but are not limted to: project, department, contractor, date, status, etc.
1.2	Display				
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.2.1	The System shall provide an efficient pathway to view detailed data from summary screens.	x			This is standard with the LCPtracker solution. For example, on the Certifications tab, there are links to submitted CPRs, and a Details link, which takes the user to a page that displays employee, prevailing wage, and status information.
	and responsibilities of the County-specified user and Construction Contractor user.	х			The system includes role-based system access with multiple user roles and varying system rights.
1.2.3	The System shall be viewable in formats compatible to PC, tablet and/or mobile phone.	х			Preferred method is desktop, but can be accessed by any approved browser.
1.3	Navigation				
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.3.1	The System, upon logon by a County-specified user, shall direct the user to a "home page" specific to the User Identification (ID), which includes the following features:				See answers in 1.3.1a and 1.3.1b
a	Links to the System broadcasts and announcements, including counts of read and unread broadcasts and announcements;	x			Upon logging into LCPtracker, the first page a User sees is the "home page" that notates who the Agency or Contractor is, and what projects they have or are assigned to. Our system has the availability to setup a personalized "banner" for Users to see.

b	Links to "reminders" or "ticklers" for work that is pending on the User's caseload, including counts of "reminders" or "ticklers";	х			There is a count of "Admin Notices" listed on the "landing page" of Administrator users. Admins can review notices in depth under the Admin tab.
	The System, upon logon by a Construction Contractor user, shall direct the user to a "home page" specific to the User Identification (ID), which includes the following features:				See answers in 1.3.2a and 1.3.2b
а	Links to available Contracts			x	Contractors do not have access to contracts on their "home page." However, Contractors can see a list of projects which they are assigned to.
b	Links to available Projects	х			Upon login, a contractor will be presented with a dashboard highlighting a list of projects they have been assigned to.
1.3.3	The System shall visually identify mandatory fields on each screen, as appropriate.	Х			Manadatory fields are highlighted throughout the system with red asteriks or other field coloration.
1.3.4	The System shall provide County-specified users and Construction Contractor users with a way to view a listing of screens that have been designated as required screens.			x	We don't have required screens however based on user assignments, we can limit the screens seen by specific roles.
1.4	General and System Administration				
	Functional Requirement Response Form Matrix	Res	ponse (Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.4.1	Ability for site administrators or end-users, via an online sign-up process, to create a contractor profile.	Х			LCPtracker currently allows site administrators, which would be designated LA County staff, to create Contractor profiles, or accounts, online. This profile can then be assigned to an endless number of projects to allow submittal of CPRs.
1.4.2	The System shall provide user audit trail capabilities	х			If requested, LCPtracker can add audit trail reports fo Department settings change tracking, Employee change tracking and Project change tracking.
1 4 2				x	As updates are published that may require changes, LCPtracker prioritizes these updates to help assist clients for compliance with all updated Federal, State, and local laws.
	Role-based access control, including the ability to allow limited access to records as defined by system administrators.	х			LCPtracker currently supports role-based access with varying rights to records as defined by the system admin.
	Ability to accommodate multiple Departments within the County. Each Department will have delegated authority to manage their respective users and projects.	х			The ability to define departments within the system is standard. Projects, contractors and users can be assigned to departments. Rules for checking payrolls and reports may be Department-dependent.
	Ability for authorized users to browse and search by all	х			While LCPtracker currently has the capability to filter information on most pages, Development is continually making UI enhancements that will introduce filtering on all pages.

					Several fields such as Project, Contractor,
					Department, Date, Status, Ethnicity, Gender, Pre-
1.4.8		Х			defined Demographic Types/Classifications, etc. a
	Ability to utilize drop-down menus rather than inputting				available via drop-down menus.
	standard/default options manually.				
	Project Mangement				1
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.5.1	Ability for site administrators to create and manage Projects.	х			Users assigned with Full Administrator, Business Manager, or Limited Admin credentials can create projects. Full Administrators have full abilities to manage projects. Other credentials have tiered abilities for managing projects.
1.5.2	Ability to input and track the following information for Projects:				See 1.5.2a through 1.5.2u
а	Project Name	Х			LCPtracker has this field
	Project Code	Х			LCPtracker has this field
	County Department	Х			LCPtracker has this field listed as "Locations"
	Project Management Division			Х	LCPtracker doesn't have this field
е	Total Project Cost Estimate/Total Project Budget	Х			LCPtracker has this field as "Budget"
f	Construction Cost	х			LCPtracker has a field in the contractor assignment page for a contract amount for the construction we that contractor will be performing.
g	Bid Advertisement Date	Х			LCPtracker has this field
h	Project Location (house/business number, street name,	Х			LCPtracker has the following address fields: Addre
11	unit number, city, state, zip code)	^			1, Address 2, City, State, Zip Code
	Project Type (Construction/Design-Build/Low-Bid/JOC, CMAR, etc.). Administrator should be able to add/edit/delete Project Type.	Х			LCPtracker has this field. Full Administrators, Business Managers, and Limited Admin users car create different Project Types.
i	Requires Work Orders (Y/N)	Х			LCPtracker has this field
	Work Order #	X			LCPtracker has this field
	Project Status (Active/Closed/Suspended)	Х			LCPtracker has this field
m	Department of Industrial Relations (DIR) Project ID	Х			LCPtracker has this field
n	Project Start and Completion Dates	х			LCPtracker has these fields as "Estimated Start D and "Estimated Completion Date." Administrators also assign specified estimated start dates for individual contractors.
0	Contractor Contact Information (first name, last name, phone number, email, etc.)	Х			LCPtracker has these fields
р	Supervisorial District(s)	х			LCPtracker has this field listed a "Ward" under "Geographic Area Types"
q	Local and Targeted Worker Goal (Best Efforts, Mandatory, or No LTWHP Goal) and Percentage			х	LCPtracker has "City Residency Goal %" and Goa Assignments if Administrators choose to impleme Geo Assignments.
r	Certified Payroll Records	Х			Administrators can view certified payroll records in dedicated Certifcations tab.
	Comments/Notes	Х			LCPtracker has various comment/notes fields
t	Board Mandated Aspirational Participation Requirement and Percentage	х			Can track this as a demographic to reflect on repo Can track this as eDocument if certificates are involved.
u	First time Placement Participation and Percentage	Х		1	Can track as demographic. Percentage would be custom reporting.

1.0 Functional Requirements

1.5.3	Ability for site administrators to assign contractor	Y		Users assigned with Full Admin, Business Admin, or
	profile(s) to any project as either the prime contractor or subcontractor.	х		Limited Admin credentials can assign contractor
151	Employee profiles for each worker on the project that			profiles to any active project. See 1.5.4a through 1.5.4q
	include, but not limited to:			
	Employee Name	Х		LCPtracker has this field
	Hire Date	Х		LCPtracker has this field
С	Social Security Number	Х		LCPtracker has this field
	Craft			Administrators enter and assign crafts to projects.
d		Х		Contractors select the craft for their employees.
	Classification such as Section 3 employee, Targeted			These classifications would be considered
	Worker, Skilled and Trained, Veteran status, etc. Ability			"demographics" in LCPtracker. Administrators can
е	to select multiple classifications for one worker.	х		enter and assign demographic requirements to
-				projects and contractors or admins can select the
				appropriate demographic for thier employees.
	Journeyman/Apprentice			Administrators can enter apprentice
f		х		craft/classifications. Contractors can select the
				appropriate apprentice/journeyman craft/class for the employees.
g	Apprenticeship Program Graduate (Y/N)	х		Adminisrators can track this field as a demographic.
h	Total Hours Worked	Х		LCPtracker has this field
	Total Wages Paid, including fringe benefit section such	~		LCPtracker has this field
i	as Vacation/Holiday, Health & Welfare, Pension,	х		
	Training, and Other.	~		
	<u> </u>			OJT hours can be setup and tracked in the same
j	Hours of On-the-Job-Experience	х		fashion as apprentice hours in the system.
k	Attached Certificate of Graduation	х		Administrators can set up eDocuments for Certificates
				of Graducation
	Ethnicity	Х		LCPtracker has this field
	Gender	Х		LCPtracker has this field
n	Comments/Notes	Х		LCPtracker has various comment/notes fields
o	Residence/Home Address include previous address archived address, for reporting purposes.	х		LCPtracker has employee address fields and can track address history.
р	First-time Placement Designation, with link to First-time Placement Project	Х		Can track as demographic. Percentage would be custom reporting.
	Targeted Worker Classification for LA County			LCPtracker has this ability so long as Administrators
q	Residents	Х		provide and assign the correct Zip Lists to projects.
				However, Administrators can send contractors notice
	Ability for notifying site administrators of employee		X	and reject certified payroll report for employees that
1.5.5	profiles who have discrepant information among projects.		X	have discrepancies in their profiles.
	Ability for site administrators to identify Tier 1 Local			See 1.5.6a through 1.5.6c
1.5.6	Residents, Tier 2 Local Residents, and Los Angeles			
	County residents by:			
		T		LCPtracker has this ability so long as Administrators provide and assigning Zip Lists to projects.LCPtracker
-	Identifying and unleading Tigs 4 tip actes	х		has this ability so long as Administrators provide and
а	Identifying and uploading Tier 1 zip codes	^		assigning Zip Lists to projects.
				LCPtracker has this ability so long as Administrators
b	Identifying and uploading Tier 2 zip codes			provide and assigning Zip Lists to projects.
		[
			Î	I CPtracker has this ability on long on Administrators
с	Identifying and uploading LA County zip codes	х		LCPtracker has this ability so long as Administrators provide and assigning Zip Lists to projects.

1.5.7	Ability for site administrators to identify Targeted Workers and Skilled and Trained Workforce by selecting classifications as determined by site administrators. For Targeted Workers, besides selected Targeted classification, workers need to live within LA County zip code to be qualified as Targeted Workers.	х			LCPtracker has this ability so long as Administrators provide and assigning Zip Lists to projects. Administrators can also create Targeted Worker and Skilled and Trained Workforce demographics and assign deographic requirements to specific projects.
	Ability for contractors and site administrators to attach the following documents for each project:				See 1.5.8a through 1.5.6j
	Request for Proposal	х			LCPtracker has this ability under eDocument Types/Templates
b	County contract(s)	Х			LCPtracker has this ability under eDocument Types/Templates
С	Notice to Proceed	Х			LCPtracker has this ability under eDocument Types/Templates
С	Subcontractor List	Х			LCPtracker has this ability under eDocument Types/Templates
d	Craft Employee Request Form	Х			LCPtracker has this ability under eDocument Types/Templates
е	Letter of Commitment to comply with Skilled and Trained Workforce Requirements	Х			LCPtracker has this ability under eDocument Types/Templates
f	Monthly Skilled and Trained Workforce Compliance Report	Х			They can attach any doc type they want.
g	Skilled and Trained Workforce Plan	Х			LCPtracker has this ability under eDocument Types/Templates
h	DAS-140 Form	Х			LCPtracker has this ability under eDocument Types/Templates
i	Fringe Benefit Statement Form	Х			LCPtracker has this ability under eDocument Types/Templates
j	Other Document(s)	Х			LCPtracker has this ability under eDocument Types/Templates
	Ability for Administrator to add templates that are applicable to certain Departments and/or assigned projects within Department.	х			LCPtracker has this ability under eDocument Templates
	Ability for Administrator to set up certain documents as required and establish a setting in which contractors are not able to certify payrolls until certain documents are submitted by contractors.	x			LCPtracker has this ability
1.5.11	Ability for Administrator to view date submitted for all documents entered by contractors.	Х			LCPtracker has this ability
	documents entered by contractors.				
1.6	Contractor/subcontractor Management				
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
	Ability for site administrators to track the following information for all Contractors:				Full Admins, Business Managers, and Limited Admins can find most of the below fields under the Contractor Setup area. See below 1.6.1a through 1.6.1i.
	Company Name	Х			LCPtracker has this field
	Contractor Address/Location (house/business number, street name, unit number, city, state, zip code)	х			LCPtracker has these fields
С	Prime Contact Information (First name, Last name)	х			LCPtracker has this field

1.0 Functional Requirements

d	State qualification(s)	х			LCPtracker has various license fields, including "Contractor License" for state certifications.
е	Dollars Paid to Subcontractor	Х			VantagePoint has this field
	Type of Services Paid to Subcontractor	Х			VantagePoint has this field
	Certified LSBE/DVBE/SE status	X			LCPtracker has this field
	PWCR Number	X			LCPtracker has this field
	CSLB Number	X			LCPtracker has this field
		<u></u>			
1.7	Contractor and Subcontractor Submissions				
	Functional Requirement Response Form Matrix	Res	ponse (Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.7.1	Ability for Contractors and Subcontractors to securely submit electronic Certified Payroll Reports from contractors and subcontractors via a online form or file upload in PDF format.	x			Contractors can upload certified payroll reports via a XML template (provided by LCPtracker). They can also use a Direct Payroll Subscription to submit CPF in a PDF file, at the Contractor's cost.
1.7.2	Ability for Contractors and Subcontractors to securely import data files from existing financial/payroll systems.	х			LCPtracker has this ability
1.7.3	Ability for Contractors and Subcontractors to submit documents such as invoices, change orders, and other.	х			LCPtracker has this ability so long as Administrators set up the appropriate eDocuments.
1.7.4	System shall delete electronic Certified Payroll Reports after importing and verfication of data.			х	It is not recommended to delete CPRs however a notice can be resolved or deleted once reviewed (based on validation settings)
1.7.5	System shall only store last four(4) digits of Social Security Number.	Х			Contingent on how Administrator sets up requirements
1.7.6	Ability for Contractors and Subcontractors to certify and sign payroll submissions by requiring the Contractors and Subcontractors to reauthenticate before submitting their payroll documents.	х			This is the eSignature that is required for every CPF submission and eDocument upload.
1.7.7	Require Contractors and Subcontractors to certify and sign that any document uploaded or attached to the System does not contain full social security numbers or full bank account numbers, limiting them to the last 4 digits only. Before uploading, the System shall display the following message: "Warning: Ensure that documents do not contain full Social Security numbers or bank account numbers. Only the last four digits are permitted." This requirement and the associated System warning must also be included in all relevant training materials.	х			While LCPtracker doesn't have the "warning" that is specified at this time, we suggest that the County se an eDocument requirement from each Contractor where they would have to sign and upload an attestation to the system prior to submitting their firs CPR.

	Functional Requirement Response Form Matrix		ponse	Code			
		Available	Customization	Not Available	Comments (Mandatory)		
1.8.1	Capture and report invoices submitted to invoices paid ratios.			x	System tracks at the payment level, not at the invoic level. Primes report what they paid their subs each month. Reporting isnt based off of what the subs ha invoiced their primes each month. Users can enter invoice numbers in the notes section when reporting System set up this way because industry practice is ensure that subcontractors are paid promptly and th the credit is based on payments not invoiced amounts.		
1.8.2	Capture, validate compliance, and report various federal, state, and local diversity programs, including local small businesses, disabled veterans, minority owned business enterprises, etc.	х			Certification types are not linked/validated against c databases		
1.8.3	Validate submitted invoice amounts against the proper pay application amounts for a project or service received by the project manager			x	System doesn't track based on invoiced amounts. Validation/verification performed by subs when they receive email stating what prime reported was paid them.		
10	1.6 Local and Targeted Worker Hire Monitoring						
1.9	Functional Requirement Response Form Matrix	Res	ponse	Code			
		Available	Customization	Not Available	Comments (Mandatory)		
1.9.1	Capture, validate compliance, and report various federal, state, and local diversity programs, including local worker and/or local veterans, etc.	х			LCPtracker has this ability so long as Administrators set up the appropriate demographics and Zip Lists f each project.		
1.9.2	Store, maintain, and search/report Federal and State prevailing wage rates – including fringe benefits, workers' compensation classification codes, and trade classifications.	х			LCPtracker has this ability		
1.9.3	Timely Validate submitted payroll records against the proper wage determination for a project or service with the State of California Department of Industrial Relations (DIR) website.	х			LCPtracker has this ability		

1.10	Community Workforce Agreement (CWA) Monitoring Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.10.1	Ability for Administrator to exclude contractors from CWA Reporting and Percentages	х			Filters have been added to allow for exclusion of contractors from the report dataset.
1.10.2	Ability for Administrator to exclude contractor crafts from CWA Reporting and Percentages			Х	LCPtracker does not currently have this ability
1.10.3	Ability to pull the most current prevailing wage rate, as required by the CWA.			x	LCPtracker adds the current CA state prevailing rate for the CA DIR; any Federal wage rates must be requested, and then they are added. Neither the CA DIR nor SAM.gov have a integration to "pull" wage rates.
1 11	Reports				
1.11	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.11.1	All data reports, dashboards, exports, and web services shall not retrieve or display full social security number (SSN), only the last four (4) SSN when necessary.	х			This is setup in the Department settings for the CPR export format. Full SSN is not shown on standard reports by design.
1.11.2	Capture and report journeyman to apprentice ratios.	Х			LCPtracker has various reports that list journeyman to apprentice ratios.
1.11.3	Ability to run all reports either for one project or multiple projects at once.	Х			LCPtracker has this ability for various reports.
1.11.4		х			Administrators can capture and generate reports with this information so long as the appropriate demographics and Zip Lists are set for each project. Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Payroll Details with Demographics Report.
1.11.5	Capture and report number of first-time placed workers, number of first-time placed workers' hours, and number of first-time placed workers' percentages of total hours reported per project and/or contractor.	х			Administrators can capture and generate reports with this information so long as the appropriate demographics and Zip Lists are set for each project. Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Payroll Details with Demographics Report.
1.11.6	Capture and report number of female, veteran, and female and veteran workers, number of female and veteran workers hours, and number of female and veteran workers percentages of total hours reported per project and/or contractor.	х			Administrators can capture and generate reports with this information so long as the appropriate demographics and Zip Lists are set for each project. Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Payroll Details with Demographics Report.
1.11.7	Capture and report number of apprentice workers, number of apprentice workers hours, and number of apprentice workers percentages of total apprenticeable hours reported per project and/or contractor.	х			LCPtracker has various apprentice-focused reports.

	Capture and report number of local, targeted, and local and targeted apprentice workers, number of local and targeted apprentice workers hours, and number of local and targeted apprentice workers percentages of total hours completed by apprentices per project and/or contractor.	×		Administrators can capture and generate reports with this information so long as the appropriate demographics and Zip Lists are set for each project. Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Payroll Details with Demographics Report.
	Capture and report local and targeted workers wages, benefits, and combined wages and benefits totals per project and/or contractor	x		Administrators can capture and generate reports with this information so long as the appropriate demographics and Zip Lists are set for each project. Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Payroll Details with Demographics Report.
1.11.10	Automatic calculation for restitution.		х	LCPtracker does not have this functionality at this time. The Administrator or Contractor need to calculate.
	Comprehensive report/document system, including the ability to generate:			See 1.11.11a through 1.11.11d
	Certified payroll reports,	Х		LCPtracker has this ability
b	Invoice payment reports,		Х	We have payment reports, not invoice payment reports.
С	Minority and women business enterprise reports, and	x		Contractor List Report (Export) lists this data, but there are no reports with percentages.
d	Other specified semi-annual reports.	х		LCPtracker has a variety of compliance, management, and special reports which Administrators can use for semi-annual reports. In addition, Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Active Insights feature.
	Reports shall be viewable online in the browser and downloadable in to standard MS Office formats (Excel, Word), CSV, and Adobe PDF.	x		LCPtracker has this ability
1.11.13	Flexible reporting system that provides for both standard and custom ad-hoc reports delineated by County via hard copy and viewable online.	х		Admins can request a PBIX file to create their own custom reports, opt for an ETL process, or use the Active Insights feature.
1 11 14	Ability for users to specify "favorites" and frequently	х		LCPtracker has this ability under Reports Setup

1.12	Dashboards	-			
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.12.1	The system should provide a standardized dashboard with ability to create, customize, or edit visualizations (Refer to A.4 Custom Reports)				6 standard dashboards are available within Active Insights (AI) and the client can also be added to the additional functionality of AI to create their own reports and dashboards through Power BI functionality.
1.12.2	The system shall provide a dashboard with the ability to filter, highlight, and slice information determined by the system administrator (Refer to A.4 Custom Reports)	x			6 standard dashboards are available within Active Insights (AI) and the client can also be added to the additional functionality of AI to create their own reports and dashboards through Power BI functionality.
	Dreiset Menorement				
1 1 2	Project Management Project Completion				
1.13	Functional Requirement Response Form Matrix				
		Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.13.1	The System shall provide the ability to track the following information:				See 1.13.1a through 1.13.b
а	Construction End Date	х			LCPtracker has an "Estimated Completion Date" bo In addition, contractors can set specific end dates for contractors under the Contractor Assignment Tree View.
b	Work Order Acceptance Date			Х	LCPtracker does not currently have this functionality
1.13.2	The System shall calculate and display the percentage change in initial proposal amount and final amount.			х	This is not information that is currently not tracked.
1.13.3	The System shall provide the ability to cancel or close out a Project.	х			A project can be closed at anytime. Once closed, th contractor can no longer submit CPRs however the Admin can still run reports on a closed project.
4.4.	Demosting Comment				
1.14	Reporting - General Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.14.1	The System shall provide a list of standard reports specified by the County including, at a minimum:				See 1.14.1a through 1.14.1e
а	Project Summary Report, including project number, name, budget, prime contractor, estimated start and completion date.	х			These items are met with LCPtracker's Project Summary Report

b Active Projects Reports, including project number,	V		These items are met with LCPtracker's Project
name, budget, prime contractor, estimated start and completion date.	Х		Summary Report
c Completed Projects Report, including project number, name, budget, prime contractor, estimated start and completion date.	х		These items are met with LCPtracker's Project Summary Report
d Skilled and Trained Workforce Report	х		LCPtracker has a report that fits this need, however we are working with the CA DIR to produce a newer version.
e Business Utilization Report		х	Without more information about what this refers to, w are not sure that we have anything that meets this need
1.14.2 The System shall maintain the System data necessary to produce all County-required reports, including all County-specified standard reports and System data elements specified for ad hoc reports.	x		LCPtracker system maintains the data as required by Administrators and provided by Contractors. Ad hoc reporting is available via PBIX files and an ETL process.
1.14.3 The System shall support the accumulation of System data over time and allow reporting on a daily, weekly, monthly, quarterly, annual, and fiscal basis, and also allow for reporting within certain designated time periods.	x		LCPtracker system maintains the data as required by Administrators and provided by Contractors. Many reports are generated by date ranges.
1.14.4 The System shall maintain online descriptions and definitions of each report that are easily accessible by County-specified users.	х		Descriptions, previews, and parameters of each repo are found under the Reports Catalog
1.14.5 The System shall produce reports that include a clear identification of the report run date, "as of" date, period of System data date, and print date.	х		Many LCPtracker system reports contain report run dates and selected date periods.
1.14.6 The System shall include flexible report sorting capability.	х		Most LCPtracker reports are available for download as an Excel file, which allows for various sorting abilities.
1.14.7 The System shall support all reports required by federal, State, and local laws, rules, regulations, ordinances, guidelines, directives, policies and procedures, including statistical, operational, workload, and fiscal reports.	x		LCPtracker has a variety of Compliance, Management, Specialty and Workforce reports that generate information based on settings enabled by Administrators and data provided by Contractors. Administrators can create their own reports via PBIX files or an ETL process.
1.14.8 The System shall provide the ability to download reports to standard MS Office formats (Excel, Word), Text file format, Adobe PDF format, etc.	х		LCPtracker has this ability
1.14.9 The System shall produce several types of reports which support all levels of staff in managing their particular workloads, including management reports, State level reports, and ad hoc reports.	x		LCPtracker has a variety of reports that generate information based on settings enabled by Administrators and data provided by Contractors.Administrators can create their own reports via PBIX files or an ETL process.
1.14.10 The System shall include the ability to generate parameter-driven reports.	х		LCPtracker has this ability
1.14.11 The System shall, at the option of County-specified users, provide reports in electronic format (using County-specified version of the Microsoft Office Suite format) for further sorting and printing.	x		Reports can be downloaded in a variety of electronic formats, including Microsoft Word, Excel, PowerPoin and more.
1.14.12 The System shall provide report data in a format that allows County-specified users to easily sort report data on all possible criteria.	х		LCPtracker has this ability
1.14.13 The System shall maintain report security for all users, including which report can be viewed or printed by each user or user group.	х		Full Administrators can choose to limit access to specific reports based on users or admin role.
1.14.14 The System shall include the ability to produce standard and ad hoc reports for any time period back to the commencement date of Countywide implementation of the System.	x		Administrators can produce reports based on the dat collected in each LCPtracker account.

1.15	Ad Hoc Reporting				
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.15.1	The System shall include an ad hoc capability that will allow County-specified users to generate both preformatted and free form reports with relative ease.	х			Administrators can create ad hoc reports via Active Insights, PBIX files or an ETL process.
1.15.2	The System shall include ad hoc capabilities that are user-friendly but include the functionality necessary to produce the type of reports needed by County.	х			Administrators can create ad hoc reports via Active Insights, PBIX files or an ETL process.
1.15.3	The System shall include the ability to request and format selected System Data using parameter-driven ad hoc reporting capabilities.	х			Administrators can create ad hoc reports via Active Insights, PBIX files or an ETL process.
1.15.4	The System shall provide the ability to produce reports that are valued at a single point in time, multiple points in time, or display as the change between two points in time.	х			Various LCPtracker reports have beginning and ending date parameters.
1.15.5	The System shall provide the ability to define new calculated fields to be used by the ad hoc report.	x			Reports can be downloaded into Excel format where Administrators can further calculate fields. In additior Administrators can create their own reports with calculated fields via PBIX files or an ETL process.
1.15.6	The System shall provide the ability to report by calendar year, fiscal year and/or policy year.	Х			LCPtracker has this ability
1.15.7	The System shall provide the ability to drill down from reports.	Х			LCPtracker has this ability in a variety of reports.
1.15.8	The System shall provide the ability to graph/chart the results of a report without downloading the results to another program.	x			Via Active Insights, Administrators can see graphs/charts based on specific dashboards.
1.15.9	The System shall provide the ability to sort, filter, and group data in reports.			х	Once Administrators download reports in an Excel fil Admins can sort, filter, and group data as needed.
1.15.10	The System shall provide the ability to download ad hoc reports to standard MS Office formats (Excel, Word), Text file format, Adobe PDF format, etc.	×			Reports can be downloaded into Excel format where Administrators can further calculate fields. In addition Administrators can create their own reports with calculated fields via PBIX files or an ETL process.
1.16	Data Exports				
	Functional Requirement Response Form Matrix	Res	ponse	Code	
		Available	Customization	Not Available	Comments (Mandatory)
1.16.1	The System shall provide the ability to export all System data.	Х			Lcptracker meets this requirement
1.16.2	The System shall support online real-time data exports.	Х			Lcptracker meets this requirement
1.16.3	The System Software shall provide the ability to export data through web services (e.g., SOAP or REST Application Programming Interface (API)).			х	We do not have any SOAP/REST APIs available at this time.

1.16.4	The System shall provide data exports in a machine- readable format (e.g., XML, JSON, or CSV).	х	Lcptracker meets this requirement
1.16.5	The System shall include documentation that specifies the activities required to export data (e.g., authentication, all web service calls, data elements and associated values).	х	We offer the Automated Data Export flat file feature, for which documentation is provided for required authentication and data elements.
1.16.6	The System shall include documentation that describes all System data (e.g. data keys, data values, data definition, data properties, data samples, etc).	х	LCPtracker has a data dictionary that can be provided upon request.

	Proposer Name:		LCPtracker, Inc.			
2.4	Concret Soc Poquiromento		r			
2.1	General SaaS Requirements SaaS Requirement Response Form Matrix	Δ.Υ.Δ.ΙΙ	ABLE			
				Comments (Mandatory)		
		YES	ON N			
	The system shall be a fully managed solution hosted and supported by the	Х		LCPtracker meets this requirement		
2.1.1	Contractor (Vendor-Hosted).	Х		LCPtracker meets this requirement		
	The Contractor shall provide to PW the Service Organization Control (SOC) 2 Type 2 Report by an objective third party, stating the application/environment has been tested for security, availability, processing integrity, confidentiality, and privacy of a system, on an annual basis no later than 30 days after they are received by the vendor. The report shall include the documented corrective action plan which addresses each audit finding or exception and identify in detail the remedial action to be taken along with the date(s) when					
	each remedial action is to be implemented. The Contractor shall require annual cyber security awareness training for all	Х		LCPtracker meets this requirement		
2.1.3	personnel with access to IT resources (e.g., hardware, software, data).	V				
21/	The Contractor shall procure and maintain for the duration of the contract Cyber Liability Insurance, with limits not less than \$10,000,000 per occurrence	Х		LCPtracker meets this requirement		
2.1.4	The system shall retain personal information as long as necessary and ensure it is deleted when no longer needed.	Х		LCPtracker meets this requirement; howeve how long information is retained is up to the system Administrator like LA County		
2.1.6	The system shall provide program participants (system users) method for submission of a request to delete personal data	Х		LCPtracker meets this requirement; we have DSARS processes in place using a vendor b the name of Data Grail.		
2.1.7	The system shall allow program participants (system users) to "opt-out" of the collection and storing of personal information.		X	LCPtracker is not a B2C software; PII is sometimes required by the Administrator (lik LA County) in their database setup.		
2	Access SaaS Requirement Response Form Matrix	A\/AII	ABLE			
				Comments (Mandatory)		
2.2.1	The system shall provide Single Sign On (SSO) capability for County users using the County's Enterprise Identity & Access Management Directory (based upon Microsoft Azure Active Directory).	Х		Microsoft Entra (formerly Microsoft Azure Active Directory) is on LCPtracker's pre- approved Cloud IdP provider list; we will wor with LA County to provide this.		
2.2.2	The System shall provide the ability to define role-based access with different security groups.	Х		LCPtracker meets this requirement.		
	The System shall return generic errors messages to the client, to avoid disclosure of sensitive information (e.g., login failure, database error, application error).	Х		LCPtracker meets this requirement.		
	Access to County data shall be limited only to the Contractor or Service Provider's personnel to perform work necessary as defined in the scope of services. The Public Works Contract Manager shall be notified in writing of any third-party which the Contractor is required to share County data. The notification shall address what type of information/data is being shared and	x		LCPtracker meets this requirement.		

2.3	Data, Backup and Recovery			
	SaaS Requirement Response Form Matrix			
		YES	NO	Comments (Mandatory)
2.3.1	The Contractor shall provide all raw data to the County when requested or at the end of the project/contract in a format mutually agreed upon.	Х		LCPtracker can meet this requirement if requested.
2.3.2	The System shall provide the ability to automatically export all system data.	Х		LCPtracker can meet this requirement if requested; we use an advanced data export process that would be setup separately.
2.3.3	All system data center(s) and backup/replication locations shall reside in the Continental United States.	Х		LCPtracker meets this requitement.
2.3.4	The System shall perform backups with no adverse effect on performance.	х		LCPtracker meets this requitement.
2.3.5	At minimum, System data shall be backed up daily.	Х		LCPtracker meets this requitement.
2.3.6	The Contractor shall have a clear way to address how data and system security are protected from disruption and loss in the event of disaster, emergency, and security breaches. System shall be monitored to ensure the effectiveness of security controls. The Contractor shall promptly notify the County Project Manager and Departmental Security Officer within twenty-four (24) hours of when there is a suspected system breach.	Х		LCPtracker meets this requirement and has a disaster recorvry plan that is audited by a third party
2.3.7	The Contractor shall have the ability to restore data or portions of data within 8 hours after request is made.	Х		LCPtracker meets this requirement; Recovery Time Objective (RTO) is one (1) hours, Recovery Point Objective (RPO) is 24 hours .
2.3.8	The System shall ensure that all data from the past 6 months is backed up and accessible for retrieval purposes.	Х		LCPtracker meets this requirement.
2	2.4 Infrastructure and Hosting Environment			
	SaaS Requirement Response Form Matrix			
		YES	NO	Comments (Mandatory)
2.4.1	The System shall keep all components updated with current antivirus, operating system, and security patches. (e.g. endpoint, host, network, application).	х		LCPtracker meets this requirement.
2.4.2	The hosted environments shall implement security best practices and monitoring including: Host Intrusion Prevention (HIPS) and Detection (HIDS) system, Network Intrusion Prevention (NIPS) and Detection (NIDS) system, Web Application Firewall (WAF), Security Event and Information Management (SIEM), etc.	х		LCPtracker meets this requirement.
2.4.3	The hosted environment shall be comprised of software that has been fully tested, integrated and is accessible to County users.	х		LCPtracker meets this requirement.
2.4.4	The System shall be contained by a perimeter firewall to protect the network from external attacks.	Х		LCPtracker meets this requirement.
2.4.5	The System shall have physical access controls in place to ensure appropriate access to IT resources in the hosted environment.	х		LCPtracker meets this requirement.
2.4.6	The System shall have measures to prevent the upload of unauthorized files (e.g., executable files).	х		LCPtracker meets this requirement.
2.4.7	The System shall undergo periodic web application vulnerability testing/scanning (e.g., source code, run time).	х		LCPtracker meets this requirement.
2.4.8	The System shall have separate physical and logical environments (e.g., development, quality assurance, user acceptance testing, staging, production, training environments).	х		LCPtracker meets this requirement.
2.4.9	If the System requires significant integrations with County systems, the platform must use Microsoft Azure or Amazon AWS for hosting.	х		LCPtracker utilizes the Microsoft Azure platform.
2.4.10	Management access to Infrastructure and Hosting shall be secured by multi- factor authentication (MFA) and use Transport Layer Security (TLS) protocol	х		LCPtracker meets this requirement.

2.5	Performance and Availability			
	SaaS Requirement Response Form Matrix		LABLE	
		YES	NO	Comments (Mandatory)
2.5.1	The system environments shall operate on a 24x7x365 basis.	Х		LCPtracker meets this requirement.
2.5.2	System availability shall be 99.5%.	Х		LCPtracker meets this requirement.
2.5.3	The system shall have an average response time of two (2) seconds, as measured from the Hosted Environments.	х		LCPtracker meets this requirement.
2.6	Compatibility and Integration			
	SaaS Requirement Response Form Matrix	AVAI	LABLE	
		YES	ON	Comments (Mandatory)
2.6.1	The system shall provide a secure web-based user interface accessible from any web browser (e.g., Edge, Chrome, Firefox, Safari) or from any device and shall not require plug-ins or additional installed software (e.g., Adobe Flash).	х		LCPtracker meets this requirement.
2.6.2	The system shall provide a user interface that complies with recognized usability standards (e.g., the American Disabilities Act (http://www.ada.gov/), the Rehabilitation Act Section 508 (http://www.section508.gov/, etc.).	x		LCPtracker meets most of this requirement. We are in the process of re-platforming our applications into a unified software platform, we also realize we cannot wait for all these projects to be completed. To further support this we have established a Voluntary Product Accessibility Template (VPAT) to help provide for Section 508 compliance for established products like LCPtracker Professional. For products like Active Insights, User Portal, and Workforce Manager, we are building WCAG 2.0 compliance directly into product design, delivery, and quality assurance processes.
2.6.3	The System shall transmit data using secure protocols, such as sftp, ssh, https, TLS 1.2 or above, etc., or tunneled through an authenticated encrypted connection (e.g., VPN).	х		LCPtracker has implemented tools like Zscaler, CASB and has private access for all ingress/egress traffic.
2.6.4	All system data shall be available to the County via web services.	Х		LCPtracker is a web-based SaaS product.
2.6.5	All API integrations must utilize HTTPS with strong TLS (e.g., version 1.2 and above) configurations and incorporate unique, regularly rotated (e.g., two years or less) API keys for authentication.		х	As the current vendor for labor compliance for LA County, LCPtracker does not currently have any integrations.
2.6.6	The system sending emails on behalf of Public Works (e.g., xxxxx@pw.lacounty.gov or xxxxx@dpw.lacounty.gov) or any subdomain shall be DMARC (Domain-based Message Authentication, Reporting & Conformance) compliant. This will require configuring SPF and DKIM to authenticate legitimate email messages.	х		LCPtracker has a DMARC SPF and DKIM in place.
2.6.7	All application logging shall be integrated with Public Works' Microsoft Sentinel for real-time monitoring and analysis of system activity.	х		LCPtracker meets this requirement.
2.7	Additional Requirements		L	<u> </u>
	SaaS Requirement Response Form Matrix	AVAI	LABLE	
		YES	ON N	Comments (Mandatory)
2.7.1	The System shall include comprehensive audit trail for all actions (e.g., login, maintenance, activity) performed in the environment and system.	х		LCPtracker can meet this requirement when needed.

2.7.2	Provider's personnel to perform work necessary defined in the scope of			LCPtracker meets this requirement, as stated in 2.2.4.
2.1.2	services. County must be notified in writing of any third party which the Contractor is required to share County data.	Х		
	The Contractor or Service Provider shall wipe PW data from all storage media after contract termination using National Institute Standards and Technology (NIST) Special Publication (SP) 800-88 titled Guidelines for Media Sanitation.	х		LCPtracker can meet this requirement when needed.
2.7.3				
	The Contractor shall require criminal background checks for all personnel with access to IT resources (e.g., hardware, software, data).	х		LCPtracker meets this requirement.
2.7.4				
2.7.5	The System shall lock the user's account after five (5) successive failed attempts within a 30-minute period.	Х		LCPtracker meets this requirement.
2.7.6	The System shall not store sensitive data in cookies or URLs.	Х		LCPtracker meets this requirement.
2.7.7	The System shall use AES-256 encryption or stronger for all data in storage.	х		LCPtracker meets this requirement.
2.7.8	The System shall use AES-128 encryption or stronger for all data in transit.	х		LCPtracker meets this requirement.
2.7.9	The System's backup media shall be encrypted.	Х		LCPtracker meets this requirement.
2.7.10	All application logs shall not contain sensitive data.	X		LCPtracker meets this requirement.
2.7.11	All sensitive data shall be redacted or de-identified in reports, dashboards, exports, and web services (e.g., last four (4) SSN).	x		LCPtracker can meet this requirement; however, the Administrator such as LA County determines what information is requested from their Contractor users and shown in the system or on reports via validations, application and department settings.
2.7.12	The System shall automatically flag and delete all project data including attachments 5 years after project closure or when requested by the County.		х	LCPtracker does not currently have this specific functionality, but it is on our product roadmap. Currently we can delete projects or data when directly by a client to do so as different jurisdictions or clients have different time requirements.
	The System shall provide an option to export all flagged project data prior to automatic deletion for archiving purposes.		х	LCPtracker does not currently have this functionality, but it is on our product roadmap
2.7.13				
	The System shall notify the administrator of any projects flagged for expiration and deletion 30 days prior to the deletion date, as well as at the time of expiration. These email notifications should include project details and a reminder to export data if necessary for archiving purposes.		х	LCPtracker does not currently have this functionality, but it is on our product roadmap
2.7.14				
2.7.15	The System shall generate a report for administrators to review all upcoming project deletions. This report should include project details, deletion dates, and status of data exports, and it should be accessible at any time to help monitor and manage projects scheduled for deletion.		х	LCPtracker does not currently have this functionality, but it is on our product roadmap

CONTRACTOR DISCREPANCY REPORT

TO:		
FROM:		
DATES:	Prepared:	
	Returned by Contractor:	
	Action Completed:	
DISCREPA	NCY PROBLEMS:	
Signatu	ure of County Representative	Date
CONTRACT	OR RESPONSE (Cause and Corrective Action):	
Signatu	re of Contractor Representative	Date
	VALUATION OF CONTRACTOR RESPONSE:	
Signatu	re of Contractor Representative	Date
COUNTY A	CTIONS:	
CONTRACT	OR NOTIFIED OF ACTION:	
County Rep	resentative's Signature and Date	
Contractor F	Representative's Signature and Date	

EXHIBIT A.3 ACCEPTANCE CERTIFICATE

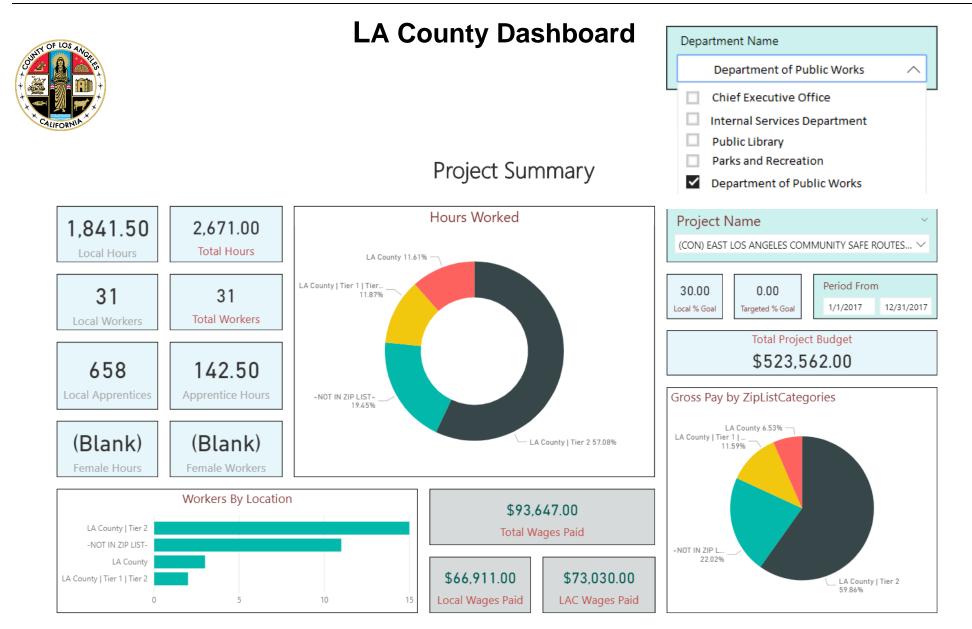
Consultant is submitting this Acceptance Certificate to the County Project Manager and the County Project Director for Approval in connection with the Deliverable described below. This Acceptance Certificate must be Approved by the County Project Manager and the County Project Director, as evidenced by the County Project Manager's and the County Project Director's signature below, before Contractor can invoice County for payment in connection with the Deliverable. Attached hereto is a copy of all supporting documentation required pursuant to the Agreement and Exhibit A (Scope of Services). Including any additional documentation reasonably requested by County.

TO BE COMPLETE	D BY CONTRACTOR
Deliverable Number (see Exhibit A):	Title of Deliverable:
Deliverable Description:	Agreement/Statement of Work Reference:
Deliverable Acceptance Criteria	
(include agreed upon requirements, formats ar	nd contents, related to Deliverable):
Signature:	
Submitted by:	
Phone Number:	
Email:	
Submission	
Date:	

COUNTY PROJECT DIRECTOR OR COUNTY PROJECT MANAGER SIGNOFF :									
County Project Director Approval:	County Project Manager Approval								
Signature:	Signature:								
Name:	Name:								
Title:	Title:								
Date:	Date:								

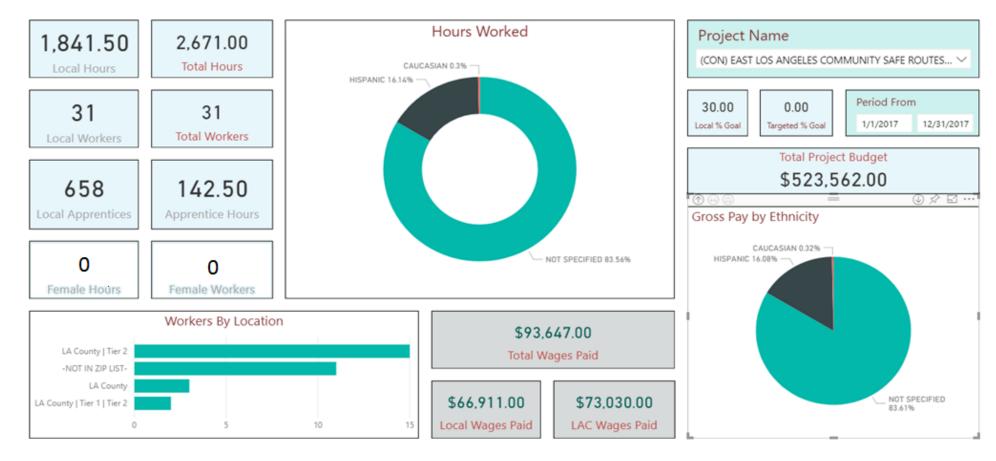
COUNTY APPROV	AL/ACCEPTANCE
County Project Manager Approval	County Project Director Approval
Signature:	Signature:
Name:	Name:
Date:	Date:
Comments:	Comments:

SAMPLE REPORTS



LA County Dashboard Continued

ZipListCategories Project Name		% of Project Total Hours	-	Number of Workers	% of Project Total Workers		Tier 1 Tier 2 % of Project Total Hours		Number Workers	Year (Multi V
(CON) Budlong Ave-Mancheste (CON) Florence-Firestone Com (CON) Los Angeles River Trash (CON) Sewer Rehabilitation Pro (CON) Slauson Avenue, et. al., T Design-Build - 3965 South Ver	1,103.50 8.00 164.00 517.00 162.19 708.50	23.38% 0.35% 7.23% 20.68% 3.96% 16.19%	\$49,577.00 \$271.00 \$5,437.00 \$19,498.00 \$6,172.00 \$24,236.00	11 1 4 2 6 7			0.35% 21.77% 19.47%	\$27,610.00		SD # SD 1 SD 2 SD 3 SD 4 SD 5
Total Total Hours by ZipListCategories LA County Tier 1 Tier 2 10.61%	4,756.69 -NOT I 39.05%	N ZIP LIST-		62 02.32 Hours	30	3,213.62),284.6 otal Hours		\$115,708.00 100.00 % of Project Tota	, %	8 Projects 54
LA County 15.71%				62 Workers	То	384 tal Worker	5	100.00% % of Project Total Workers		Apprentice
LA County Tier 2 _/ 34.63%				214.00 /ages Paid		96,230 I Wages Pa	.00 🗸	Total Project E	Ŭ	



Project Summary

Report Date:_____

Report Date: _____

Date Range: _____

SD: 1, 2, 3, 4, 5

Mandatory: Yes

Best Efforts: No

Community Workforce Agreement: No



Report Date:_____

Date Range: _____

SD: 1, 2, 3, 4, 5

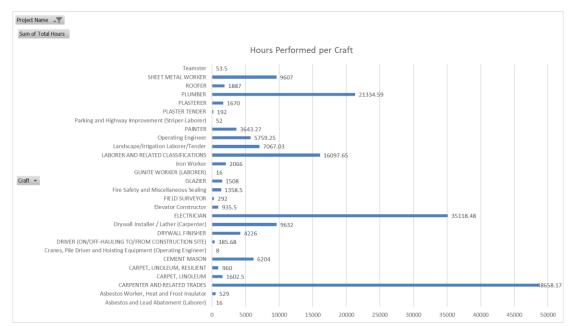
Projects Selected: Multiple

Mandatory: No

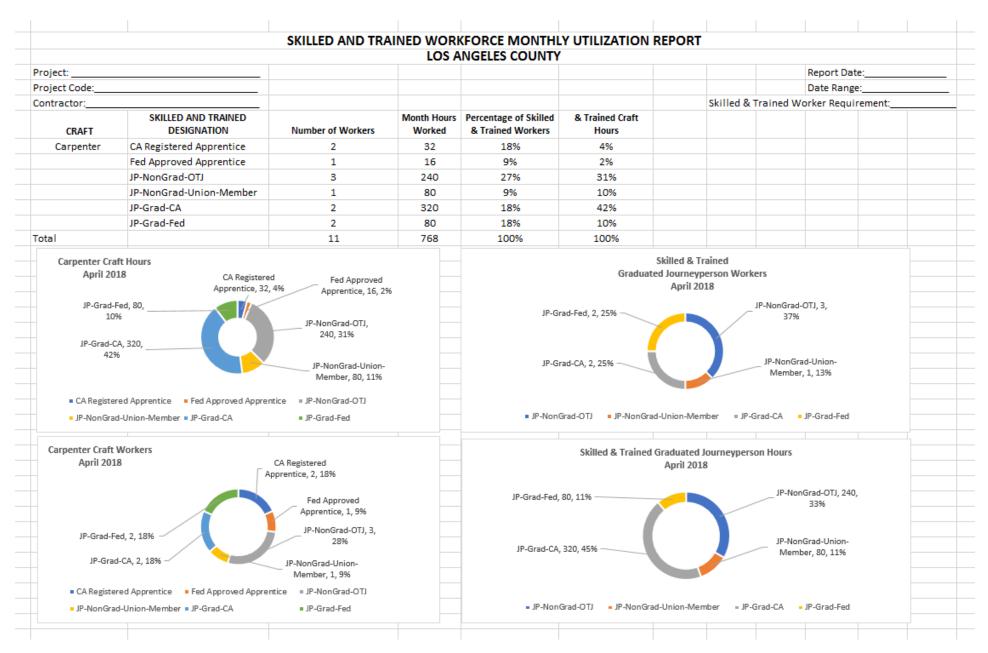
Best Efforts: Yes



Last Performing CPRs submitted per contractor by craft	
Project Name:	
Dates: 11/01/2023 through 03/01/2024	
Contractor	Last performing CPR submitted
Imperial Specialty Contracting, inc	
Sub to ACH Mechanical Contractors, Inc.	
Fire Safety and Miscellaneous Sealing	1/22/2024
Sub to Kemp Bros. Construction, Inc.	
Asbestos Worker, Heat and Frost Insulator	12/22/2023
Fire Safety and Miscellaneous Sealing	12/22/2023
Sub to BAKER ELECTRIC	
Fire Safety and Miscellaneous Sealing	
Jettsyn Iron	
Sub to Kemp Bros. Construction, Inc.	
Iron Worker	2/22/2024
JLM Installations, Inc	
Sub to Joe Picco & Associates dba EJ Enterprises	
CARPENTER AND RELATED TRADES	1/13/2024



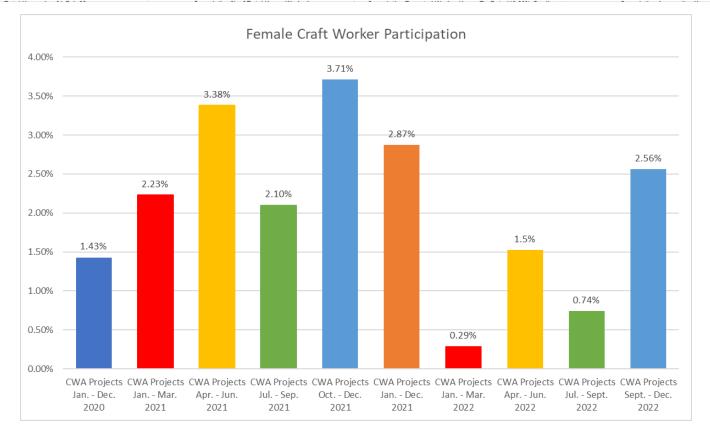
SKILLED AND TRAINED WORKFORCE MONTHLY UTILIZATION REPORT LOS ANGELES COUNTY Report Date: Project: Project Code: Date Range: Skilled and Trained Worker Requirement: Contractor: SKILLED AND TRAINED Number of Month Hours Percentage of Skilled Percentage of Skilled Skilled & Trained Grad / Non-CRAFT DESIGNATION Workers Worked & Trained Workers & Trained Craft Hours Grad Journeypersons 2 Carpenter CA Registered Apprentice 32 18% 4% Worker Craft Fed Approved Apprentice 1 2% 16 9% Count % Hour % 3 JP-NonGrad-OTJ 240 27% 31% 38% 33% JP-NonGrad-Union-Member 1 80 9% 10% 13% 11% 2 42% JP-Grad-CA 320 18% 25% 44% 2 JP-Grad-Fed 80 18% 10% 25% 11% 11 Total 768 100% 100% 100% 100% Skilled & Trained Grad / Non-SKILLED AND TRAINED Number of Month Hours Percentage of Skilled Percentage of Skilled CRAFT DESIGNATION Workers Worked & Trained Workers & Trained Craft Hours Grad Journeypersons 2 Laborer CA Registered Apprentice 80 14% 6% Worker Craft 1 7% Fed Approved Apprentice 40 3% Count % Hour % JP-NonGrad-OTJ 5 600 36% 42% 45% 45% JP-NonGrad-Union-Member 2 80 14% 6% 18% 6% 3 JP-Grad-CA 480 21% 33% 27% 36% 1 JP-Grad-Fed 160 7% 11% 9% 12% Totals 14 1440 100% 100% 100% 100%



Project Name	Project Type	Tier 1 & 2 Local Labor Hours	California Construction Labor Hours	Local Participation Percentage	Targeted Participation Percentage	Department/ Division	Local and Targeted Apprentice Hours	Total Apprentice Hours	Local and Targeted Apprentice Participation Percentage	Apprentice Participation Percentage
Sample Project 1	Mandatory	10,381	36,460	28.5%	23.3%	PMD II	2880	5000	57.6%	15.89%
Sample Project 2	Best Efforts	-	38	0.0%	0.0%	RMD	0	8	0.0%	26.67%
Sample Project 3	CWA	3,290	10,233	32.1%	17.2%	PMD III	550	1540	35.71%	17.72%

EMPLOYEE DEMOGRAPHICS

Area	Total Number of Workers Jan 01-Feb 29	% of Total Workers Jan 01-Feb 29	Total Hours Worked Jan 01-Feb 29	% of Total Hours Worked Jan 01-Feb 29	Cumulative Total Number of Workers	Cumulative % of Total Workers	Cumulative Total Hours Worked	Cumulative % of Total Hours Worked	Cumulative Wages w/ Benefits	Cumulative Wages w/o Benefits	Cumulative Number of Journeymen	Cumulative Journeyman Hours	Cumulative Journeyman Hours %	Cumulative Number of Apprentices	Cumulative Apprentice Hours	Cumulative Apprentice Hours %
Demographic Profile																
African American	4	116%	276.00	0.98%	4	1.16%	276.00	0.98%	\$20,762.23	\$ 15,857.30	4	276.00	0.98%	0	0.00	0.00%
Asian	0	0.00%	0.00	0.00%	0	0.00%	0.00	0.00%	\$0.00	\$0.00	0	0.00	0.00%	0	0.00	0.00%
Caucasian	68	19.65%	2,623.25	9.35%	68	19.65%	2,623.25	9.35%	\$202,514.04	\$133,467.41	54	2,270.75	8.09%	15	352.50	1.26%
Hispanic	169	48.84%	17,651.13	62.90%	169	48.84%	17,651.13	62.90%	\$ 1,219,225.06	\$769,035.74	140	13,675.13	48.73%	33	3,976.00	14.17%
Native American	0	0.00%	0.00	0.00%	0	0.00%	0.00	0.00%	\$0.00	\$0.00	0	0.00	0.00%	0	0.00	0.00%
Not Specified	96	27.75%	6,43150	22.92%	96	27.75%	6,431.50	22.92%	\$406,148.75	\$257,542.96	68	4,723.00	16.83%	32	1,708.50	6.09%
Other	9	2.60%	1,078.50	3.84%	9	2.60%	1,078.50	3.84%	\$69,363.19	\$44,377.28	5	868.50	3.10%	4	210.00	0.75%
Male	341	98.55%	27,844.38	99.23%	341	98.55%	27,844.38	99.23%	\$ 1,903,328.51	\$1,211,445.55	269	21,685.38	77.28%	81	6,159.00	21.95%
Female	5	1.45%	216.00	0.77%	5	1.45%	216.00	0.77%	\$ 14,684.75	\$8,835.14	2	128.00	0.46%	3	88.00	0.31%
Veteran	3	0.87%	434.00	1.55%	3	0.87%	434.00	155%	\$36,434.00	\$23,467.78	1	266.00	0.95%	2	168.00	0.60%
Total Employees					940		36 000 36		••••	• · · · · · · · · · · · · · · · · · · ·		04.040.00				





Local Hire Contractor Performance Report

Date Printed: Thursday, March 14, 2024 9:42 PM

1/1/2010 - 2/29/2024	
OLIVE VIEW-UCLA MEDICAL CENTER FIRE ALARM/NURSE CALI	L SYSTEMS PROJECT - PW15507
the PENTA Building Group	

Contractor	Sub To	Project	t Total	Lo	cal Resident - 3	0%	Tai	geted Worker -	10%	Аррг	Apprentices - 20%		Local & Targe	ted Apprent	ices - 50%
		Total Hours on Project	Total Wages + Benefits	Percentage	Hours	Wages + Benefits	Percentage	Hours	Wages + Benefits	Percentage	Hours	Wages + Benefits	Percentage	Hours	Wages + Benefits
ACCO ENGINEERED SYSTEMS, INC.	Sunbelt Electric Company Inc.	30	\$2,675	26.67%	8	\$663	0.00%	0	\$0	0.00%	C	\$0	0.00%	0	\$0
ADVANCED CABLE SOLUTIONS, INC.	the PENTA Building Group	28,535	\$1,702,865	55.37%	15,799	\$877,434	13.93%	3,975	\$254,416	27.91%	7,965	\$329,138	68.36%	5,445	\$207,176
	the PENTA Building Group	64,016	\$4,728,981	39.39%	25,218	\$1,679,257	10.38%	6,645	\$514,391	22.04%	14,110	\$789,596	80.89%	11,413	\$614,107
Avcom Systems, Inc DBA Callide Technical	the PENTA Building Group	23,596	\$1,342,797	61.94%	14,614	\$731,039	14.90%	3,517	\$229,472	40.62%	9,585	\$404,329	100.00%	9,585	\$404,329
Bonas Company	the PENTA Building Group	5,467	\$278,205	63.29%	3,460	\$168,943	5.62%	307	\$15,927	19.68%	1,076	\$40,583	100.00%	1,076	\$40,583
Bragg Crane Service	MEADOWS SHEET METAL AND AIR CONDITIONING	49	\$5,539	21.43%	11	\$1,153	0.00%	0	\$0	0.00%	c	\$0	0.00%	C	\$0
COSCO FIRE PROTECTION, INC.	the PENTA Building Group	430	\$30,100	40.47%	174	\$9,893	0.00%	0	\$0	44.65%	192	\$10,882	37.50%	72	\$2,825
	the PENTA Building Group	116	\$7,728	100.00%	116	\$7,728	0.00%	0	\$0	41.38%	48	\$2,878	100.00%	48	\$2,878
Gaul & Gaul dba Craftsman	MEADOWS SHEET METAL AND AIR CONDITIONING	121	\$9,271	44.63%	54	\$4,056	0.00%	0	\$0	10.74%	13	\$753	0.00%	Q	\$0
Gaul & Gaul dba Craftsman	Sunbelt Electric Company Inc.	247	\$19,195	44.94%	111	\$8,738	0.00%	0	\$0	11.94%	30	\$1,584	18.64%	6	\$274
GGG Demolition, Inc.	the PENTA Building Group	3,561	\$232,872	74.71%	2,660	\$172,384	30.16%	1,074	\$69,644	0.00%	C	\$0	0.00%	0	\$0
H.L. Moe Co., Inc.	the PENTA Building Group	329	\$27,739	19.48%	64	\$4,142	0.00%	0	\$0	19.48%	64	\$4,142	100.00%	64	\$4,142
the PENTA Building Group	PRIME	1,452	\$103,010	29.20%	424	\$27,796	2.75%	40	\$3,019	N/A	N/A	N/A	100.00%	384	\$24,777
	Project Total:	127,947	\$8,490,977	49.01%	62,712	\$3,693,227	12.16%	15,558	\$1,086,869	26.15%	33,082	\$1,583,884	83.94%	28,092	\$1,301,091

Excluded Contractor(s) for Apprentices - LETNER ROOFING CO., MEADOWS SHEET METAL AND AIR CONDITIONING, N/A, Precision Air Balance, PREMIER TILE AND MARBLE, SAFE SCAFFOLDING, SO-CAL INSULATION, INC., Sunbelt Electric Company Inc., the PENTA Building Group, WEST COAST FIRE STOPPING, XL Fire Protection Excluded Craft(s) for Apprentices - N/A

Project Name:			
Proof of Fringe Benefit Payments			
Contractor Name	Proof of Trust Fund Payments Letter Submission Date	Union/Craft	Payments for Month/Year
Avcom Systems, Inc DBA Callide Technical	10/28/2021	Southern California IBEW- NECA Administrative Corporation	Sept. 2021

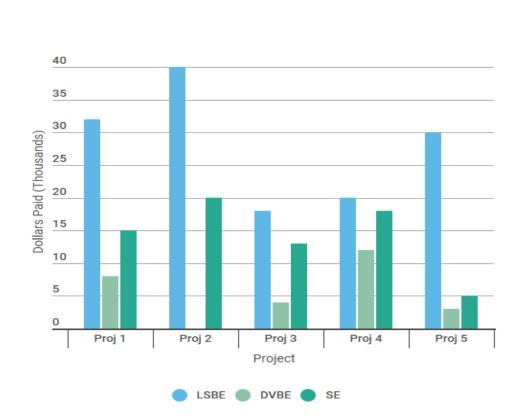
BUSINESS UTILIZATION REPORT

Report Date: _____

Date Range: _____

Projects Selected: Multiple

Subcontractors Selected: All



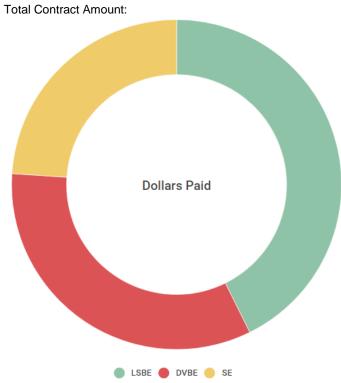


Exhibit B PRICING SCHEDULE

Local and Targeted Worker Hiring Program and Community Workforce Agreement and Related Services

1.0 ONE-TIME IMPLEMENTATION FEES

Services Detail	Cost
1.1 - Module 1: Labor Compliance (LTWHP)	
1.1.1 – Project Administration	0.00
1.1.2 – Requirements Verification	0.00
1.1.3 – Licensed Software (System Delivery)	0.00
1.1.4 – User Acceptance Testing	0.00
1.1.5 – Data Migration	0.00
1.1.6 – Training	0.00
1.1.7 – Implementation (Final Acceptance)	0.00
1.1.8 - Total Implementation Cost for Module 1	0.00
1.2.1 – Project Administration	0.00
1.2.2 – Requirements Verification	0.00
1.2.3 – Licensed Software (System Delivery)	0.00
1.2.4 – User Testing	0.00
1.2.5 – Data Migration	0.00
1.2.6 – Training	0.00
1.2.7 – Implementation (Final Acceptance)	0.00
1.2.8 - Total Implementation Cost for Module 2	0.00
1.3 - Total One-Time Implementation Fees	0.00

2.0 ANNUAL SUBSCRIPTION FEES*

Services Detail		Annual Cost**		
Module 1: Labo	Module 1: Labor Compliance (LTWHP)			
Tier 1	Up to 2 billion dollars in active construction contracts	\$82,083.47		
<i>Tier</i> 2***	2 to 4 billion dollars in active construction contracts	\$116,741.32		
Tier 3	4 to 6 billion dollars in active construction contracts	\$150,487.13		
Tier 4	6 to 8 billion dollars in active construction contracts	\$182,408.83		
Tier 5	8 to 10 billion dollars in active construction contracts	\$213,418.49		
Module 2: Business Utilization				
Tier 1	Up to 250 monitored contracts	\$0.00		
<i>Tier</i> 2***	Up to 500 monitored contracts	\$0.00		
Tier 3	Up to 1000 monitored contracts	\$0.00		
Tier 4	Up to 2000 monitored contracts	\$0.00		
Tier 5	Up to 3000 monitored contracts	\$0.00		
Total Annual S	ubscription Fees for Tier 2*** of Module 1 and			
Module 2	-	\$116,741.32		

Annual Subscription Fees Footnotes:

* Annual subscription rate to include all required work specified in the RFP and Contract, including but not limited to, (1) Unlimited administrative users; (2) Unlimited User access; (3) Phone and email technical support for administrative users; (4) Phone and email technical support for Users; (5) Web-based training for all Users; (6) Supplemental online video training; and (7) vendor hosting.

** This annual cost shall be applied across all contract years, including the renewal years if exercised by County. The Annual Subscription Fees will be initially invoiced following successful Final Acceptance of the System, and every one year thereafter from the date of Final Acceptance.

*** Tier 2 baseline shall be based on a total aggregate construction contracts totaling 2-4 billion dollars and for up to 500 monitored contracts.

3.0 ADDITIONAL TRAINING SESSIONS FEES

Upon System Final Acceptance the County may request future in person classroom trainings for Users of the System. Total Cost shall be Session Cost multiplied by Unit.

Services Detail	Session Cost*	Unit	Total Cost
3.1 Train-the-trainer training sessions (25 students, 4 hour class)	\$750	5	\$3,750.00
3.2 Comprehensive training for users (25 students, 3 hour class)	\$550	5	\$2,750.00
Total Additional Training Sessions Fees			\$6,500.00

Additional Training Session Fees Footnotes: *Session Cost shall be fully-loaded

4.0 POOL DOLLARS

Pool Dollars will be used to pay for Professional Services and/or Optional Work, when requested by the County. The rates for services will be paid based on the Firm Fixed Hourly Rate for Optional Work.

Services Detail	Total Cost
Pool Dollars	\$117,000.00

5.0 FEE SUMMARY

Services Detail	Total Cost
1.0 Total One-Time Implementation Fees	\$0.00
2.0 Total Annual Subscription Fees for Modules 1 and 2 – YEAR 1	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 2	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 3	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 4	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 5	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 6*	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 7*	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 8*	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 9*	\$116,741.32
Total Annual Subscription Fees for Modules 1 and 2 – YEAR 10*	\$116,741.32
3.0 Total Additional Training Sessions Fees	\$6,500.00
4.0 Pool Dollars	\$117,000.00
Total Maximum Contract Sum	\$1,290,913.20

* If exercised by the County.

6.0 FIRM FIXED HOURLY RATE FOR O	
Firm Fixed Hourly Rate for Optional Work	\$275.00/hour

EXHIBIT C INDEMNIFICATION AND INSURANCE PROVISIONS

I. INDEMNIFICATION

A. The Contractor shall 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.

II. INTELLECTUAL PROPERTY INDEMNIFICATION

- 1.1.1 Contractor shall indemnify, hold harmless, and defend County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, but not limited to, defense costs and legal, accounting, and other expert, consulting, or professional fees and attorney's fees, as such are incurred, for or by reason of any actual or alleged infringement of any third party's patent, copyright, or other Intellectual Property Right, or any actual or alleged unauthorized trade secret disclosure or misappropriation, arising from or related to the Solution, Third Party Products, Services, Background Intellectual Property, Work Product, and/or Deliverables (collectively, the "Indemnified Items") (collectively referred to for purposes of this Sub-paragraph as "Infringement Claim(s)"), provided that the Indemnified Item has not been altered, revised. or modified by County in a manner that causes the alleged infringement. Notwithstanding the foregoing, Contractor shall have no indemnity obligation for infringement claims arising from (A) the development of custom software code required by County and based on specifications provided by County when Contractor has advised County of potential infringement in writing; (B) use of the Indemnified Items in excess of the rights granted hereunder; or (C) County's failure to implement an update or enhancement to the Indemnified Items, provided Contractor provides the update or enhancement at no additional charge to County and provides County with written notice that implementing the update or enhancement would avoid the infringement. Any legal defense pursuant to Contractor's indemnification obligations under this Sub-paragraph shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the foregoing, County shall have the right to participate in any such defense at its sole cost and expense.
- 1.1.2 County shall notify Contractor, in writing, as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure. If any Indemnified Item hereunder becomes the subject of an Infringement Claim under Section II (Intellectual Property Indemnification), or in County's opinion is likely to become the subject of such a claim, then, in addition to defending the claim and paying any damages and attorneys' fees as

required in Section II (Intellectual Property Indemnification), Contractor shall, at its option and in its sole discretion and at no cost to County, as remedial measures, either: (i) procure the right, by license or otherwise, for County to continue to use the Indemnified Items or affected component(s) thereof, or part(s) thereof, pursuant to this Contract; or (ii) replace or modify the Indemnified Items or component(s) thereof with another software, service, item, or component(s) thereof of at least equivalent quality and performance capabilities, in County's determination, until it is determined by County that the Indemnified Items and all components thereof become noninfringing, non-misappropriating, and non-disclosing (hereinafter collectively for the purpose of this Sub-paragraph "Remedial Act(s)").

1.1.3 If Contractor fails to complete the Remedial Acts described in Sub-section 1.1.2 above within forty-five (45) days of notice of the claim (and such time has not been extended by County in writing) then, County shall have the right, at its sole option, to elect to (i) terminate this Contract with regard to the infringing Indemnified Items for default pursuant to the Termination for Default provision, in which case, in addition to other remedies available to County, Contractor shall reimburse County for all Implementation Fees paid by County to Contractor under the Contract, and/or (ii) take such remedial acts as it determines to be commercially reasonable to mitigate any impairment of its use of the infringing Indemnified Items or damages (hereafter collectively referred to as "County's Mitigation Acts"). Contractor shall indemnify and hold harmless County for all amounts paid and all direct and indirect costs associated with County's Mitigation Acts. Failure by Contractor to pay such amounts within ten (10) Business Days of invoice by County shall, in addition to, and cumulative of all other remedies, entitle County to immediately withhold all payments due to Contractor under this Contract up to the amount paid by County in connection with County's Mitigation Acts.

III. 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 shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in paragraphs II and III of this Attachment. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

- A. Evidence of Coverage and Notice to County
- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General

Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Contract.

- Renewal Certificates shall 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 Sub-Contractor insurance policies at any time.
- Certificates shall 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 shall match the name of the Contractor identified as the contracting party in this Contract. 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 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), shall be construed as a waiver of any of
 the Required Insurance provisions.

<u>Certificates and copies of any required endorsements shall be emailed to the Contract Administrator.</u>

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

B. 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) shall 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 shall 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 shall 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.

C. Cancellation of or Changes in Insurance

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County 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 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.

D. Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall 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.

E. Insurer Financial Ratings

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

F. Contractor's Insurance Shall Be Primary

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

G. 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 shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Sub-Contractor Insurance Coverage Requirements

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

I. Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall 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 shall be executed by a corporate surety licensed to transact business in the State of California.

J. Claims Made Coverage

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

K. Application of Excess Liability Coverage

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

L. Separation of Insureds

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

M. 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 shall be designated as an Additional Covered Party under any approved program.

N. 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.

IV. INSURANCE COVERAGE

A. 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

- B. 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 shall 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.
- C. Workers Compensation and Employers' Liability insurance or qualified selfinsurance 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 shall 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, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.
- D. 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 shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

E. Information Technology Insurance Requirements:

1. Technology Errors and Omissions

Insurance for liabilities arising from errors, omissions, or negligent failing renderina acts in or to render computer or information technology services and technology products. Coverage for violation of software copyright should be included. Technology services should at a minimum include (1) systems analysis; (2) systems programming; (3) data processing; (4) systems integration: (5) outsourcing including outsourcing development and design; (6) systems design, consulting, development and modification; (7) training services relating to computer software or hardware; (8) management, repair and maintenance of computer products, networks and systems; (9) marketing, selling, servicing, distributing, installing and maintaining hardware software: (10)computer or data entry, modification. verification. maintenance. storage. retrieval or preparation of data output, and any other services provided by the vendor with limits of not less than \$10 million. Please note that the limit is the minimum limit, and the County reserves the right to increase this limit based on its final assessment of the project during the contract negotiations.

2. Privacy/Network Security (Cyber Liability)

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

EXHIBIT D ADDITIONAL INFORMATION TECHNOLOGY (IT) PROVISIONS

1. DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Terms not defined where they first appear in the Contract shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

1.1 Acceptance

The County's written approval of any tasks, subtasks, Support Services, other Services, Deliverables, the System and milestones (if applicable).

1.2 County Data

All of the County information, data, records, and information of County to which Contractor has access, or is otherwise provided to Contractor under this Contract, during the use and/or provisioning of the System, and any data entered/stored/accessed during use of the System by users of the System. Such users include County's contractors, subcontractors and consultants.

1.3 Deliverable(s)

Whether singular or plural, shall mean software, items and/or services provided or to be provided by Contractor under this Contract identified as a deliverable, by designation, number, or context, in the Scope of Services, Exhibits, or any document associated with the foregoing, including all Deliverable(s) in Exhibit A (Scope of Services).

1.4 Documentation

All of Contractor's training course materials, the System specifications and technical manuals, and all other user instructions regarding the capabilities, operation, and use of the System, including, but not limited to, online help screens contained in the System, existing as of the Effective Date and any revisions, supplements, or updates thereto.

1.5 Error

With respect to the System, Support Services, Maintenance Services, other Services, or Deliverables, a failure of the System, Support Services, other

Services, or Deliverables to conform to its specifications, or with respect to the System, a failure that impairs the performance of the System when operated in accordance with the Contract.

1.6 Final Acceptance

The System shall achieve "Final Acceptance" when (a) the Contractor's Project Director provides County a signed Acceptance Certificate; and (b) County's Project Director provides Contractor with written approval, as evidenced by the County Project Director's countersignature on such Acceptance Certificate (A.4). The Acceptance Certificate shall not be issued by Contractor until all Errors discovered during the thirty (30) day period following the successful transitioning of the System to production use have been corrected.

1.7 Hosted Services

Services required from Contractor that includes Contractor supplying the hosted hardware, hosted network and hosted operating software for the System.

1.8 System

The Licensed Software, Subscription Services that include Support Services and Maintenance Services, all related services, equipment, hosting, and any other item required for the Contractor to deploy and provide the Local and Targeted Worker Hire Monitoring and Business Utilization Tracking System to County as a "software as a service," in accordance with this Contract.

1.9 Licensed Software or System Software

Individually each, and collectively all, of the computer programs provided by Contractor under this Contract (including Third-Party Products), including as to each such program, the processes and routines used in the processing of data, the object code, Interfaces to be provided hereunder by Contractor, and Revisions, and any and all programs otherwise provided by Contractor under this Contract. All Licensed Software and the components thereof shall be release versions, and shall not be test versions (e.g., alpha or beta test version), unless otherwise agreed to in writing by County.

1.10 Maintenance Services

The provision of maintenance and continued management and operation services for the System as part of Subscription Services, as required by Exhibit A (Scope of Services), which includes Hosted Services.

1.11 Optional Work

New Software and/or Professional Services, which may be provided by Contractor to County upon County's request and approval.

1.12 Production Use/Productive Use

The actual use of the System in the production environment to (a) process actual live data in County's day-to-day operations and (b) use of the System.

1.13 Professional Services

Services, including but not limited to, consulting services, additional training and/or customizations, which Contractor may provide upon County's request therefore in the form of Optional Work at the Firm Fixed Hourly Rate for Optional Work provided in Exhibit B.

1.14 Specifications

All specifications, requirements, and standards specified in Exhibit A (Scope of Services); all performance requirements and standards specified in this Contract, Documentation for the Licensed Software, to the extent not inconsistent with any of the foregoing; all specifications for the Licensed Software provided or made available by Contractor under this Contract, but only to the extent: (i) not inconsistent with any of the foregoing; and all written and/or electronic materials furnished or made available by or through Contractor regarding the System, including functionality, features, capacity, availability, response times, accuracy, or any other performance or other System criteria or any element of the System, but only to the extent not inconsistent with any of the foregoing.

1.15 Revisions

Changes to the Licensed Software, including but not limited to: (a) a bug fix, patch, or redistribution of the Licensed Software that corrects an error as well as addresses common functional and performance issues, including Error corrections; (b) an aggregation of fixes, updates, or significant new features, functionality or performance improvements; or (c) any modifications to the Licensed Software designed to improve its operation, usefulness, or completeness that is made generally available by Contractor to its other customers.

1.16 Services

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Collectively, all functions, responsibilities, tasks, Deliverables, goods, and other services: (a) identified in Exhibit A (Scope of Services), including Subscription Services that includes Hosting Services, Maintenance Services and Support Services; (b) identified in this Contract as being Contractor's responsibility; and (c) otherwise necessary to comply with the terms of this Contract. These services include any implementation services, maintenance services, support services, and training.

1.17 Subscription Services

Collectively includes use of the System, Hosting Services, Maintenance Services and Support Services as provided in Exhibit A (Scope of Services).

1.18 Support Services

As defined in Exhibit A (Scope of Services).

1.19 Third Party Product (If Applicable)

All software and content licensed, leased or otherwise obtained by Contractor from a third-party, and used with the System or used for the performance of the Services and which is expressly identified as Third Party Product in Exhibit X (Third Party Product).

1.20 Users

All County defined users of the System, which may include County employees, consultants, contractors, and subcontractors.

1.21 Work Product

All Deliverables and all concepts, inventions (whether or not protected under patent laws), works of authorship, information, new or useful art, combinations. discoveries. formulae. algorithms. specifications. manufacturing techniques, technical developments, systems, computer architecture, artwork, software, programming, applets, scripts, designs, procedures, processes, and methods of doing business, and any other media, materials, plans, reports, project plans, work plans, documentation, training materials, and other tangible objects produced by Contractor under this Contract. However, Work Product does not include (a) any intellectual property, including, without limitation, concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques, models, templates, the generalized features of the structure, sequence and organization of software, user interfaces and screen designs, utilities, routines, and tools, which may constitute or be contained in Work Product that was developed by Contractor prior to performance or independent of

this Contract ("Background Intellectual Property") or (b) the Licensed Software or any modifications thereto made by Contractor.

2. LICENSED SOFTWARE AND INTELLECTUAL PROPERTY.

- 2.1 License Grant
 - 2.1.1 Scope of License

Subject to the terms and conditions of this Contract, Contractor grants to County a fully-paid, worldwide, non-exclusive license to use the System and Documentation for County's business purposes and activities ("License") during the Contract Term, including any Revisions to the System and any new version releases and upgrades to the System. For the purposes of this License Grant, the term "use" as it applies to System means to access, execute, operate, archive and run unlimited copies of the System and by an unlimited number of Users for test, development, production, support, archival, emergency restart, and disaster recovery purposes. Without limitation of the above, County's business purposes and activities will include making the System available for use to County, and its contractors and consultants. This License shall cover the County, and its contractors and consultants, and there shall be no additional cost for licensing separately applied by Contractor to County's contractors, subcontractors and consultants.

2.1.2 Documentation

At no additional charge to County, Contractor shall provide or make available to County all Documentation relating to the System. If the Documentation for the System is revised or supplemented at any time, Contractor shall promptly provide or make available to County a copy of such revised or supplemental Documentation, at no additional cost to County. County may, at any time, reproduce copies of all Documentation and other materials provided or made available by Contractor, distribute such copies to County personnel or County designees and users of the System, and incorporate such copies into its own technical and user manuals, provided that such reproduction relates to County's and users' use of the System as permitted in this Contract, and all copyright and trademark notices, if any, are reproduced thereon. Contractor shall provide or make available to County all Documentation in electronic form.

- 2.2 Revisions
 - 2.2.1 Notice of Revisions

Contractor may from time to time make material revisions to the Licensed Software. In the event of such Revisions, (a) the Revision of the Licensed Software will include at least the functionality, level, or quality of services that County previously received and shall continue to comply with all of the requirements of this Contract, and (b) County shall be provided, at least sixty (60) days in advance of any such changes, written notice and a demonstration of such changes. If such advanced demonstration reveals material adverse effects on functionality or operation of the Licensed Software and/or the System, including, but not limited to, a failure to comply with the requirements of this Contract, or compatibility with County's technical, business or regulatory requirements, including, without limitation, hardware, software, or browser configurations, then County may in its sole discretion reject such changes, and remain on the current Revision of the Licensed Software and continue to receive support and maintenance services as required hereunder for the remainder of the term of the Contract.

2.2.2 Revisions During Term

During the term of this Contract, all Revisions (including Displaced/Renamed Products) shall be provided to County at no additional charge beyond the fees payable hereunder, regardless of whether Contractor charges other customers for such Revisions. During the term of this Contract, if (a) the Licensed Software is displaced in Contractor's product line by another product or (b) a renamed product containing substantially similar functionality to the Licensed Software is distributed by Contractor (even if the renamed product contains additional features, functionality, or other capabilities) (each a "Displaced/Renamed Product"), County shall receive such Displaced/Renamed Product as a Revision.

2.3 Work Product and Background Intellectual Property

2.3.1 Ownership of County Data

All County Data provided or made accessible to Contractor is and shall remain the property of County. Upon termination or expiration of the Contract for any reason, or upon County's written request at any time, the Contractor shall provide County, at no additional cost and no later than fifteen (15) calendar days after the termination, expiration or the County's request, any County Data or other proprietary data belonging to the County stored within the System. Such data will be provided to the County on an external media drive in a platform-agnostic format or in any specific format reasonably

requested by County. At the County's option, the Contractor shall destroy all originals and copies of all such data, and other related information or documents.

2.3.2 Ownership of Background Intellectual Property & Licensed Software

Contractor retains all right, title and interest in and to any such Background Intellectual Property and Licensed Software (including any modifications thereto made by Contractor). Any and all Background Intellectual Property which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County's Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "PROPRIETARY" or "CONFIDENTIAL."

2.4 Third Party Product (If Applicable)

The Contractor shall not use any Third Party Product in the System, except for those identified in Exhibit X (Third Party Product) without the prior written approval of the County to be granted or withheld in its sole discretion. In the event Contractor provides any Third Party Product to County in connection with this Contract, Contractor shall obtain, at Contractor's sole cost and expense, a fully paid-up, royalty-free, worldwide, perpetual, non-exclusive license for County and County's agents and assigns, to use the Third Party Product for County's business purposes and activities.

- 3. SERVICES.
 - 3.1 Services Generally

The Contractor will provide and implement the System as specified in this Contract. The Contractor will provide the Services, fulfill the obligations to County, produce and deliver the Deliverables, and retain the responsibilities set forth in this Contract, and more specifically, Exhibit A (Scope of Services). Contractor shall provide the Services without causing a material disruption of County's operations. If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

3.2 Training

As part of the Services, Contractor shall provide the training to County and its personnel set forth in Exhibit A (Scope of Services) at no additional

charge to County. In addition, County may participate, at no additional charge, in any training seminars that may be held, at Contractor's discretion, for the benefit of all customers and/or licensees.

3.3 Support Services and Maintenance Services

Contractor shall provide the Support Services and Maintenance Services described in Exhibit A (Scope of Services) as part of Subscription Services. The Support Services and Maintenance Services shall commence on the Final Acceptance of the System. There shall be no additional charge to County for on-site Support Services or Maintenance Services to remedy a breach of this agreement, to correct a failure of the System to conform to the Specifications, or to fulfill Contractor's obligations.

4. ACCEPTANCE

4.1 Acceptance Criteria

The System, Services, Deliverables, and milestones (if applicable) may be subject to acceptance testing consisting of a review session for a time period determined by the County, in its sole discretion, to verify that they satisfy the acceptance criteria mutually agreed to by the parties and this Paragraph (Acceptance) (the "Acceptance Criteria"). Such Acceptance Criteria shall be based, at a minimum, on conformance of the System, Services, and Deliverables, to the Specifications. In the event the parties fail to agree upon Acceptance Criteria, the acceptability of the System, Services, Deliverables, and milestones, and the System as a whole, shall be based solely on County's reasonable satisfaction therewith.

4.2 Acceptance Tests

When Contractor notifies County that the System has been implemented as required in Exhibit A (Scope of Services) or that a Service, Deliverable, or milestone (if applicable) has been completed, County may, in its sole discretion, elect to test or evaluate the related System, Services, Deliverables, and/or milestones to determine whether they comply in all material respects with the Acceptance Criteria and the System, as a whole, is operating in accordance with the Specifications. Testing may be performed at various stages of the Implementation Services as set forth in Exhibit A (Scope of Services), or otherwise deemed appropriate by County.

For each test, Contractor shall provide County testing scenarios consistent with Contractor's best practices for the applicable System, Service, Deliverable, and/or milestone.

4.3 Production Use

The System shall be ready for Production Use when the County Project Director, or his/her designee, approves in writing the System.

- 4.4 Final Acceptance
 - 4.4.1 Conduct Performance Verification

Following successful transitioning of the System to Production Use, County will monitor for Errors and Contractor shall maintain the System in Production Use for a minimum of thirty (30) consecutive days. Upon occurrence of an Error, Contractor shall provide County with a diagnosis of the Error and proposed solution(s), and Contractor shall correct such Error by re-performance pursuant to, and subject to, the provisions of this Contract. County and Contractor shall agree upon each such proposed solutions to be used to correct an Error(s) prior to its implementation.

Commencing with Final Acceptance, any problems encountered by County in the use of the System shall be subject to the applicable terms under the Contract as more fully described in Exhibit A (Scope of Services).

4.4.2 Final Acceptance

The System shall achieve "Final Acceptance" when (a) the Contractor's Project Director provides County written confirmation that the System has been successfully delivered; and (b) County's Project Director provides Contractor with written approval. The request for Final Acceptance shall not be used by Contractor until all Errors discovered during the thirty (30) day period following the successful transitioning of the System to Production Use have been corrected.

- 4.5 Failed Testing
 - 4.5.1 If the County's Project Director makes a good faith determination at any time that the System (as a whole, or any component thereof), Services, Deliverables, and/or milestones has not successfully completed an Acceptance Test or has not achieved Final Acceptance (collectively referred to for purposes of this Sub-paragraph (Failed Testing) as "Designated Test"), the County's Project Director shall promptly notify Contractor in writing of such failure, specifying with as much detail as possible the manner in which the System, Services, Deliverables, and/or milestones failed to pass the applicable Designated Test. Contractor shall immediately commence all reasonable efforts to complete, as

quickly as possible, such necessary corrections, repairs, and modifications to the System, Services, Deliverables, milestones, and/or System as will permit the System, Services, Deliverables, milestones, and/or System to be ready for retesting. Contractor shall notify the County's Project Director in writing when such corrections, repairs, and modifications have been completed, and the applicable Designated Test shall begin again. Such procedure shall continue until such time as County notifies Contractor in writing either: (i) of the successful completion of such Designated Test.

5. INTENTIONALLY OMMITTED

6. DISABLING DEVICE

Contractor represents and warrants that Contractor shall not intentionally cause any unplanned interruption of the operations of, or accessibility to the System or any component through any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", or "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of County Data or of causing any unplanned interruption of the operations of, or accessibility of the System or any component to County or any user or which could alter, destroy, or inhibit the use of the System or any component, or the data contained therein (collectively, "Disabling Device(s)"), which could block access to or prevent the use of the System or any component by County or users. Contractor represents, warrants, and agrees that it has not purposely placed, nor is it aware of, any Disabling Device in any System component provided to County under this Contract, nor shall Contractor knowingly permit any subsequently delivered or provided System component to contain any Disabling Device. In addition, Contractor shall prevent viruses from being incorporated or introduced into the System or Revisions thereto prior to the installation onto the System and shall prevent any viruses from being incorporated or introduced in the process of Contractor's performance of on-line support.

7. NON-INFRINGEMENT

To the best of Contractor's knowledge, the System, Services and the Deliverables shall not contain defamatory or indecent matter, and County's permitted use of the System, Services, including Implementation Services, Support Services, and Deliverables will not infringe the intellectual property rights of any third party.

8. PENDING LITIGATION

There is no pending or threatened litigation that would have a material adverse impact on its performance under the Contract. In addition, Contractor also represents and warrants that based on pending actions, claims, disputes, or other

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information, Contractor has no knowledge of a failure of the System to perform in accordance with the requirements of this Contract.

9. ASSIGNMENT OF WARRANTIES

To the extent permissible under the applicable third party Agreements, Contractor hereby assigns and agrees to deliver to County all representations and warranties received by Contractor from its third party licensors and suppliers, including hardware vendors.

10. OTHER WARRANTIES

During the term of this Contract, Contractor shall not subordinate this Contract or any of its rights hereunder to any third party without the prior written consent of County, and without providing in such subordination instrument for non-disturbance of County's use of the System (or any part thereof) in accordance with this Contract. This Contract and the System licensed or acquired herein, are neither subject to any liens, encumbrances, or pledges nor subordinate to any right or claim of any third party, including Contractor's creditors. County is entitled to use the System without interruption. As of the date furnished, no statement contained in writing in the response to the request for proposals for the System contains any untrue statements about the prior experience or corporate description of Contractor, or omits any fact necessary to make such statement not misleading.

11. MAINTENANCE SERVICES

During the term of this Contract, Contractor shall provide the Maintenance Services as part of Subscription Services and remedy Errors within the Resolution Time Requirements as described in Exhibit A (Scope of Services), in exchange for County's payment of the applicable fees set forth on Exhibit B (Pricing Schedule) in accordance with this Contract. There shall be no additional charge to County for on-site support services beyond the applicable Maintenance Services fees set forth in Exhibit B (Pricing Schedule) to remedy a breach of this Contract, to correct a failure of the System to conform to the Specifications, or to fulfill Contractor's obligations pursuant to this Contract.

12. SYSTEM PERFORMANCE REQUIREMENTS

Contractor represents and warrants that when operated in conformance with the terms of this Contract, the Licensed Software and/or Services (as applicable) shall achieve the System Performance Requirements set forth in Exhibit A (Scope of Services).

13. DATA DESTRUCTION

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

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

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

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

14. TERMINATION TRANSITION SERVICES

- 14.1 For ninety (90) days prior to the expiration date of this Contract, or upon notice of termination of this Contract ("**Transition Period**"), Contractor shall assist the County in extracting and/or transitioning all County Data in the format determined by the County. The Transition Period may be modified as agreed upon in writing by the parties in a Change Order.
- 14.2 Upon the expiration or termination of this Contract, County may require Contractor to provide services at no additional cost to assist County to transition System operations from Contractor to County or County's designated third party ("**Transition Services**"). Upon County's request for Transition Services, County and Contractor agree to negotiate in good faith the scope of work and the price for such Transition Services. Contractor agrees that in the event that County terminates the Contract for any breach by Contractor, Contractor shall perform Transition Services at no cost to County. Contractor shall provide County with all of the Transition Services as provided in this Section 14 (Termination Transition Services). The duty of Contractor to provide such Transition Services shall be conditioned on County continuing to comply with its obligations under the Contract, including payment of all applicable fees. Contractor shall have no right to

withhold or limit its performance or any of such Transition Services on the basis of any alleged breach of this Contract by County, other than a failure by County to timely pay the amounts due and payable hereunder. County shall have the right to seek specific performance of this Section 14 (Termination Transition Services) in any court of competent jurisdiction and Contractor hereby waives any defense that damages are an adequate remedy. Compliance with this Section 14 (Termination Transition Services) by either party shall not constitute a waiver or estoppel with regard to any rights or remedies available to the parties.

EXHIBIT E INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

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

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

1. DEFINITIONS

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

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

destruction of information; interference with Information Technology operations; or significant violation of County policy.

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

assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.

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

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

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

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

The Contractor's Information Security Program shall:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
- Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- Protect against accidental loss or destruction of, or damage to, County Information; and

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

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

The Contractor's Privacy Program shall include:

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

3. PROPERTY RIGHTS TO COUNTY INFORMATION

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

4. CONTRACTOR'S USE OF COUNTY INFORMATION

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

5. SHARING COUNTY INFORMATION AND DATA

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

6. CONFIDENTIALITY

- a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".
- b. Disclosure of County Information. The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor shall notify the County's contract administrator immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.

- c. Disclosure Restrictions of Non-Public Information. While performing work under the Contract, the Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals, sealed court records, and other materials described and/or identified as "Internal Use", "Confidential" or "Restricted" as defined in <u>Board of Supervisors Policy 6.104 – Information Classification Policy</u> as NPI. The Contractor shall not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.
- d. Individual Requests. The Contractor shall acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. The Contractor shall have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven (7) calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor shall notify the County within five (5) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding County Information, the Contractor shall notify the County as described in Section 14 SECURITY AND PRIVACY INCIDENTS, and the County will coordinate an appropriate response.
- e. **Retention of County Information.** The Contractor shall not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

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

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

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

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

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

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

8. SUBCONTRACTORS AND THIRD PARTIES

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

its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor shall be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

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

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

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

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

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

10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

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

a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor shall (i) promptly return or

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

b. Method of Destruction. The Contractor shall destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of this Contract, the County will return or destroy all Contractor's Information marked as confidential (excluding items licensed to the County hereunder, or that provided to the County by the Contractor hereunder), at the County's option.

11. PHYSICAL AND ENVIRONMENTAL SECURITY

All Contractor facilities that process County Information will be located in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference. All Contractor facilities that process County Information will be maintained with physical and environmental controls (temperature and humidity) that meet or exceed hardware manufacturer's specifications.

12. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor shall: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

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

13. ACCESS CONTROL

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

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

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

14. SECURITY AND PRIVACY INCIDENTS

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

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

County Chief Information Security Officer and Chief Privacy Officer email <u>CISO-CPO_Notify@lacounty.gov</u>

Chief Information Security Officer:

Jeff Aguilar Acting, Chief Information Security Officer 320 W Temple, 7th Floor Los Angeles, CA 90012 (213) 253-5659

Chief Privacy Officer:

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

Departmental Information Security Officer:

Paul Lam Departmental Information Security Officer 900 South Fremont Ave. Alhambra, CA 91803 (626) 458-5929 <u>pslam@dpw.lacounty.gov</u>

- b. Include the following Information in all notices:
 - i. The date and time of discovery of the Incident,
 - ii. The approximate date and time of the Incident,
 - iii. A description of the type of County Information involved in the reported Incident, and
 - iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
 - v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.
- c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor shall provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.

- d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.
- e. Assist and cooperate with forensic investigators, the County, law firms, and and/or law enforcement agencies at the direction of the County to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.
- f. Allow the County or its third-party designee at the County's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Information.

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

15. NON-EXCLUSIVE EQUITABLE REMEDY

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

16. AUDIT AND INSPECTION

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

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

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

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

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

17. PRIVACY AND SECURITY INDEMNIFICATION

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

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

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

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

	Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning- Owned Business Enterprise
1	LCPtracker, Inc.								
	GCAP Services, Inc.		х	х		x			

SELECTED FIRMS

NON-SELECTED FIRMS

Proposer Name (Prime with subcontractors* listed below) *only subcontractors with Utilization Participation are listed.	Local Small Business Enterprise (LSBE)	Small Business Enterprise (SBE)	Minority	Women-Owned	Disadvantaged Business	Disabled Veteran Business Enterprise	Social Enterprise	Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning- Owned Business Enterprise
None								

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

PROPOSERS' UTILIZATION PARTICIPATION AND COMMUNITY BUSINESS ENTERPRISE PROGRAM INFORMATION FOR LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

FIRM INFORMATION*	LCPtracker, Inc.			
BUSINESS STRUCTURE	Corporation			

CUI	TURAL/ETHNIC COMPOSITION		NUM	BER/% OF OWN	ERSHIP	
RS	Black/African American					
H۲.	Hispanic/Latino					
ART	Asian or Pacific Islander					
<u>d</u>	Native American					
IRS/	Subcontinent Asian					
VNEF	White	100%				
Ň	Female (included above)	11%				
				NUMBER		
Tota	al No. of Employees	157				

COUNTY CERTIFICATION				
CBE	N/A			
LSBE	N/A			
OTHER CERTIFYING AGENCY	N/A			

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



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• Solicitation Detail

Solicitation Number:	BRC0000491		
Title:	Local Targeted Worker Hir Agreement Monitoring Sys		
Department:	Public Works		
Bid Type:	Service	Bid Amount:	\$550,000.00
Commodity:	MAINTENANCE/SUPPOR	T - SOFTWARE	
Description:	Visit Public Works website https://dpw.lacounty.gov/co documents. Proposals rece The County of Los Angeles is inviting proposals from q for a Local and Targeted W Utilization Tracking System throughout the County of I A pre-proposal virtual conf project will be held on Mor Microsoft Teams. Those wh "Pre-Proposal Conference the website below to join. https://dpw.lacounty.gov/co	ontracts/opportuni ived after the dead Department of Pul ualified firms to pro orker Hire Monitor and related servic os Angeles. Ference to answer of day, August 26, 20 to wish to attend m Meeting (Live) on t	lline will not be accepted. blic Works (Public Works) ovide a web-based solution ring and Business ces for contracts questions concerning the 24, at 3:00 p.m., via bust click the link titled the project page located at ities.aspx

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Open Day:	8/8/2024	Close Date:	10/23/2024 5:30:00 PM
Contact Name:	Rori Rubio	Contact Phone:	(626) 458-2584
Contact Email:	rrubio@dpw.lacounty.gov		
Last Changed On:	10/16/2024 4:33:47 PM		
Attachment File (0) :	• Click here to down	lload attachment fi	les.



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CHIEF INFORMATION OFFICER

ANALYSIS

DRA

BOARD AGENDA DATE:

5/6/2025

SUBJECT: SUBJECT:

SERVICE CONTRACT PUBLIC CONTRACTING AND ASSET MANAGEMENT CORE SERVICE AREA AWARD OF CONTRACT WITH LCPTRACKER, INC. LOCAL AND TARGETED WORKER HIRING PROGRAM AND COMMUNITY WORKFORCE AGREEMENT MONITORING SYSTEM AND RELATED SERVICES

CIO

CONTRACT TYPE:

⊠ New Contract □

 \Box Sole Source \boxtimes Amendment to Contract #:

SUMMARY:

The Department of Public Works (DPW) is requesting delegated authority to execute a competitively solicited contract with LCPtracker, Inc. for a term of five years plus five 1-year extensions for implementing, conducting training, hosting and support of a cloud-hosted, Software-as-a-Service (SaaS) system to monitor the compliance of the Local and Targeted Hiring Program (LTWHP), and Community Workforce Agreement (CWA), and to extend the existing contract, (PW15386) so functionality remains available to the County while the replacement module is being implemented. DPW is further requesting authorization to extend the contract expiration date as necessary, utilize pool dollars, and if necessary, terminate for convenience.

In April 2020, the Board approved a software services contract to LCPtracker, Inc. to provide a Softwareas-a-Service (SaaS) system to track and monitor the utilization under the LTWHP, approved by the Board of Supervisors (Board) on June 11, 2019, and the business utilization goals for Local Small Business Enterprises (LSBE), Disabled Veteran Business Enterprises (DVBE), and Social Enterprises (SE) within Los Angeles County. The system is currently used by Public Works, Parks and Recreation and Internal Services Departments. On August 8, 2024, DPW released an RFP for LTWHP and CWA monitoring system and related services. During the solicitation, a data breach occurred with the existing system, leading DPW to revise the security requirements for a new RFP (only collect/show the last four digits of SSN and bank account numbers and added a data retention for PII records). On October 23, 2024, two proposals were received, however, one firm was disqualified. The new contract will review and update functional requirements of Module 1 of the existing system and develop a new Module 2. The amendment to the existing contract for up to 2 years for \$20,790 is for continued functionality of the current Module 2 until the new one can be developed, tested, and implemented.

The Contract scope of services includes requirements for project planning and management, system requirements, design and development, system configuration, data migration from existing Module 2 to the new Module 2, system testing, system training, and system maintenance and support services.

CONTRACT FOR LOCAL AND TARGETED WORKER HIRING PROGRAM

Contract Amount: \$1,290,913.20

FINANCIAL ANALYSIS:	
LCPtracker, Inc. Contract costs:	
One-Time Costs:	
Implementation Services\$	0
Subtotal One-Time Costs:\$	0
Ongoing Annual Costs:	
Year 1-10 Subscription Fees for Module 1 & 2 \$	116,741.32 ¹
Subtotal Ongoing Costs: \$	1,167,413.20
Optional Costs:	
Additional Training Session Fees\$	6,500 ²
Subtotal Optional Costs:\$	6,500
Total – Contract Sum\$	1,173,913.20
Contract Pool Dollars\$	117,000.00 ³
Total – Maximum Contract Sum\$	1,290,913.20
PW15386 Amendment Costs:	
Year 1 Extension for Module 2\$	10,395.00
Year 2 Extension for Module 2\$	10,395.00 ⁴

Notes:

¹ Annual subscription fees include 2-4 billion dollars in active construction contracts in Module 1 for Labor Compliance and up to 500 monitored contracts in Module 2 for Business Utilization. Annual fee also includes all required work in the RFP and Contract, including but not limited to unlimited administrative users, unlimited user access, phone and email technical support for admin users and users, web-based training for all users, supplemental online video training, and vendor hosting. ²Upon System Final Acceptance the County may request future in person classroom training for users of the system, including 5 Train-the-trainer sessions (25 students, 4-hour class) for \$750 each, for a total of \$3,750 and 5 Comprehensive training for users (25 students, 3-hour class) for \$550 each for a total of \$2,750.

³Pool dollars will be used to pay for Professional Services and/or Optional work @ \$275/hour. ⁴If exercised by the County. CONTRACT FOR LOCAL AND TARGETED WORKER HIRING PROGRAM

Risks:

- Project Management and Governance To ensure a successful project, the Office of the Chief Information Officer (OCIO) recommends a strong project governance and dedicated project manager to ensure adherence to schedule and budget, to manage scope changes, and to manage contractor performance. The project executive sponsor is DPW's Chief Information Officer, John Calas and the Project Manager will be Marika Medrano.
- 2. Lack of Contractor Performance A critical factor in the success of the project is management of Contractor performance. The Contract has provisions to ensure acceptable contractor performance and correction of deficiencies. These include termination or suspension for convenience, default, improper consideration, insolvency, and non-appropriation of funds; Performance Requirements for system availability and response time and include remedies for non-compliance (percentage of subscription fees), as well as the retention of contract funds if system effectiveness is not achieved in accordance with the system requirements.
- 3. Information Security Review The information technology security risk was analyzed by DPW's Information Security Officer and the Interim County Information Security Officer. Although security appears to be satisfactory, this is considered a medium security risk due to the large amount of PII records within the system, which is expected to increase over time. An appropriate data retention timeframe was included to minimize data from expanding excessively. It is recommended that a security assessment be performed periodically to ensure security controls suffice. Also, the proposed contract includes Technology Professional Liability Errors & Omissions Insurance starting at \$10 million and Cyber liability insurance with limits of at least \$10 million per occurrence, further reducing risk.
- 4. **Contract Risks** County Counsel participated in its negotiation and approved the Contract as to form.

PREPARED BY:

STEPHANIE TODD, DEPUTY CHIEF INFORMATION OFFICER

APPROVED:

PETER LOO, CHIEF INFORMATION OFFICER

Date

Date

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	□B	oard Memo	□ Other			
CLUSTER AGENDA	4/16/2025					
REVIEW DATE BOARD MEETING DATE	5/6/2025					
SUPERVISORIAL DISTRICT						
AFFECTED	All 1 st	2 nd 3 rd 4 th 5 th				
DEPARTMENT(S)	Treasurer and Tax Colle	ector (TTC)				
SUBJECT	Recommendation to awa (DACS) to BC Services,	ard a contract for Delinquent Account Co Inc. (BCS)	ollection Services			
PROGRAM	N/A					
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🛛 Yes 🗌 No					
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No					
	If Yes, please explain w	hy:				
SB 1439 SUPPLEMENTAL	🛛 Yes 🗌 No – N	Not Applicable				
DECLARATION FORM REVIEW COMPLETED BY	If unsure whether a i	natter is subject to the Levine Act	. email vour packet			
EXEC OFFICE	to EOLevineAct@bo	s.lacounty.gov to avoid delays in	· •			
	Board Letter.					
DEADLINES/	The recommended Cont	tract replaces the existing contract with l	JSCB, Inc. dba USCB			
TIME CONSTRAINTS	America for DACS, whic	h expired on 06/11/2024.				
COST & FUNDING	Total cost:	Funding source:				
	Commission Rate of 12.5% on gross	There will be no cost to the County as retained from collected amounts.	BCS commission is			
	collections					
	TERMS (if applicable):					
	Three years, plus three additional one-year and six month-to-month optional periods.					
	Explanation: N/A					
PURPOSE OF REQUEST	Request for approval to	award and execute a contract for DACS	to BCS.			
BACKGROUND		e collection agency for County departme				
(include internal/external issues that may exist		ervices. In compliance with the County's orts, County departments refer delingue				
including any related	TTC. The TTC, at its dis	cretion, may engage in direct collections	s or refer delinquent			
motions) EQUITY INDEX OR LENS	accounts to an Outside ☐ Yes	Collection Agency (Contractor) for collec	tion.			
WAS UTILIZED	If Yes, please explain ho	DW:				
SUPPORTS ONE OF THE	🗌 Yes 🛛 No					
NINE BOARD PRIORITIES	If Yes, please state whic	h one(s) and explain how:				
DEPARTMENTAL	Name, Title, Phone # &	Email:				
CONTACTS	 Lisa Proft, Chief Deput 	ty Treasurer and Tax Collector, (213) 97	4-0418,			
	Ilproft@ttc.lacounty.gov	istant Treasurer and Tax Collector, (213) 974-2077			
	dbarajas@ttc.lacounty.g		, , , , , ,			
		ations Chief, (213) 974-0070, nalcaraz@)ttc.lacounty.gov			



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

ELIZABETH BUENROSTRO GINSBERG TREASURER AND TAX COLLECTOR Kenneth Hahn Hall of Administration 500 West Temple Street, Room 437 Los Angeles, California 90012 Telephone: (213) 974-2101 Fax: (213) 626-1812 ttc.lacounty.gov and propertytax.lacounty.gov **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 6, 2025

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

Dear Supervisors:

TREASURER AND TAX COLLECTOR RECOMMENDATION TO AWARD A CONTRACT FOR DELINQUENT ACCOUNT COLLECTION SERVICES TO BC SERVICES, INC. (ALL DISTRICTS - 3 VOTES)

SUBJECT

The recommended action is to approve a Contract Award to BC Services, Inc. (BCS) for the provision of Delinquent Account Collection Services (DACS).

IT IS RECOMMENDED THAT THE BOARD:

- 1. Award and instruct the Chair of the Board of Supervisors (Board) to sign the attached Contract with BCS to provide DACS to the Department of Treasurer and Tax Collector (TTC) commencing upon Board approval, for a three-year term, with an option to extend the Contract for three one-year extensions and six month-to-month extensions, with a commission rate of 12.5% on gross collections.
- Delegate authority to the Treasurer and Tax Collector, or designee, to execute Change Notices or Amendments to the Contract to: (1) exercise the optional three one-year extensions and six month-to-month extensions; (2) add, delete, and/or revise certain terms and conditions as mandated by federal, state, or local law or regulation, or as required by the Board, and/or Chief Executive Office; (3) approve assignment or transfer of the Contract or of BCS' rights or obligations thereunder; (4) make changes to the Statement of Work as operationally necessary, with all actions subject to prior approval as to form by County Counsel; and (5) delegate

authority to the Treasurer and Tax Collector, or designee, to execute applicable Contract amendments in the event an entity acquires the original contracting entity, the original contracting entity merges, or otherwise undergoes a corporate action.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In accordance with <u>Los Angeles County Code 2.52.040</u>, the TTC has delegated authority to provide centralized collection services for delinquent accounts receivable to all County departments except for the Department of Health Services (DHS). The Director of DHS has the authority to collect delinquent accounts receivable arising from the provision of medical services.

The County Fiscal Manual requires departments to pursue primary collection efforts by attempting to contact the payee by mail or phone at least three times over a 45-day period. After a department has exhausted its collection efforts and the delinquent account remains unpaid, the County Fiscal Manual requires the department to refer the delinquent account to the TTC.

The TTC, upon receipt of delinquent account referrals, pursues collection efforts, which includes sending notices, contacting the debtor via telephone, and pursuing small claims, if applicable and warranted. If the delinquent accounts remain unpaid, the TTC may consider referring the delinquent accounts to the DACS Contractor for a final collection effort. The TTC will also utilize the DACS Contractor for bulk referrals of delinquent accounts that it receives on an intermittent basis.

Implementation of Strategic Plan Goals

The approval of this Contract is consistent with the County's Strategic Plan North Star 3 Realize Tomorrow's Government Today, Focus Area Goal G, Strategy ii – Manage and Maximize County Assets.

FISCAL IMPACT/FINANCING

There will be no cost to the County as BCS' commission is retained from collected amounts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

<u>California Government Code Section 26220</u> requires a four-fifths vote of the Board in order to assign delinquent County accounts to a collection agency and <u>California</u> <u>Government Code Section 31000</u> allows the Board to Contract for these special services.

The recommended Contract includes the Board's required provisions, including the requirement for the Contractor to notify and assist its employees with the Federal Earned Income Tax Credit application process; the consideration of qualified Greater Avenues for Independence (GAIN) Program/Skills and Training to Achieve Readiness for Tomorrow (START) Program participants for employment openings; compliance with the Jury Service Program; Safely Surrendered Baby Law; Zero Tolerance Human Trafficking; Contractor notification to the County when Contract is within six months from the expiration of the term of the Contract; and the Contractor's compliance with the Defaulted Property Tax Reduction Program. BCS is not required to perform services that exceed the commission rate, scope of work, or term of the Contract. The Contract expressly provides that the County has no obligation to pay for services by BCS beyond the commission rate. Additionally, the Contract includes performance standards, including liquidated damages for substandard and/or non-performance.

The most recent Contract for DACS expired on June 30, 2024. On January 17, 2024, the TTC notified USCB, Inc. dba USCB America (USCB) to cease providing DACS, for referrals they received on or prior to June 11, 2024. USCB did not perform DACS beyond June 11, 2024. The TTC has remained actively engaged in supporting the collection efforts by sending notices, making phone calls, and pursuing small claims, when warranted.

CONTRACTING PROCESS

On September 4, 2024, the TTC released a Request for Proposals (RFP) for the provision of DACS and posted the RFP on the County's "Doing Business with Us" website (Attachment A) under the following five Commodity Codes:

- 20810 Software-Microcomputer-Accounting/Financial-Bookkeeping-Bill
- 94610 Accounting and Billing Services (Including Payroll and Taxes)
- 94633 Collection Services
- 94636 Credit Investigation and Reporting Services
- 94648 Financial Advisor Services

These Commodity Codes consisted of approximately 1,819 registered vendors. The RFP was posted on the TTC's website and emailed it to an additional 22 vendors on the TTC's mailing list (Attachment B).

Subsequently, the TTC issued one RFP addendum which provided updated information related to references, Administration, and responses to questions received from the Proposers.

The proposal submission due date was October 9, 2024. Three proposals were received by the due date from BCS, Cedars Business Services, LLC, and Ray Klein Inc., dba Professional Credit Service (Professional Credit). All three proposals were missing certain information; consequently, the TTC issued a Supplemental Data Request for this information and all three Proposers complied by providing the requested information by December 12, 2024.

The required Pass/Fail and Proposal Checklist evaluations were completed resulting in the disqualification of Cedars Business Services. A Notice of Disqualification was issued to Cedars Business Services, but Cedars did not provide a response as instructed in the RFP.

An Evaluation Committee comprised of staff from the TTC's Tax Collections Branch, the TTC's Internal Controls Branch, and the County Superior Court, utilized the County's Informed Averaging scoring methodology to score the proposals. The proposal submitted by BCS was the highest ranked, had the lowest commission rate, was the most responsive and responsible proposal, and demonstrated BCS' understanding of the Contract's service requirements. BCS also has verifiable experience providing DACS.

On February 7, 2025, the TTC notified the non-awarded proposer, Professional Credit, of the debriefing process. Professional Credit requested a debriefing from the TTC. On February 20, 2025, the TTC debriefed Professional Credit and Professional Credit confirmed that no further action was required.

BCS accepted the County's terms and conditions in the Contract.

County Counsel has approved the recommended Contract as to form.

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

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

IMPACT ON CURRENT SERVICES

The recommended Contract with BCS for DACS will commence upon the Board's approval.

Respectfully submitted,

ELIZABETH BUENROSTRO GINSBERG Treasurer and Tax Collector

EBG:LP:DB:VN:MV:ad

Enclosures

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

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🖯 Open Solicitations / 📰 Detail Solicitation Detail Solicitation Number: TTC RFP 2024-02 DACS-A Title: DELINQUENT ACCOUNT COLLECTION SERVICES Treasurer and Tax Collector Departm Bid Type: Bid Amount: Service N/A Commodity SOFTWARE-MICROCOMPUTER-ACCOUNTING/FINANCIAL-BOOKEEPING-BILL Description: The County of Los Angeles (County) Department of Treasurer and Tax Collector (TTC) is issuing this Request for Proposals (RFP) for the provision of Delinquent Account Collection Services You may download the RFP from the Internet by accessing the County's website at https://camisvr.cola.ca.us/lacobids/ selecting "Open Solicitations," and then searching by the solicitation title of Delinquent Account Collection Services. You may also download the RFP by accessing the TTC's website https://tcl.accunty.gov/contract-opportunities/. Potential Proposers are responsible for downloading and reviewing the entire RFP. The RFP includes the service requirements, proposal content and format requirements, a description of the proposal selection process, and a sample contract. Potential Proposers that meet the minimum requirements identified in Paragraph 4.0, Minimum Mandatory Requirements, are invited to submit a proposal to provide the services described in Exhibit A, Statement of Work (SOW), of Appendix A, Contract. Potential Proposers should carefully review the RFP and ensure their proposal complies with all RFP requirements. Pursuant to Subparagraph 8.5.7. Exceptions to Terms and Conditions of Contract and/or Requirements of SOW and Attachments (Section F). Proposers must list all of their exceptions in their proposal submission. Proposers may not take exception to the Standard Terms and Conditions in their entirety and replace the County's Standard Terms and Conditions with the Proposer's. The TTC will consider such a proposal to be non respon The TTC will recommend approval of the contract to the most responsive and responsible Proposer. In general, the greater the number of exceptions to the terms and conditions the Proposer lists, and the more substantive the exceptions are, the less responsive the proposal will be deemed. Thus, a Proposer that is able to accept the Standard Terms and Conditions a is, without any exception, is more responsive to the RFP than a Proposer that takes a number of exceptions to the Standard Terms and Conditions. During the negotiations process, the TTC limits the exceptions that can be negotiated to the exceptions listed in the proposal itself. The TTC would compromise the integrity of the RFP process if it were to negotiate an exception that the Proposer did not list in its proposal. If the Proposer had listed the exception in the proposal, the Proposer's score would likely have been less than originally calculated, thereby having a potential impact to the ranking of all proposals. A virtual Mandatory Proposers' Conference (Conference), to answer questions regarding the written specifications of the RFP, will be held at 2:30 p.m. Pacific Time (PT) on Wednesday, September 18, 2024. Vendors that intend to submit proposals must attend this Conference or will be disqualified. To register to attend the Conference, please send an email to Maria Vadai, Contracts Section, at contracts@ttclacounty.gov no later than 5:00 p.m. PT on Monday, September 16, 2024. Proposals must be prepared in accordance with Paragraph 8.0, Business Proposal Requirements and Evaluation. Proposals are due no later than 5:00 p.m. PT on Wednesday, October 9, 2024, and must be emailed to: contracts@ttc.lacounty.gov. Proposals received after the scheduled deadline will not be accepted. 10/9/2024 5:00:00 PM Open Day: 9/4/2024 Close Date: Contact Phone: (213) 974-7360 Contact Name: Maria Vadai Contact Email: mvadai@ttc.lacounty.gov 9/4/2024 4:56:34 PM Last Changed On: Attachment File (2): Click here to download attachment files. File Name Description Туре Size Last Update On TTC_RFP_2024_02_DACS.pdf TTC RFP 2024-02 DACS-A .pdf 4723632 09-04-2024 DACS_Appdx_B_(Req'd_Forms_Exh_5_CBE).xlsx DACS Appendix B (Req'd Forms Exhibit 5_CBE) 30917 09-04-2024 .xlsx

Solicitation Detail

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Solicitation Detail									
Solicitation Number:	TTC RFP 2024-02 DACS-B								
Title:	DELINQUENT ACCOUNT COLLECTION SERVICES								
Department:	Treasurer and Tax Collector								
Bid Type:	Service	rvíce Bid Amount: N/A							
Commodity:	ACCOUNTING AND BILLING SERVICES (INCLUDING PAYROLL AND TAX.S								
Description:	The County of Los Angeles (County) Department of Treasurer and Tax Collector (TTC) is issuing this	Request for Proposals (RFP) for the provision of Delinquent Accou	nt Collection Se	rvices.					
		You may download the RFP from the Internet by accessing the County's website at https://camiovr.col.ac.aus/lacobids/, selecting "Open Solicitations," and then searching by the solicitation title of Delinquent Account Collection Services. You may also download the RFP by accessing the TTC's website https://ttc.lacounty.gov/contract-opportunities/. Potential Proposers are responsible for downloading and reviewing the entire RFP.							
		The RFP includes the service requirements, proposal content and format requirements, a description of the proposal selection process, and a sample contract. Potential Proposers that meet the minimum requirements identified in Paragraph 4.0. Minimum Mandatory Requirements, are invited to submit a proposal to provide the services described in Exhibit A. Statement of Work (SOW), of Appendix A, Contract. Potential Proposers should carefully review the RFP and ensure their proposal complies with all RFP requirements.							
		Pursuant to Subparagraph 8.5.7, Exceptions to Terms and Conditions of Contract and/or Requirements of SOW and Attachments (Section F), Proposers must list all of their exceptions in their proposal submission. Proposers may not take exception to the Standard Terms and Conditions with the Proposer's. The TTC will consider such a proposal to be non responsive.							
	The TTC will recommend approval of the contract to the most responsive and responsive and responsive In general, the greater the number of exceptions to the terms and conditions the Proposer lists, and the more substantive the exceptions are, the less responsive the proposal will be deemed. Thus, a Proposer that lists are number of exceptions in quantity or quality will be scored accordingly. This practice reflexts the fact that a Proposer that is table to annuber of exceptions to the Standard Terms and Conditions as is, without any exception, is more responsive to the RP thus a Proposer that is able to annuber of exceptions to the Standard Terms and Conditions.								
	During the negotiations process, the TTC limits the exceptions that can be negotiated to the exceptions listed in the proposal itself. The TTC would compromise the integrity of the RPP process if it were to negotiate an exception that the Proposer did not list in its proposal. If the Proposer had listed the exception in the proposal, the Proposer's score would likely have been less than originally calculated, thereby having a potential impact to the ranking of all proposals.								
	Conference or will be disqualified. To register to attend the Conference, please send an email to Mar								
	Proposals must be prepared in accordance with Paragraph 8.0, Business Proposal Requirements and the scheduled deadline will not be accepted.	Evaluation. Proposals are due no later than 5:00 p.m. PT on Wedn	esday, October	9, 2024, and must be en	mailed to: contracts@ttc.la	county.gov. Proposals received after Less			
Open Day:	9/4/2024	Close Date:	10/9/2024	5:00:00 PM					
Contact Name:	Maria Vadai	Contact Phone:	(213) 974-7	360					
Contact Email:	mvadai@ttc.lacounty.gov								
Last Changed On:	9/4/2024 5:01:44 PM								
Attachment File (2) :	Click here to download attachment files.	Click here to download attachment files.							
	File Name	Description	Туре	Size	Last Update On				
	TTC_RFP_2024_02_DACS.pdf	TTC RFP 2024-02 DACS-B	.pdf	4723632	09-04-2024	Download			
	DACS_Appdx_B_(Req'd_Forms_Exh_5_CBE).xlsx	DACS Appendix B (Req'd Forms Exhibit 5_CBE)	.xlsx	30917	09-04-2024	Download			

Solicitation Deta	

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Solicitation Detail											
Solicitation Number:	TTC RFP 2024-02 DACS-C										
Title:	DELINQUENT ACCOUNT COLLECTION SERVICES										
Department:	Treasurer and Tax Collector										
Bid Type:	Service	ervice Bid Amount: N/A									
Commodity:	COLLECTION SERVICES										
Description:	The County of Los Angeles (County) Department of Treasurer and Tax Collector (TTC) is issuing this Request for Proposals (RFP) for the provision of Delinquent Account Collection Services. You may download the RFP from the Internet by accessing the County's website at https://camiovr.cola.ca.us/lacobids/, selecting "Open Solicitations," and then searching by the solicitation title of Delinquent Account Collection Services. You may also download the RFP from the Internet by accessing the TTC's website https://ttc.lacounty.gou/contract-opportunities/. Potential Proposers are responsible for downloading and reviewing the entire RFP. The RFP includes the service requirements, proposal content and format requirements, a description of the proposal selection process, and a sample contract. Potential Proposers that meet the minimum requirements identified in Paragraph 4.0, Minimum Mandatory Requirements, active to submit a proposal to provide the services described in Exhibit A, Statement of Work (SOW), of Appendix A, Contract. Potential Proposers must their proposal submission. Proposers may not take exceptions to Terms and Conditions of Contract and/or Requirements. Section F), Proposers must list all of their exceptions in their proposal submission. Proposers may not take exceptions to the Standard Terms and Conditions in their entirety and replace the County's Standard Terms and Conditions of the proposal. The TTC will consider such a proposal to be non responsive.										
Open Day:	9/4/2024	Close Date:	10/9/2024	5:00:00 PM							
Contact Name:	Maria Vadai	Contact Phone:	(213) 974-7	7360							
Contact Email:	mvadai@ttclacounty.gov										
Last Changed On:	9/4/2024 5:04:29 PM										
Attachment File (2) :	Click here to download attachment files. File Name TTC_RFP_2024_02_DACS.pdf DACS_Appdx_B_(Regid_Forms_Exh_5_CBE).xlsx	Description Type Size Last Update On TTC RFP 2024-02 DACS-C .pdf 4723632 09-04-2024 DACS Appendix B (Regrid Forms Exhibit 5 CBE) xdsx. 30917 09-04-2024									

Los Angeles County Solicitations

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Solicitation Detail											
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Solicitation Number:	TTC RFP 2024-02 DACS-D										
Title:	ELINQUENT ACCOUNT COLLECTION SERVICES										
Department:	reasurer and Tax Collector										
Bid Type:	Service	vice Bid Amount: N/A									
Commodity:	CREDIT INVESTIGATION AND REPORTING SERVICES										
Description:	The Country of Los Angeles (Country) Department of Treasurer and Tax Collector (TTC) is issuing this Request for Proposals (RFP) for the provision of Delinquent Account Collection Services. You may download the RFP from the Internet by accessing the Country's website at https://camisvr.col.ac.aus/lacobids/, selecting "Open Solicitations," and then searching by the solicitation title of Delinquent Account Collection Services. You may also download the RFP by accessing the TTC's website https://ttc.lacountry.gov/contract-opportunities/ Potential Proposers are responsible for downloading and reviewing the entire RFP.										
Open Day:	9/4/2024	Close Date:	10/9/2024	5:00:00 PM							
Contact Name:	Maria Vadai	Contact Phone:	(213) 974-7	360							
Contact Email:	mvadai@ttc.lacounty.gov										
Last Changed On:	9/4/2024 5:07:24 PM										
Attachment File (2) :	Click here to download attachment files.										
	File Name	Description	Туре	Size	Last Update On						
	TTC_RFP_2024_02_DACS.pdf	TTC RFP 2024-02 DACS-D	.pdf	4723632	09-04-2024	Download					
	DACS_Appdx_B_(Req'd_Forms_Exh_5_CBE).xlsx	DACS Appendix B (Req'd Forms Exhibit 5_CBE)	.xlsx	30917	09-04-2024	P Download					

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Solicitation Number: TIC RFP 2024-02 DAG-5: Tike: DELINQUENT ACCOUNT COLLECTION SERVICES Department: Tessure and Tax Collector Bid Proper Solicitation Services Bid Proper Solicitation Services Department: NA Commodity: File Courty of Los Angeles (County) Department of Treasure and Tax Collector (TIC) Is issuing this Request for Proposal (RFP) for the provision of Delinquent Account Collection Services. Vois rang download the RFP Prom the Internet by accessing the County voltable at https://Licioanty.gov/contract-opportunities/. Potential Proposes are responsible for downloading and releving the entries RFP. The RFP Prolube the service requirements, proposal contract and/or Requirements ad escription: of beroposal selection process, and a sample contract. Potential Proposes rung the entries RFP. The RFP Prolube the service requirements, a docription of the proposal selection process and a sample contract. Potential Proposers subul carefully relevent the RFP and ensure their proposal complies with all RFP requirements. Pursuent Disubartia proposal to romate treasments ad docription of the enceptions the there receptions in their proposal subulision. Proposer many not take exception to the sample and conditions in their enception to the sample and conditions in their enception to the composers in an encodition set in their vois advantage the contract streament advance requirements. Pursuent Disubartia proposal Doro provide the service sequirements aresponsible for porosesand steletion proposer sint the enceptions											
Title BURGENT COLLECTION SERVICES Departer Feature serial Tax Collector Serial Collector Markan Markan Commonly - Conscription Markan Ma	Solicitation Detail										
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Avanual download the RPP from the herment by accessing the County's website at https://aniver.coust.aus/backbid/.selecting' Open Solicitations," and the nearching by the solicitation the downloading and redownloading and redownloadin	Commodity:	FINANCIAL ADVISOR SERVICES									
Contact Name: Maria Vadai Contact Mane: Contact Phone: Cantact Phon	Description:	You may download the RFP from the Internet by accessing the County's website at https://camiow.col.a.ca.us/lacobids/, selecting "Open Soliditations" and then searching by the solicitation title of Delinquent Account Collection Services. You may also download the RFP by accessing the TC's website https://tc.lacounty.gov/contract-opportunities/. Potential Proposers are responsible for downloading and reviewing the entire RFP. The RFP Includes the service requirements, proposal content and format requirements, a description of the proposal selection process, and a sample contract. Potential Proposers that meet the minimum requirements identified in Paragraph 4.0, Minimum Mandatory Requirements, are invited to submit a proposal to provide the service described in Exhibit A. Statement of Work (SOW), of Appendix A, Contract. Potential Proposers should carefully review the RFP and ensure their proposal submission. Proposers may not take exception to the Standard Terms and Conditions in their entirety and replace the County's Standard Terms and Conditions of Contract and/or Requirements of SOW and Attachments (Section F). Proposers must list all of their exceptions in their proposal submission. Proposers may not take exception to the Standard Terms and Conditions in their entirety and replace the County's Standard Terms and Conditions with the Proposer's. The TTC will consider such a proposal to be non responsive. The TTC will recommend approval of the contract to the most responsive and responsible Proposer. In general, the greater the number of exceptions to the terms and Conditions as is, without any exception, is more responsive to the RFP than a Proposer that takes a number of exceptions to the Standard Terms and Conditions as is, without any exception, is more responsive to the RFP than a Proposer that takes a number of exceptions in their proposal. If the Proposer's conference (Conference), to answer sponser's score would likely have been less than originally calculated, thereiy having a potential impact to the									
Contact Email: madal@ttclacounty.gov Last Changed On: 9/4/2024 51/0.39 PM Attachment File (2): Memory File Name TC_RFP_2024_02_DACS.pdf TIC RFP 2024-02 DACS.FE	Open Day:	9/4/2024	Close Date:	10/9/2024 5:	00:00 PM						
Itest Changed Or. 9/4/2024 \$1:0:39 PM Attachment File (2): © click here to download attachment files. File Name Description Trg. RFP_2024_02_DACS.pdf Description gdf 4723632 09-04-2024 © Download	Contact Name:	Maria Vadai	Contact Phone:	(213) 974-73	60						
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COUNTY OF LOS ANGELES DEPARTMENT OF TREASURER AND TAX COLLECTOR DELINQUENT ACCOUNT COLLECTION SERVICES REQUEST FOR PROPOSALS – TTC RFP 2024-02 DACS MAILING LIST

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COUNTY OF LOS ANGELES DEPARTMENT OF TREASURER AND TAX COLLECTOR DELINQUENT ACCOUNT COLLECTION SERVICES REQUEST FOR PROPOSALS – TTC RFP 2024-02 DACS MAILING LIST

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Union Adjustment Co., Inc. 3214 West Burbank Boulevard Burbank, CA 91505 info@unionadjustment.com	USCB, Inc. Albert Cadena 355 South Grand Avenue, 32 nd Floor Los Angeles, CA 90071 <u>acadena@uscbinc.com</u>
USCB, Inc. Pat Esquivel 355 South Grand Avenue, Suite 3200 Los Angeles, CA 90071 pequival@uscbinc.com	USCB, Inc. Astrid Blackmon 355 South Grand Avenue, Suite 3200 Los Angeles, CA 90071 <u>ablackmon@uscbinc.com</u>

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

TITLE	REFERENCE				TITLE			REFERE	NCE	
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.				2 CERTIFICATION AS M WOMEN, DISADVANTAG DISABLED VETERAN, AN LESBIAN, GAY, BISEXUA TRANSGENDER, QUEER	ED, D L, , AND	women, dis lesbian, gay and questic	is currently cer advantaged, di y, bisexual, trar pning-owned bu ency, complete	isabled vet nsgender, o isiness ent	eran or queer, erprise by
Total Number of Employees in (California:			0	QUESTIONING-OWNED (BUSINESS ENTERPRISE	,				
Total Number of Employees (inc	cluding owners):			235	BUSINESS ENTERPRISE					
Race/Ethnic Composition of Fir following categories:	m. Enter the make	-up of Owners/Pa	artners/Associate F	artners into the			V	Check if not	applicable	•
Race/Ethnic Composition	Owners/ Associate		Percentage of ho the firm is o		Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ
	Male	Female	Male	Female						
Black/African American			%	%						
Hispanic/Latino			%	%						
Asian or Pacific Islander			%	%						
Native Americans			%	%						
Subcontinent Asian			%	%						
White	3		%	100%						



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

TREASURER AND TAX COLLECTOR

AND

BC SERVICES, INC.

FOR DELINQUENT ACCOUNT COLLECTION SERVICES

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- A Statement of Work
- **B** Commission Rate Schedule
- **C** Intentionally Omitted
- D County's Administration
- **E** Contractor's Administration
- **F** Form(s) Required at the Time of Contract Execution
 - F1 Contractor Acknowledgement and Confidentiality Agreement
 - F2 Contractor Employee Acknowledgement and Confidentiality Agreement
 - F3 Contractor Non-Employee Acknowledgement and Confidentiality Agreement
- **G** Safely Surrendered Baby Law
- H Defaulted Property Tax Reduction Program

UNIQUE EXHIBITS

- Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- J Information Security and Privacy Requirements

CONTRACT BETWEEN COUNTY OF LOS ANGELES AND BC SERVICES, INC. FOR DELINQUENT ACCOUNT COLLECTION SERVICES

This Contract ("Contract") made and entered into on <u>Click or tap here to enter text.</u> by and between the County of Los Angeles, hereinafter referred to as "County," and BC Services, Inc., hereinafter referred to as "Contractor." BC Services, Inc. is located at 550 Disc Drive, Longmont, CO 80503.

RECITALS

WHEREAS, pursuant to <u>California Government Code Section 31000</u>, which authorizes the County Board of Supervisors (Board) to contract for special services; and

WHEREAS, the Contractor is a private firm specializing in providing a Delinquent Account Collection Services, as defined below; and

WHEREAS, the Board has authorized the Department of Treasurer and Tax Collector (TTC) to 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

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

Standard Exhibits:

Exhibit A	Statement of Work
Exhibit B	Commission Rate Schedule
Exhibit C	Intentionally Omitted
Exhibit D	County's Administration
Exhibit E	Contractor's Administration

- Exhibit F Forms Required at the Time of Contract Execution
- Exhibit G Safely Surrendered Baby Law
- Exhibit H Defaulted Property Tax Reduction Program

Unique Exhibits:

- Exhibit I Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- Exhibit J Information Security and Privacy Requirements

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

2.0 **DEFINITIONS**

The headings used throughout are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein must be construed to have the following meaning, unless otherwise apparent from the context in which they are used. **NOTE:** Refer to Contract (Exhibit J (Information Security and Privacy Requirements)), for additional Technology-related terms and definitions.

- **2.1 Board of Supervisors (Board):** The Board of Supervisors of the County acting as governing body.
- **2.2 Business Days:** Monday through Friday, excluding County Observed Holidays, unless otherwise stated.
- **2.3 Calendar Days:** Monday through Sunday, including County Observed Holidays, unless otherwise stated.
- **2.4 Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work, including Exhibit A (Statement of Work (SOW)).
- **2.5 Contract Term:** The period of the Contract, commencing upon the Effective Date, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- **2.6 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Contract.

- **2.7 Contractor's Authorized Official(s):** The individual(s) authorized by the Contractor, that the Contractor represents and warrants such individual has actual authority to execute documents under this Contract on behalf of the Contractor.
- **2.8 Contractor's Contract Administrator:** The individual authorized by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Contract Manager. Additionally, Contractor's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- 2.9 Contractor's Contract Manager/Contractor's Alternate Contract Manager: The individual authorized by the Contractor to administer the Contract operations under this Contract.
- **2.10 Contractor's Employees/Staff:** Any person designated by the Contractor to perform services under this Contract.
- **2.11 Contractor's Financial Manager:** The individual authorized by the Contractor to have full authority to act on behalf of the Contractor in all matters relating to invoicing under this Contract.
- **2.12 County:** The County of Los Angeles.
- 2.13 County Observed Holidays: Days on which County departments are closed for business in observance of significant events. Contractor is not required to provide services on County Observed Holidays unless otherwise stated in the SOW or Contract. A list of County Observed Holidays may be found on the County's website https://ttc.lacounty.gov/county-holidays/.
- **2.14 County's Contract Administrator:** The individual authorized by the TTC with authority for the County to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the County's Contract Manager. Additionally, County's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- **2.15 County's Contract Manager:** The individual authorized by the County's Contract Administrator to manage the day-to-day activities and overall operations under this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services, and other work provided by the Contractor.
- **2.16** Day(s): Calendar-day(s) unless otherwise specified.
- **2.17 Department:** The County of Los Angeles Treasurer and Tax Collector, which is entering into this Contract on behalf of the County of Los Angeles.
- **2.18 Effective Date:** The date of approval of this Contract by the County's Board or as indicated in Paragraph 4.0 (Term of Contract).
- **2.19 Fiscal Year:** The 12-month period beginning July 1st and ending the following June 30th.

- 2.20 Personal Data: Any information that identifies a person, including, but not limited to, name, address, email address, passwords, account numbers, social security numbers, credit card information, personal financial or healthcare information, personal preferences, demographic data, marketing data, credit data, or any other identification (ID) data. For the avoidance of doubt, Personal Data must include, but not be limited to, all "nonpublic personal information," as defined under the Gramm-Leach- Bliley Act (15 United States Code ("U.S.C.") § 6801 et seq.
- 2.21 Services: Collectively, all functions, responsibilities, tasks, subtasks, deliverables, goods, and other services: (a) specifically identified in the SOW; (b) identified in this Contract as being Contractor's responsibility; and (c) otherwise necessary to comply with the terms of this Contract. Without increasing the scope of the Services, if any component task, subtask, service, or function is: (i) an inherent or necessary part of the Services defined in subparts (a), (b), or (c) of this Subparagraph; or (ii) a customary part of the Services defined in subparts (a), (b), or (c) of this Subparagraph; or (ii) a subparagraph, and not in conflict with Contractor's established methods of providing services and as to a service(s) within either subpart (i) and (ii) of this sentence above, is not specifically described in this Contract, then such service or function will be deemed to be part of the Services.
- **2.22** Statement of Work: A written description of tasks, deliverables, and/or other work required by the County pursuant to this Contract.
- **2.23 Subcontract:** An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.
- **2.24 Subcontractor:** Any individual, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services, equipment, and/or materials to Contractor in furtherance of Contractor's performance under this Contract, under oral or written agreement.
- **2.25 Treasurer and Tax Collector:** The officer appointed as the County Treasurer and Tax Collector.
- **2.26 TTC:** The County of Los Angeles Department of Treasurer and Tax Collector.
- 2.27 TTC Employees: The staff of the TTC.

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, goods, services and other work as set forth in herein including, but not limited to, Exhibit A (SOW) which incorporates all attachments thereto.

- **3.2** The Contractor agrees that the performance of work and services pursuant to the requirements of this Contract must conform to high professional standards as exist in the Contractor's profession or field of practice.
- **3.3** 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 without consideration, and the Contractor must have no claim whatsoever against the County for those tasks, goods, services, and/or other work.

4.0 TERM OF CONTRACT

- **4.1** The term of this Contract will be for a period of three years commencing after execution by County's Board, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- **4.2** After the initial term, the TTC will have the sole option to extend the Contract Term for up to three additional one-year periods and/or six month-to-month extensions, for a maximum total Contract Term of six years and six months. The TTC may exercise each such extension option at its sole discretion. In the event the TTC desires to renew the Contract by exercising an option term, the TTC will provide Contractor with a written notice of intent to renew the Contract at least 30 Calendar Days prior to the expiration of the then current term of the Contract. The option to renew will be set forth in writing, as provided in Subparagraph 8.1 (Change Notices and Amendments) of this Contract.
- **4.3** The County maintains a database that track/monitor Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.
- **4.4** The Contractor must notify Department when this Contract is within six months of 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 D (County's Administration).

5.0 COMMISSION RATE

5.1 In accordance with the terms of this Contract, TTC will assign delinquent accounts, as defined in Exhibit A (SOW), Subparagraph 4.1 (Referral of Delinquent Accounts to the Contractor), to Contractor for which Contractor will retain a commission as set forth in Exhibit B (Commission Rate Schedule), on Gross Collections excluding:

- a) Non-Sufficient Funds payments or chargebacks, as defined in Exhibit A (SOW), Subparagraph 4.5 (Payment Remittance to the TTC), Subparagraph 4.5.3
- b) Refunds, as defined in Exhibit A (SOW), Subparagraph 5.2 (Fees and Referral Related), Subparagraph 5.2.1
- c) Franchise Tax Board Intercept Program and Treasury Offset Program, as defined in Exhibit A (SOW), Subparagraph 5.2 (Fees and Referral Related), Subparagraph 5.2.3

5.2 Commission Payments

The Contractor must retain their commission and remit Net Collections to the TTC each Friday in the format designated in Exhibit A (SOW), Paragraph 5.0 (Specific Work Requirements) and Exhibit A (SOW), Subparagraph 4.5 (Payment Remittance to the TTC).

5.3 Commission Rate

The Contractor's Commission Rate will remain firm and fixed for the term of the Contract in accordance with Exhibit B (Commission Rate Schedule) of this Contract.

5.4 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.

5.5 No Commission for Services Provided Following Expiration-Termination of Contract

The Contractor will have no claim against County for commission 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 commission payment it must immediately notify County and must immediately repay all such funds to County. Commission payment by County for services rendered after expiration-termination of this Contract will not constitute a waiver of County's right to recover such commission payment from the Contractor. This provision will survive the expiration or other termination of this Contract.

5.5.1 Disputed Fees

County will review each invoice and report any discrepancies or disputed fees to the Contractor in writing or email within 15 Days from receipt of an invoice. Within 30 Days after the Contractor receives County notification of any discrepancies or disputed fees, the Contractor must provide County a written justification detailing the basis for such fees. If County does not hear from the Contractor within the 30 Day period, the discrepancies noted, and charges approved by County will be deemed accepted and agreed to by the Contractor. County will authorize payment of disputed fees promptly upon resolution of such dispute to the reasonable satisfaction of County and the Contractor.

5.5.2 Overpayment of Invoices

Any overpayment received by the Contractor must be returned to County within 30 Days of discovery by the Contractor or notification by the County's Contract Manager, whichever occurs first.

5.5.3 **Preference Program Enterprises – Prompt Payment Program** (if applicable)

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

5.6 Intentionally Omitted

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

- **5.7.1** The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Department of Auditor-Controller (A-C).
- **5.7.2** The Contractor must submit a direct deposit authorization request via the website <u>https://directdeposit.lacounty.gov</u> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- **5.7.3** Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.
- **5.7.4** At any time during the duration of the 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's Administration

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

The TTC will assign a County Contract Administrator and a County's Contract Manager to provide, among other things, overall management and coordination of the Contract and act as liaisons for the TTC.

6.2 County's Contract Administrator

- **6.2.1** The County's Contract Administrator is responsible for ensuring that the Contractor meets the objectives of this Contract and determines the Contractor's compliance with this Contract. This includes inspecting all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.
- **6.2.2** The County's Contract Administrator is responsible for providing, among other things, overall direction to the Contractor in the areas relating to County and TTC policy, information requirements, and procedural requirements. Additionally, County's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- **6.2.3** The County's Contract Administrator is not authorized to make any changes in any of the terms and conditions of this Contract, except as permitted in accordance with Subparagraph 8.1 (Change Notices and Amendments), of this Contract, and is not authorized to further obligate the County in any respect whatsoever.

6.3 County's Contract Manager

- **6.3.1** The County's Contract Manager is responsible for managing all operational matters under the Contract; requesting meetings as needed with the Contractor's Contract Manager; and inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.
- **6.3.2** The County's Contract 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 Contracts' Section – Contract Monitor

The County's Contracts' Section – Contract Monitor is responsible for ensuring annual requirements and Contract deliverables (e.g., financial statements,

insurance certificates, pending litigation statement, etc.) are received timely in accordance with the Contract provisions from the Contractor.

6.5 County's Departmental Chief Information Officer (DCIO)

The DCIO is responsible for managing the planning, design, coordination, development, implementation, and maintenance of the TTC's information systems.

6.6 County's Departmental Information Security Officer (DISO)

The DISO develops and implements departmental Information Technology (IT) security application, policies, standards, and procedures intended to prevent the unauthorized use, release, modification, loss, or destruction of Data and to ensure the integrity and security of the TTC's IT infrastructure.

7.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

The Contractor must assign a sufficient number of employees to perform the required work. The Contractor must appoint at least one authorized employee, determined and agreed upon between the Contractor and the TTC, to act for the Contractor in every detail and that employee must speak and read fluently in English.

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

Request for replacement of any personnel by the TTC must be completed within one Business Day.

7.1 Contractor's Contract Administrator

7.1.1 The Contractor's Contract Administrator must be a full-time employee of the Contractor. The Contractor's Contract Administrator must be a principal officer in the Contractor's office to service this Contract and to act as a liaison for the Contractor in coordinating the performance of services under the Contract. The Contractor must provide the County's Contract Administrator and County's Contract Manager, with the information specified in Exhibit E (Contractor's Administration), for the individual designated to act as the Contractor's Contract Administrator at the time this Contract is implemented and as changes occur during the Contract Term. Such notification must be made by the Contractor no later than five Business Days after a change occurs and will include a current resume for the new Contractor's Contract Administrator. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

- **7.1.2** The Contractor's Contract Administrator must be responsible for the Contractor's performance of all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor and ensure the Contractor's compliance with the Contract. Additionally, Contractor's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- **7.1.3** The Contractor's Contract Administrator must be available to meet and confer with the County's Contract Administrator on an as-needed basis either in person or by telephone as mutually agreed upon by the parties, to review Contract performance and discuss Contract coordination. Such meetings will be conducted at a time and place as mutually agreed upon by the parties.

7.2 Contractor's Contract Manager/Contractor's Alternate Contract Manager

7.2.1 The Contractor's Contract Manager, and a designated alternate (Alternate Contract Manager), must be a full-time employee of the Contractor. The Contractor must provide the County's Contract Administrator and County's Contract Manager with the information specified on Exhibit E (Contractor's Administration), for the individual designated to act as the Contractor's Contract Manager and Contractor's Alternate Contract Manager at the time this Contract is implemented and as changes occur during the Contract Term. Such notification must be made by the Contractor no later than five Business Days after a change occurs and will include a current resume for the new Contractor's Contract Manager and Contractor's Alternate Contract Manager and Contractor's Alternate and will include a current resume for the new Contractor's Contract Manager and Contractor's Alternate Contract Manager. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

The Contractor's Contract Manager and Contractor's Alternate Contract Manager must have full authority to act on behalf of the Contractor on all matters related to the Contractor's day-to-day activities as related to the Contract and must coordinate with County's Contract Manager on a regular basis.

7.2.2 The Contractor's Contract Manager/Contractor's Alternate Contract Manager must be available on Business Days during regular business hours from 8:00 a.m. to 5:00 p.m. Pacific Time (PT) for telephone and email contact and to meet as needed with the County's Contract Manager to discuss the Contract.

7.3 Contractor's Financial Manager

The Contractor's Financial Manager must be a full-time employee of the Contractor. The Contractor must provide the County's Contract Administrator and County's Contract Manager with the information specified in Exhibit E (Contractor's Administration), for the individual designated to act as the Contractor's Financial Manager at the time this Contract is implemented and as changes occur during the Contract Term. Such notification must be made by the Contractor no later than five Business Days after a change occurs and will include a current resume for the new Contractor's Financial Manager. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

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

7.4 Contractor's Employees

- **7.4.1** The Contractor is responsible for providing training and supervising employees assigned to perform services under this Contract. All employees assigned by the Contractor to perform these services must at all times be employees of the Contractor; and the Contractor must have the sole right to hire, suspend, discipline, or discharge them. However, any employee, who in the opinion of the County is performing unsatisfactory work, must be removed from the performance of services related to this Contract immediately upon the written request of the County's Contract Manager.
- **7.4.2** The Contractor must ensure a high standard of conduct of the Contractor's employees, including compliance at all times with all applicable local, State, and Federal laws and regulations related to Delinquent Account Collection Services, and the specific requirements of this Contract.
- **7.4.3** The Contractor must supply each of its employees with appropriate, annual training regarding Information Security procedures, Risks, and Threats. The Contractor agrees that training at a minimum must include, but may not be limited to, the following topics:
 - **1. Secure Authentication:** The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.
 - **2. Social Engineering Attacks:** Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.
 - **3. Handling of County Information:** The proper identification, storage, transfer, archiving, and destruction of County information.

- **4. Causes of Unintentional Information Exposure:** Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.
- **5. Identifying and Reporting Incidents:** Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.
- 6. **Privacy:** The Contractor's Privacy Policies and procedures as described in Exhibit J (Information Security and Privacy Requirements), Section 2b, Privacy Program.
- **7.4.4** The Contractor must have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of confidentiality.
- **7.4.5** The Contractor's employees assigned to provide services under this Contract must:
 - a. Communicate effectively using good judgment and discretion;
 - b. Be trained sufficiently in performing the services; and
 - c. Comply with the requirements of this Contract.

7.5 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Contract Manager, provided, however, that such approval by County will not be unreasonably withheld, delayed or conditioned. A change in Contractor's Contract Manager, or critical senior staff, without County approval may result in Contract termination at County's discretion.

7.6 Contractor's Staff Identification

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

7.6.1 Contractor must notify the County within one Business Day when staff is terminated from working under this Contract. Contractor must

retrieve and immediately destroy the staff's photo identification badge at the time of removal from the County Contract.

7.6.2 If County requests the removal of Contractor's staff, Contractor must retrieve and immediately destroy the Contractor's staff's identification badge at the time of removal from working on the County's Contract.

7.7 Background and Security Investigations

7.7.1 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. Typically, the positions required to undergo and pass a background investigation, include, but are not limited to, Contractor's Contract Administrator, Contractor's Contract Manager, Contractor's Alternate Contract Manager, and staff that have access to County assets, sensitive Information, and/or non-public information.

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

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

- **7.7.2** County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 7.7.3 These terms will also apply to subcontractors of County contractors.
- **7.7.4** The Contractor must provide to the County's Contract Manager the legal name of each person in a designated sensitive position and the

dates on which said persons submitted fingerprints to the California DOJ. The Contractor must provide such information in writing within five Days of the date on which the fingerprinting occurred.

- **7.7.5** A member of Contractor's staff must not begin to perform services under the Contract until they have successfully passed a background investigation to the satisfaction of the County.
- **7.7.6** During the Contract Term, if the County identifies a subsequent disqualifying factor for a member of the Contractor's staff, the County will request that the member of the Contractor's staff be immediately removed from performing services under the Contract. Contractor must promptly comply with the County's request.
- **7.7.7** The County will notify the Contractor when Contractor's staff member does not pass the background investigation or who received a subsequent disqualifying factor.
- **7.7.8** Disqualification of any member of Contractor's staff pursuant to this Subparagraph 7.7 will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.8 Confidentiality

- **7.8.1** Contractor must maintain the confidentiality of all records and information, including, but not limited to, billing and sensitive financial information, County records, data and information, Personal Data, County Data, any information relating to County's customers, users, patients, partners, or personnel, and any other data, records, and information received, obtained and/or produced under the provisions of this Contract (County Confidential Information) in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- **7.8.2** The Contractor's employees may use Data received from the County only to perform functions as defined by this Contract.
- **7.8.3** Disclosures which are required by law, such as a court order, or which are made with the explicit written authorization of the County are allowable. Any other use or disclosure of data received requires the express approval in writing from the County. The Contractor must not duplicate, disseminate or disclose any data except as allowed in this Contract.

- **7.8.4** Access to Data received from the County must be restricted only to Contractor's employees who need the Data to perform their official duties in the performance of this Contract.
- **7.8.5** The Contractor's employees who access, disclose or use the Data for a purpose not authorized by this Contract may be subject to civil and criminal sanctions contained in applicable Federal and State statutes.
- **7.8.6** Contractor must indemnify, defend, and hold harmless County, its Special Districts, elected and appointed 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
 - Contractor's violation of any Federal and State laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using County Information;
 - Any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Subparagraph 7.8, as determined by County in its sole judgment; and/or
 - Any Information loss, breach of Confidentiality, or Incident involving any County Information that occurs on the Contractor's or Subcontractor's systems or networks (including all costs and expenses incurred by the County, if applicable, to remedy the effects of such loss, breach of Confidentiality, or Incident, which at a minimum may include but is not limited to (i) providing appropriate notice to individuals and governmental authorities, (ii) responding to individuals' and governmental authorities' inquiries, (iii) providing credit monitoring to individuals, and (iv) conducting litigation and settlements with individuals and governmental authorities).
 - Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 7.8 will be conducted by Contractor and performed by counsel selected by Contractor and approved by County.
 - Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right

to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- **7.8.7** Contractor must inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- **7.8.8** Contractor must sign and adhere to the provisions of Exhibit F1 (Contractor Acknowledgement and Confidentiality Agreement).
- **7.8.9** Contractor will cause each employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit F2 (Contractor Employee Acknowledgment and Confidentiality Agreement).
- **7.8.10** Contractor will cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit F3 (Contractor Non-Employee Acknowledgment and Confidentiality Agreement).
- **7.8.11** During the Contract Term, the Contractor must maintain an updated file of the signed forms and must forward copies of all signed forms to the County's Contract Administrator whenever changes in personnel occur.
- 7.8.12 In connection with this Contract and performance of the Services, Contractor may be provided or obtain, from County or otherwise, Personal Data, pertaining to County's current and prospective personnel, directors and officers, agents, subcontractors, patients, and customers and may need to process such Personal Data and/or transfer it, all subject to the restrictions set forth in this Contract and otherwise in compliance with all applicable foreign and domestic laws and regulations for the sole purpose of performing the Services. Without limiting any other warranty or obligation specified in this Contract, and in particular the confidentiality provisions of this Subparagraph 7.8 (Confidentiality), during the Contract Term and thereafter in perpetuity, Contractor will not gather, store, log, archive, use, or otherwise retain any Personal Data in any manner and will not disclose, distribute, sell, share, rent, or otherwise transfer any Personal Data to any third party, except as expressly required to perform its obligations in this Contract or as Contractor may be expressly directed in advance in writing by the County. Contractor represents and warrants that Contractor will use and process Personal Data only in compliance with (a) this Contract, (b) County's then current privacy policy, and (c) all applicable local, state, and federal laws and regulations (including, but not limited to, current and future laws and regulations relating to spamming, privacy, confidentiality, data security,

and consumer protection). Contractor will not retain any Personal Data for any period longer than necessary for Contractor to fulfill its obligations under this Contract. As soon as Contractor no longer needs to retain such Personal Data in order to perform its duties under this Contract, Contractor will promptly return or destroy or erase all originals and copies of such Personal Data.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Change Notices and Amendments

- **8.1.1** The County reserves the right to initiate Change Notices that do not affect the scope of work, term, Contract Sum, fees or payments. All such changes will be accomplished with an executed Change Notice signed by the Contractor and by the County's Contract Administrator.
- 8.1.2 For any change which affects the scope of work, contract term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract must be prepared and executed by the Contractor and by Treasurer and Tax Collector, or their designee, provided County Counsel approval is obtained prior to execution of such Amendment.
- 8.1.3 The County's Board or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the 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 or Chief Executive Officer. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by Treasurer and Tax Collector, or their designee, provided County Counsel approval is obtained prior to execution of such Amendment(s).
- 8.1.4 The Treasurer and Tax Collector, or their designee, may at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of 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 Treasurer and Tax Collector, or their designee, provided County Counsel approval is obtained prior to execution of such Amendments.

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 Subparagraph, 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

- **8.3.1** 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.
- **8.3.2** The Contractor represents and warrants that the Services will be performed in a professional, competent, and timely manner by appropriately qualified Contractor staff in accordance with this Contract and consistent with industry best practices.
- **8.3.3** The Contractor represents and warrants that there is no pending or threatened litigation that would have a material adverse impact on its performance under the Contract.

8.4 Budget Reductions

In the event that the County's Board adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of 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 30 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 and maintain operating procedures for receiving, investigating and responding to complaints.

8.5.1 Complaint Procedures

- Within ten Business Days after the Contract Effective Date, the Contractor must provide the County with the Contractor's procedures for receiving, investigating and responding to user complaints.
- The County will review the Contractor's procedures and provide the Contractor with approval of said procedures or with requested changes.
- If the County requests changes in the Contractor's procedures, the Contractor must make such changes and resubmit the procedures within ten Business Days for County approval.
- If, at any time, the Contractor wishes to change the Contractor's procedures, the Contractor must submit proposed changes to the County for approval before implementation.
- The Contractor must preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within five Business Days of receiving the complaint.
- 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.
- Copies of all written responses must be sent to the County's Contract Manager within three 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 Subparagraph 8.6 (Compliance with Applicable Laws) will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.7 Compliance with Civil Rights Laws

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:

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

8.7.4 Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.

8.8 Compliance with the County's Jury Service Program

8.8.1 Jury Service Program

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

8.8.2 Written Employee Jury Service Policy

- 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.
- For purposes of this Subparagraph, "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 Subparagraph. The provisions of this Subparagraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the Contract.

- 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 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.
- Contractor's violation of this Subparagraph 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 Subparagraph 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 and BSERVICES@OPPORTUNITY.LACOUNTY.GOV and DPSS will refer qualified GAIN/START job candidates.
- **8.11.2** In the event that both laid-off County employees and GAIN/START participants are available for hiring, County employees must be given first priority.

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the 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 <u>Chapter 2.202 of the County Code</u>, 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 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

- If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board will be presented to the Board. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- If a Contractor has been debarred for a period longer than five years, that Contractor may after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment if it

finds that the Contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

- The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the Contractor has been debarred for a period longer than five years; 2) the debarment has been in effect for at least five years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- The Contractor Hearing Board's proposed decision will contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board will present its proposed decision and recommendation to the Board. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms will also apply to subcontractors of County contractors.

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

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

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

- **8.14.1** The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.
- 8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and will during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and will implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.15 County's Quality Assurance Plan

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 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 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 Subparagraph 8.1 (Change Notices and Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this 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 Subparagraph as "force majeure events").
- 8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor will not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor will not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.
- 8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 Governing Law, Jurisdiction, and Venue

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

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 Subparagraph 7.8 (Confidentiality).

8.23 Indemnification

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

8.24 General Provisions for All Insurance Coverage

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Subparagraphs 8.24 and 8.25 of this Contract. Such insurance must be primary to and not combined with other insurance or self-insurance programs maintained by the County. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.2 Evidence of Coverage and Notice to County

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

- Renewal Certificates must be provided to County not less than ten Days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or sub-contractor 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 National Association of Insurance Commissioners (NAIC) identification number, its financial rating, the amounts of any policy deductibles or selfinsured retentions exceeding \$50,000, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.
- Certificates and copies of any required endorsements must be sent to:

Email: contracts@ttc.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.

8.24.3 Additional Insured Status and Scope of Coverage

The County, it's 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 will apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also must apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 Cancellation of or Changes in Insurance

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

8.24.5 Failure to Maintain Insurance

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

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Must Be Primary

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

8.24.8 Waivers of Subrogation

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

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies will not obligate the County to pay any portion of any Contractor deductible or SIR. 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.

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

All liability policies must provide cross-liability coverage as would be afforded by the standard Insurance Services Office, Inc. (ISO)

separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.14 Alternative Risk Financing Programs

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

8.24.15 County Review and Approval of Insurance Requirements

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

8.25 Insurance Coverage

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

General Aggregate: Products/Completed Operations Aggregate:	\$2 million	
	\$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 Days in advance of cancellation for non-payment of premium and 30 Days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also must be arranged

to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 Unique Insurance Coverage

• Professional Liability-Errors and Omissions

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

• Crime Coverage

A Fidelity Bond or Crime Insurance policy with limits of not less than \$2 million per occurrence. Such coverage must protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents, and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents must be named as an Additional Insured and Loss Payee as its interests may appear. This insurance must include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and must not contain a requirement for an arrest and/or conviction.

• Cyber Liability Insurance

The Contractor must secure and maintain cyber liability insurance coverage with limits of at least \$2 million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and data/information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, will not be construed as a limitation upon the Contractor's liability or as full performance of

its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy. Please note that the limit above is the minimum limit, and the County reserves the right to increase this limit based on its final assessment of the project during the contract negotiations.

• Performance Bond

Contractor will furnish to County, per Government Code Section 26221, a Faithful Performance Bond in the sum of not less than \$10,000 payable to the County and executed by a corporate surety licensed to do business as a surety in the State of California. Such bond will be conditioned upon faithful performance by Contractor of the terms and conditions of this Contract and must be renewed by Contractor to provide for continuing liability in the above amount not withstanding any payment or recovery thereon.

8.26 Liquidated Damages

- **8.26.1** If, in the judgment of the Treasurer and Tax Collector, or their designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Treasurer and Tax Collector, or their designee, at their option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Treasurer and Tax Collector, or their designee, in a written notice describing the reasons for said action.
- 8.26.2 If the Treasurer and Tax Collector, or their designee, determines that there are deficiencies in the performance of this Contract that the Treasurer and Tax Collector, or their designee, deems are correctable by the Contractor over a certain time span, the Treasurer and Tax Collector, or their designee, will provide a written notice to the Contractor to correct the deficiency within specified timeframes. Should the Contractor fail to correct deficiencies within said timeframe, the Treasurer and Tax Collector, or their 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 timeframe. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is \$100 per day per infraction, or as specified in Exhibit A (SOW). Attachment 11 (Performance Requirements

Summary (PRS)) Chart 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 Days' notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

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

8.27 Most Favored Public Entity

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

8.28 Nondiscrimination and Affirmative Action

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

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

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

8.29 Non-Exclusivity

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

8.30 Notice of Delays

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

8.31 Notice of Disputes

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

8.32 Dispute Resolution Procedure

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

8.32.1 Contractor and County agree to act with urgency to mutually resolve any disputes which may arise with respect to this Contract. All such disputes will be subject to the provisions of this Subparagraph 8.32 (Dispute Resolution Procedure), (such provisions will be collectively referred to as the "Dispute Resolution Procedure"). Time is of the essence in the resolution of disputes.

- **8.32.2** Contractor and County agree that the existence and details of a dispute notwithstanding, both parties will continue without delay their performance hereunder, except for any performance, which the County determines should be delayed as a result of such dispute.
- **8.32.3** If Contractor fails to continue without delay its performance hereunder which the County, in its sole discretion, determines should not be delayed as a result of such dispute, then any additional costs, which may be incurred by the Contractor or County as a result of Contractor's failure to continue to so perform must be borne by the Contractor, and Contractor will make no claim whatsoever against the County for such costs. Contractor must promptly reimburse the County for such County costs, as determined by the County, or County may deduct all such additional costs from any amounts due to the Contractor from the County.
- 8.32.4 If County fails to continue without delay to perform its responsibilities under this Contract, which County determines should not be delayed as a result of such dispute, then any additional costs incurred by the Contractor or the County as a result of County's failure to continue to so perform will be borne by the County, and County will make no claim whatsoever against the Contractor for such costs. County will promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by the County.
- 8.32.5 In the event of any dispute between the parties with respect to this Contract, Contractor and County will submit the matter to their respective Contract Managers for the purpose of endeavoring to resolve such dispute.
- 8.32.6 In the event that the Contract Managers are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter must be immediately submitted to the parties' respective Contract Administrators for further consideration and discussion to attempt to resolve the dispute.
- **8.32.7** In the event that the Contract Administrators are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter must be immediately submitted to Contractor's president or equivalent and the Treasurer and Tax Collector, or their designee. These persons will have ten Days to attempt to resolve the dispute.
- **8.32.8** In the event that at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Contract and/or its rights and remedies as provided by law.

- **8.32.9** All disputes utilizing this dispute resolution procedure must be documented in writing by each party and must state the specifics of each alleged dispute and all actions taken. The parties must act in good faith to resolve all disputes. At all three levels described in this Subparagraph 8.32 (Dispute Resolution Procedure), the efforts to resolve a dispute will be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.
- **8.32.10** Notwithstanding any other provision of this Contract, County's right to terminate this Contract or to seek injunctive relief to enforce the provisions of Subparagraph 7.8 (Confidentiality), will not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights and must not be deemed to impair any claims that the County may have against the Contractor or County's rights to assert such claims after any such termination, or such injunctive relief has been obtained.
- **8.32.11** Contractor must bring to the attention of the County's Contract Manager and/or County's Contract Administrator any dispute between the County and the Contractor regarding the performance of services as stated in this Contract.

8.33 Notice to Employees Regarding the Federal Earned Income Credit

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

8.34 Notice to Employees Regarding the Safely Surrendered Baby Law

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

8.35 Notices

All notices or demands required or permitted to be given or made under this Contract must be in writing and will be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit D (County's Administration) and Exhibit E (Contractor's Administration) or via facsimile or electronic copy representation pursuant to Subparagraph 8.18 (Counterparts and Electronic Signatures and Representations). Addresses may be changed by either party giving ten Days prior written notice thereof to the other party. The Treasurer and Tax Collector, or designee, will have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.36 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.

8.37 California Public Records Act

- 8.37.1 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 Subparagraph 8.39 (Record Retention and Inspection-Audit Settlement) of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and will be regarded as public records. Exceptions will be those elements in the California Government Code Section 7921.000 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.
- 8.37.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret," "confidential," or "proprietary," the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.38 Publicity

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

- The Contractor must 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 Contract Administrator.
- **8.38.2** The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County, provided that the requirements of this Subparagraph 8.38 (Publicity) will apply.

8.39 Record Retention and Inspection-Audit Settlement

- 8.39.1 The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor must also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, will have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. 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 years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside of 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. At County's request, Contractor must provide such materials in a digital format.
- 8.39.2 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor must file a copy of such audit report with the County's A-C within 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)

- **8.39.3** Failure on the part of the Contractor to comply with any of the provisions of this Subparagraph will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.39.4 If, at any time during the term of this Contract or within **five years** after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference must be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's A-C, 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.
- 8.39.5 Financial Statements: Beginning one year after the Effective Date of this Contract, and every year thereafter until the expiration of this Contract, Contractor must submit to the County a complete set of audited financial statements for the 12-month period. Such statements must, at a minimum, include a Balance Sheet (Statement of Financial Position) and Income Statement (Statement of Operations). The County reserves the right to request these financial statements on a more frequent basis and will so notify Contractor in writing. All financial statements will be kept confidential, only if stamped or marked as confidential on each page of the financial statement.
- 8.39.6 **Pending Litigation:** Contractor must submit an annual statement regarding any pending or threatened litigation since the Contractor last reported same to the County, and as soon as an incident occurs, to the Contracts' Section Contract Monitor, as indicated on Exhibit D (County's Administration).

8.40 Recycled Bond Paper

Consistent with the Board 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.

8.41 Subcontracting

8.41.1 The requirements of this Contract may not be subcontracted by the Contractor without the advance approval of the County Treasurer

and Tax Collector or their designee in conjunction with the approval of County's Chief Information Security Officer and/or Chief Privacy Officer. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

- **8.41.2** If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:
 - A description of the work to be performed by the subcontractor.
 - A draft copy of the proposed subcontract.
 - Other pertinent information and/or certifications requested by the County; and
 - Written agreement from each Subcontractor and/or third party, certifying it will comply with and be bound by the applicable terms of Exhibit J (Information Security and Privacy Requirements) of this Contract.
- **8.41.3** The Contractor must indemnify, defend, and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were the Contractor employees.
- **8.41.4** 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.
- **8.41.5** 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.

Following written approval by the Treasurer and Tax Collector, or their designee, in conjunction with County's Chief Information Security Officer and/or Chief Privacy Officer, the County's Contract Manager and the County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor must forward a fully executed subcontract to the County for their files.

8.41.6 The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the

County, Contractor must forward a fully executed subcontract to the County for their files.

- **8.41.7** 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.
- 8.41.8 The Contractor must obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, Contractor must ensure delivery of all such documents to:

Email: <u>contracts@ttc.lacounty.gov</u>

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

Failure of the Contractor to maintain compliance with the requirements set forth in Subparagraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) will constitute 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 90 Calendar Days of written notice will be grounds upon which the County may terminate this Contract pursuant to Subparagraph 8.44 (Termination for Default) and pursue debarment of the Contractor, pursuant to <u>County Code Chapter 2.202</u>.

8.43 Termination for Convenience

- 8.43.1 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 Days after the notice is sent. In no event will County's termination of this Contract pursuant to this Subparagraph 8.43 (Termination for Convenience), of this Contract, be deemed a waiver of County's right to make a claim against the Contractor for damages resulting from any default by the Contractor or its Agents which occurred prior to the effective termination date.
- **8.43.2** After receipt of a notice of termination and except as otherwise directed by the County, the Contractor must:
 - Stop work under this Contract on the date and to the extent specified in such notice, and

- Complete performance of such part of the work as would not have been terminated by such notice.
- 8.43.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract must be maintained by the Contractor in accordance with Subparagraph 8.39 (Record Retention and Inspection-Audit Settlement).

8.44 Termination for Default

- **8.44.1** 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 Contract Administrator:
 - 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 Business Days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure; or
 - Contractor or any of its Agents materially breaches any of the warranties, representations and covenants made in Subparagraph 8.3 (Authorization Warranty), of this Contract, so as to adversely affect the County; and fails to cure such default after 15 Days' written notice from County; or
 - Without prior notice or cure if the Contractor is subject to criminal investigation, indictment or conviction, or is found civilly or criminally liable by a trial court, judge, or administrative panel in connection with any matter involving breach of trust or fiduciary duty, fraud, theft, or moral turpitude; or
 - Without prior notice or cure if the Contractor attempts or purports to assign this Contract, or any portion thereof, or any of its rights or obligations hereunder, without the prior written consent of County, except as provided in Subparagraph 8.2 (Assignment and Delegation/Mergers or Acquisitions), of this Contract.
- **8.44.2** In the event that the County terminates this Contract in whole or in part as provided in Subparagraph 8.44.1, 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 Subparagraph.

- 8.44.3 Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Subparagraph 8.44.2 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 Subparagraph, the term "subcontractor(s)" means subcontractor(s) at any tier.
- 8.44.4 If, after the County has given notice of termination under the provisions of Subparagraph 8.44 (Termination for Default) it is determined by the County that the Contractor was not in default under the provisions of Subparagraph 8.44 (Termination for Default) or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Subparagraph 8.43 (Termination for Convenience).
- **8.44.5** The rights and remedies of the County provided in this Subparagraph 8.44 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 Termination for Improper Consideration

8.45.1 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 the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the 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.

- **8.45.2** 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 <u>https://fraud.lacounty.gov/</u>.
- **8.45.3** Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.46 Termination for Insolvency

- **8.46.1** 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 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.
- **8.46.2** The rights and remedies of the County provided in this Subparagraph 8.46 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.47 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each County Lobbyist or County Lobbying firm as defined in <u>County Code Section 2.160.010</u> retained by the Contractor, must fully comply with the County's Lobbyist Ordinance, <u>County Code Chapter 2.160</u>. 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.

8.48 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 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.

8.49 Effect of Termination

- 8.49.1 In the event County terminates this Contract in whole or in part as provided hereunder or upon the expiration of the Contract, as applicable, then, unless otherwise specified by County in writing: (a) Contractor will continue the performance of this Contract to the extent not terminated; (b) Contractor will cease to perform the Services being terminated on the date and to the extent specified in such notice and provide to the County all completed Services and Services in progress, in a media reasonably requested by the County; (c) County will pay to the Contractor all sums due and payable to Contractor for Services properly performed through the effective date of such expiration or termination (prorated as appropriate); (d) Contractor must return to the County all monies paid by the County, yet unearned by the Contractor, including any prepaid fees if applicable; (e) Contractor must promptly return to the County any and all of the County's Confidential Information that relates to the portion of the Contract or Services terminated by the County, including all County Data, in a media reasonably requested by the County.
- **8.49.2** Expiration or termination of this Contract for any reason will not release either party from any liabilities or obligations set forth in this Contract which (i) the parties have expressly agreed in writing will survive any such expiration or termination, or (ii) remain to be performed or by their nature would be intended to be applicable following any such expiration or termination.
- 8.49.3 Contractor understands and agrees that County has obligations that it cannot satisfy without use of the System provided to the County hereunder or an equivalent system, and that a failure to satisfy such obligations could result in irreparable damage to the County and the entities it serves. Therefore, Contractor agrees that in the event of any expiration or termination of this Contract, Contractor will fully cooperate with the County in the transition of the County to a new system, toward

the end that there be no interruption of County's day-to-day operations due to the unavailability of the System during such transition.

- 8.49.4 For 90 Days prior to the expiration date of this Contract, or upon notice of termination of this Contract (Transition Period), Contractor will assist the County in extracting and/or transitioning all County Data in the format determined by the County. The Transition Period may be modified as agreed upon in writing by the parties in a Change Notice. In addition, upon the expiration or termination of this Contract, County may require Contractor to provide services in the form of Additional Work to assist County to transition System operations from Contractor to County or County's designated third party (Transition Services). Upon County's request for Transition Services, County and Contractor agree to negotiate in good faith the scope of work and the price for such Transition Services. Contractor agrees that in the event that County terminates the Contract for any breach by the Contractor, Contractor must perform Transition Services at no cost to the County. Contractor must provide the County with all of the Transition Services as provided in this Subparagraph 8.49.4. The duty of Contractor to provide such Transition Services must be conditioned on the County continuing to comply with its obligations under the Contract, including payment of all applicable fees. Contractor will have no right to withhold or limit its performance or any of such Transition Services on the basis of any alleged breach of this Contract by the County, other than a failure by the County to timely pay the amounts due and payable hereunder. County will have the right to seek specific performance of this Subparagraph 8.49.4 in any court of competent jurisdiction and Contractor hereby waives any defense that damages are an adequate remedy. Compliance with this Subparagraph 8.49.4 by either party will will not constitute a waiver or estoppel with regard to any rights or remedies available to the parties.
- 8.49.5 Contractor must promptly return to the County any and all County Confidential Information, including County Data that relate to that portion of the Contract and Services terminated by the County.

8.50 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.

8.51 Use of County Seal and/or TTC Logo

The County claims right, title and interest in and to certain intellectual property, including, but not limited to, the current and former County Seals and TTC logos (collectively, County Seals). Except as expressly authorized herein, the Contractor will not reproduce, copy, distribute, republish, download, display, post,

transmit or make any other use of any kind whatsoever of the County Seals, in any format or by any means whatsoever. At no time will the Contractor in any manner (i) modify the County Seals or (ii) create derivative works of the County Seals. The Contractor will not in any manner sublicense, transfer or assign its rights, or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent will be null and void.

8.52 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 Subparagraph 8.52 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.53 Warranty Against Contingent Fees

- **8.53.1** 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.
- **8.53.2** 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.

8.54 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 <u>Los Angeles County Code</u> <u>Chapter 2.206</u>.

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

Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.54 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) will constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within ten 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.

8.56 Transition Services

In the event of expiration or termination of this Contract for any reason, Contractor must provide transition services to the County at no additional cost to the County. Such transition services include reasonably cooperating and taking all steps required or reasonably requested to make an orderly transition of the Services and County Information from Contractor to another system or provider. Contractor must provide all County Information and data back to the County in both the Contractor's data format and a platform agnostic standard format, unless a different format is reasonably agreed to between the parties at the time of transition.

Contractor understands and agrees that County has obligations that it cannot satisfy without use of the Services or an equivalent, and that a failure to satisfy such transition service obligations could result in irreparable damage to County and the entities it serves. Therefore, Contractor agrees that in the event of such termination of this Contract, Contractor will reasonably cooperate with County in the transition of County to a new system, toward the end that there be no interruption of County's day-to-day operations due to the unavailability of the System during such transition.

8.57 Time Off for Voting

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

8.58 Work Product and Background Intellectual Property

Ownership of County Data. All County Data provided or made accessible by the County to the Contractor is, and will remain the property of the County. Upon termination or expiration of the Contract for any reason, or upon County's written request at any time, the Contractor must provide the County, at no additional cost and no later than 15 Calendar Days after the termination, expiration or the

County's request, any County Data (including any County Data or information stored as part of the System) or other proprietary Data belonging to the County stored within the System. Such data will be provided to the County on an external media drive in a platform-agnostic format or in any specific format reasonably requested by the County. At the County's option, the Contractor must destroy all originals and copies of all such data and other related information or documents.

8.59 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 Subparagraph will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

8.60 Intentionally Omitted

8.61 Compliance with Fair Chance Employment Hiring Practices

Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in <u>California Government Code Section 12952</u>. Contractor's violation of this Subparagraph 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.

8.62 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) (<u>https://ceop.lacounty.gov/</u>). 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.

8.63 **Prohibition from Participation in Future Solicitation(s)**

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

8.64 Time is of the Essence

Time is of the essence with regard to Contractor's performance of the Services.

8.65 No Offshore Work

All Services must be performed and rendered within the continental United States. In particular, Contractor warrants that it will not transmit or make available any County Confidential Information, County's intellectual property, or any County property to any entity or individual outside the continental United States. Notwithstanding the foregoing, Contractor's employees in India and the United Kingdom may have secure remote access to County Information hosted only on servers in the United States for reconciliation purposes contemplated under the SOW for this Contract or incidentally for necessary development work on the System.

8.66 Severability

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.

8.67 Contract Drafted by All Parties

This Contract is the result of arm's length negotiations between the parties. Consequently, each party has had the opportunity to receive advice from independent counsel of its own choosing. This Contract will I be construed to have been drafted by all parties such that any ambiguities in this Contract will not be construed against either party.

8.68 No Third-Party Beneficiaries

Notwithstanding any other provision of this Contract, the Contractor and County do not in any way intend for any person or entity to acquire any rights as a third-party beneficiary of this Contract, except that this provision will not be construed to diminish the Contractor's indemnification obligations hereunder.

8.69 Injury and Illness Prevention Program

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

8.70 Licenses, Permits, Registrations, and Certification

The Contractor must maintain all licenses, permits, registrations, and/or professional certifications required by law, applicable to its legal business structure, and necessary to perform services under the Contract. The Contractor will ensure the same of all of its officers, employees, and agents who perform services under this Contract and must maintain all such licenses, permits, registrations, and professional certifications throughout the Contract Term and any term extensions and/or option periods exercised by the County. The Contractor must provide evidence of such to the County within five Calendar Days of written request.

8.71 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding

Pursuant to <u>Government Code Section 84308</u>, Contractor and its Subcontractors, are prohibited from making a contribution of more than \$250 to a County officer for 12 months after the date of the final decision in the proceeding involving this Contract. Failure to comply with the provisions of <u>Government Code</u> <u>Section 84308</u> and of this Subparagraph, may be a material breach of this Contract as determined in the sole discretion of the County.

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 <u>Health Insurance Portability and Accountability Act of 1996</u> 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 (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit I (Business Associate Agreement Under the Health Insurance Portability Act of 1996 ("HIPAA")).

9.2 Financial Institution Requirements

Contractor's financial institution must meet the minimum ratings, as defined by the County TTC. The minimum ratings required will be a rating of "A," regardless of numerical or symbolic qualifiers (1, 2, 3, +, or -), from at least two of three ratings agencies used by the TTC which are Moody's, Standard & Poor's, and Fitch. This requirement must be met at the time of the Contract award and when contract extensions are exercised, unless otherwise agreed to by both the TTC and the Contractor. In the event that Contractor's financial institution fails to maintain the minimum rating, County reserves the right to require the Contractor to replace its financial institution with another financial institution that meets the minimum rating requirement.

9.3 Information Security and Privacy Requirements

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

10.0 SURVIVAL

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

Paragraph 1.0	Applicable Documents
Paragraph 2.0	Definitions
Paragraph 3.0	Work
Subparagraph 5.5	No Commission for Services Provided Following Expiration- Termination of Contract
Subparagraph 7.8	Confidentiality
Subparagraph 8.1	Change Notices and Amendments
Subparagraph 8.2 Assignment and Delegation/Mergers or Acquisitions	
Subparagraph 8.6	Compliance with Applicable Law
Subparagraph 8.19	Fair Labor Standards
Subparagraph 8.20	Force Majeure

- Subparagraph 8.21 Governing Law, Jurisdiction, and Venue
- Subparagraph 8.23 Indemnification
- Subparagraph 8.24 General Provisions for all Insurance Coverage
- Subparagraph 8.25 Insurance Coverage
- Subparagraph 8.26 Liquidated Damages
- Subparagraph 8.35 Notices
- Subparagraph 8.39 Record Retention and Inspection-Audit Settlement
- Subparagraph 8.43 Termination for Convenience
- Subparagraph 8.44 Termination for Default
- Subparagraph 8.50 Validity
- Subparagraph 8.52 Waiver
- Subparagraph 8.63 Prohibition from Participation in Future Solicitation(s)
- Subparagraph 8.71 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding
- Subparagraph 9.2 Financial Institution Requirements
- Paragraph 10.0 Survival

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IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County, by order of its Board has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board thereof, the day and year first above written.

BC SERVICES, INC.

) (Jellen By

Christopher C. Gaddis Name

Chief Executive Officer

Title

COUNTY OF LOS ANGELES

By

Chair, Board of Supervisors

ATTEST:

EDWARD YEN Executive Officer of the Board of Supervisors

Ву _____

APPROVED AS TO FORM:

DAWYN R. HARRISON County Counsel

Drew Taylor

By

Deputy County Counsel

Contract Delinquent Account Collection Services May 2025

CONTRACT FOR DELINQUENT ACCOUNT COLLECTION SERVICES

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DELINQUENT ACCOUNT COLLECTION SERVICES

STATEMENT OF WORK DELINQUENT ACCOUNTS COLLECTION SERVICES

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1.0 INTRODUCTION

In accordance with <u>Los Angeles County Code 2.52.040</u>, the County of Los Angeles (County) Department of Treasurer and Tax Collector (TTC) operates as the collection agency for County departments except for the Department of Health Services. In compliance with the County's Fiscal Manual, after exhausting their collection efforts, County departments refer delinquent accounts to the TTC. The TTC, at its discretion, may engage in direct collections or refer delinquent accounts to an Outside Collection Agency (Contractor) for collection.

The TTC has provided historical workload statistics in Attachment 1 (Referral Statistics). These workloads are subject to change and the TTC does not guarantee any level of account referrals.

Background

Delinquent accounts referred to the TTC, include, but are not limited to, accounts from the Department of Public Social Services (DPSS) for CalFresh and CalWORKS benefits overpayments, as well as delinquent outstanding debts owed to various County departments for personal or mandated services received by individuals or business entities. Some examples of collections for mandated services include the recovery of overpayments, the collection of fees and penalties, and the recovery of payments owed to the County due to returned checks.

The TTC contracts with a Contractor, which provides compensation on a fee basis for collection services.

The TTC may be required by County Code or determine it is in the best interest of the County to commence augmented collection efforts or utilize new collection methodologies. Augmented or new collection methodologies may include, but are not limited to, differentiated collection efforts for the TTC's client departments. For example, the TTC may require the Contractor to conduct Soft Collections on certain accounts and engage in Full Scope Collections efforts on others. The TTC may require the Contractor to implement such methodologies.

2.0 **DEFINITIONS**

The headings used throughout are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein must be construed to have the following meaning, unless otherwise apparent from the context in which they are used. **NOTE:** Refer to Contract (Exhibit J, Information Security and Privacy Requirements), for additional Technology-related terms and definitions.

- **2.1 Business Days:** Monday through Friday, excluding County Observed Holidays, unless otherwise stated.
- **2.2 Calendar Days:** Monday through Sunday, including County Observed Holidays, unless otherwise stated.
- **2.3 Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work including the Statement of Work (SOW), Exhibit A.
- **2.4 Contract Discrepancy Report:** A document utilized by the TTC to document discrepancies or deficiencies with Contractor's performance and record explanations of unsatisfactory performance.
- **2.5 Contract Term:** The period of the Contract, commencing upon the Effective Date, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- **2.6 Contractor:** The person or persons, sole proprietor, partnership, joint venture, corporation, or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Contract.
- **2.7 Contractor's Authorized Official(s):** The individual authorized by the Contractor, that the Contractor represents and warrants such individual has actual authority to execute documents under this Contract on behalf of the Contractor.
- **2.8 Contractor's Contract Administrator:** The individual authorized by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Contract Manager. Additionally, Contractor's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- 2.9 Contractor's Contract Manager/Contractor's Alternate Contract Manager: The individual authorized by the Contractor to administer the Contract operations under this Contract.
- **2.10 Contractor's Employees/Staff:** Any person designated by the Contractor to perform services under this Contract.
- **2.11 Contractor's Financial Manager:** The individual authorized by the Contractor to have full authority to act on behalf of the Contractor in all matters relating to invoicing under this Contract.

- **2.12 County:** The County of Los Angeles.
- 2.13 County Observed Holidays: Days on which County departments are closed for business in observance of significant events. Contractor is not required to provide services on County Observed Holidays unless otherwise stated in the SOW or Contract. A list of County Observed Holidays may be found on the County's website https://ttc.lacounty.gov/county-holidays/.
- **2.14 County's Contract Administrator:** The individual authorized by the TTC with authority for the County to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the County's Contract Manager. Additionally, County's Contract Administrator must oversee all projects and serve as a point of escalation, as needed.
- **2.15 County's Contract Manager:** The individual authorized by the County's Contract Administrator to manage the day-to-day activities and overall operations under this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services, and other work provided by the Contractor.
- **2.16 Day(s):** Calendar-day(s) unless otherwise specified.
- **2.17 Fiscal Year:** The 12-month period beginning on July 1st and ending the following June 30th.
- **2.18 Full Scope Collections:** Includes issuance of demand letters, skip tracing to locate contact information for debtors, and contacting debtors via phone or email for collection purposes.
- 2.19 Medi-Cal PII: Information that can be used alone, or in conjunction with any other information, to identify a specific individual. Medi-Cal PII includes any information that can be used to search for or identify individuals, or can be used to access their files, including but not limited to name, Social Security Number (SSN), Date of Birth (DOB), Place of Birth (POB), mother's maiden name, driver's license number, or identification (ID) number. Medi-Cal PII may also include any information that is linkable to an individual, such as medical, educational, financial, and employment information. Medi-Cal PII may be electronic, paper, verbal, or recorded and includes statements made by, or attributed to, the individual.
- **2.20 Performance Requirements Summary (PRS) Chart:** Identifies the key performance indicators of the Contract and SOW that the TTC will evaluate to ensure the Contractor meets performance standards, as specified in this Contract and SOW.

- 2.21 Personally Identifiable Information (PII): Any information about a person, living or deceased, or other legal entity, that is kept by an organization or other entity, including (1) any information that can be used to distinguish or trace the person's identity, such as name, SSN, taxpayer ID number, email address, DOB, POB, mother's maiden name, or unique biometric records; (2) any information by which an entity intends to identify specific persons in conjunction with other data elements, i.e., indirect identification (these data elements may include a combination of gender, race, DOB, POB, geographic indicator, and other descriptors); and (3) any other information that is linked or linkable to a person, such as medical, educational, financial, and employment information. PII can be categorized as Public PII or Protected PII. As a result of public policy some information in the possession of the County, normally considered to be Protected PII may be publicly available, e.g., employee contact information or employee salaries.
- **2.22 Quality Control Plan:** All necessary measures taken by the Contractor to ensure that the quality of service will meet the Contract requirements regarding timelines, security, accuracy, appearance, completeness, consistency, and conformity to the requirements set forth in this Exhibit A (SOW).
- **2.23 Soft Collections:** Includes issuing demand letters but not skip tracing to locate contact information for debtors nor contacting debtors via phone or email for collection purposes.
- **2.24** Statement of Work (SOW): A written description of tasks, deliverables, and/or other work required by the County pursuant to this Contract.
- **2.25 Subcontractor:** Any individual, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services, equipment, and/or materials to Contractor in furtherance of Contractor's performance under this Contract, under oral or written agreement.
- **2.26 Treasurer and Tax Collector:** The officer appointed as the County Treasurer and Tax Collector.
- **2.27 TTC:** The County Department of Treasurer and Tax Collector.
- **2.28 TTC Employees:** The staff of the TTC.

3.0 SCOPE OF WORK

3.1 Accounts included in primary collections that the TTC may refer to the Contractor include, but are not limited to, the following:

Department	Account Type
DPSS	CalFresh, CalWORKs, and General Relief Overpayments
Other Departments	Recovery of Salary Overpayments, Miscellaneous Departmental Fees/Penalties, and Non-Sufficient Fund (NSF) Checks

- **3.2** The TTC typically refers eligible delinquent accounts to the Contractor after these accounts have gone through the TTC's internal collection process for 180 Days. However, the TTC reserves the right to change the timeline for referring accounts to the Contractor and refer delinquent accounts to the Contractor at any point during the TTC's collection process.
- **3.3** The TTC will refer eligible delinquent accounts to the Contractor on a flow basis in a manner determined to be in the best interest of the TTC as indicated in Subparagraph 4.1 (Referral of Delinquent Accounts to the Contractor).
- **3.4** Upon receipt, or no more than one Business Day after the referral of accounts, the Contractor must undertake collection efforts in accordance with the provisions in the SOW and all applicable federal and state laws. The TTC reserves the right to direct the Contractor to modify or change its collection methodology.

4.0 WORKFLOW REQUIREMENTS

The TTC will provide the Contractor with all available data related to the referred accounts that it deems pertinent to delinquent accounts. The Contractor must accept delinquent account information in the manner described in Subparagraphs 4.1 (Referral of Delinquent Accounts to the Contractor).

The Contractor must use the TTC's Client Numbers and the TTC's account numbers for all business conducted regarding referrals. The Contractor must segregate all accounts referred by the TTC from all other accounts within its system(s). All information relating to the accounts referred must be confidential and will not be available and/or open to examination for any purpose not directly connected with the servicing of the accounts by the Contractor.

4.1 Referral of Delinquent Accounts to the Contractor

The TTC will refer eligible miscellaneous accounts to the Contractor after 180 Days from the original date of referral to the TTC, or at any point during the TTC's collection process, if the balance is \$50.00 or more, except for

NSF checks, where there is no minimum balance requirement. However, the TTC may, at its discretion, refer a batch of accounts, each having a balance less than \$50.00, if the accounts are for a single debtor and the cumulative balance of the accounts exceeds \$50.00.

At minimum and to the extent the information is available, the files must include, but not be limited to, the TTC's Client Number and account numbers, the debtor's name, last known address, driver license number, SSN, telephone number, DOB, and the balance due on the account as indicated in Attachment 2 (TTC-OCA Referral File Layout).

Regarding the TTC accounts, the Contractor will be required to maintain account-related notes, inclusive of note dates, in an automated system and provide those notes upon request to the TTC using the electronic file specification in Attachment 2 (TTC-OCA Referral File Layout), and compliance with transfer methods in Exhibit J (Information Security and Privacy Requirements). The Contractor will be required to track activities related to the referred accounts in an automated system.

- **4.1.1** The TTC will transmit referral files to the Contractor on a weekly basis. The Contractor must acknowledge all files received and processed in a manner acceptable by the TTC as indicated in Attachment 2 (TTC-OCA Referral File Layout).
- **4.1.2** Exceptions (i.e., accounts the Contractor is unable to process) will be resolved within two Business Days of receipt by either the TTC or the Contractor.

4.2 Payments and Adjustments to the Contractor's Records

- **4.2.1** The TTC will work with the Contractor to develop a schedule for the electronic transmission of Payment and Adjustment Files to the Contractor. The Contractor must acknowledge all files received and processed in a manner acceptable to the TTC as indicated in Attachment 3 (TTC-OCA Payment and Adjustments File Layout).
- **4.2.2** Exceptions (i.e., payments and adjustments the Contractor is unable to process) will be resolved within two Business Days of receipt by either the TTC or the Contractor.
- **4.2.3** If the Contractor does not agree with an adjustment on an account for any reason, the Contractor must notify via email the County's Contract Manager identified on Exhibit E (County's Administration), of the specific reasons for the objections and provide the TTC with supporting documentation within five Business Days from the date the Contractor received the adjustment notification.

4.2.4 The TTC will evaluate the Contractor's objection, make a determination, and notify the Contractor of its decision via email within ten Business Days of receipt of the notice from the Contractor. With regards to this Subparagraph 4.2 (Payments and Adjustments to the Contractor Records), the TTC's decision on any objection will be final. Failure on the part of the Contractor to act within the prescribed timeframe and in accordance with the procedures set forth above will result in a waiver of any claim for fees that might have otherwise been warranted.

4.3 Recall of Accounts from the Contractor

The TTC will have the right to recall accounts from the Contractor, without charge or penalty. Immediately upon receipt of the TTC's recall notification, the Contractor must discontinue collection efforts. Under no circumstances will the Contractor undertake further collection efforts on recalled accounts.

- **4.3.1** The TTC may recall accounts in the following circumstances:
 - **4.3.1.1** Any account within 30 Days of the referral or assignment to the Contractor.
 - **4.3.1.2** Any account that the TTC determines would not be in its best interest for the Contractor to collect.
 - **4.3.1.3** Any account owed by a debtor who files a Petition in Bankruptcy, including a Petition for a Wage Earner's Plan.
 - **4.3.1.4** Any account where the debtor is deceased.
- **4.3.2** In the event the TTC recalls an account, the TTC will not be liable to the Contractor for the payment of any fee or fee associated with payments received on said account after the effective date of such recall.
 - **4.3.2.1** If the TTC adjusts an account while the account is still with the Contractor, leaving a remaining adjusted balance and the debtor subsequently pays the adjusted balance, the Contractor is entitled to a fee on the adjusted balance only.
 - **4.3.2.2** The TTC will recall referred accounts in the following manner:
 - **4.3.2.2.1** The Contractor must send a recall list electronically to confirm accounts that they wish to return to the TTC. Under no circumstances will the Contractor

return accounts to the TTC without sending a prior request for recall.

- **4.3.2.2.2** The TTC will work with the Contractor to develop a schedule for the electronic transmission of Recall files to the Contractor. The Contractor must acknowledge all files received and processed in a manner acceptable to the TTC as indicated in Attachment 4 (TTC-OCA Recall File Layout).
- **4.3.2.2.3** Exceptions (i.e., recalls that the TTC is unable to process) will be resolved within two Business Days of receipt by either the TTC or the Contractor.

4.4 Return of Referrals to the TTC

- **4.4.1** The TTC will work with the Contractor to develop a schedule for the electronic transmission of Return Referral Files to the TTC. The TTC will acknowledge all electronic files received and processed from the Contractor Attachment 7 (OCA-TTC Return Referral File Layout), to return requested accounts in accordance with Subparagraph 4.3 (Recall of Accounts from the Contractor). After attempting to collect accounts for 365 Days, the Contractor must return all accounts to the TTC within one week. However, if the Contractor establishes a payment plan on an account in accordance with Subparagraph 5.1.10 (Debtor Payments on Assigned Accounts), the Contractor may retain that account as long as the debtor continues to make his or her payments as agreed, up to a maximum of 18 months. If the debtor defaults on his or her payments, the Contractor must return the account to the TTC once the debtor becomes 60 Days past due. In no case will the Contractor retain an account beyond the term of the Contract.
- **4.4.2** Exceptions (i.e., returns the TTC is unable to process) will be resolved within two Business Days of receipt by either the TTC or the Contractor.
- **4.4.3** If the Contractor makes a recommendation for the reassignment of an account within 60 Days of returning said account, the TTC may, in its sole discretion, once again refer such account to the Contractor. The Contractor will be entitled to its fee for any sums thereafter collected upon such reassigned accounts.

4.5 Payment Remittance to the TTC

On a weekly basis, the Contractor must remit to the TTC an amount equal to the total of all payments received by the Contractor for the TTC referred accounts since the last remittance, less the Contractor's applicable fees. The method of remittance by the Contractor must be a deposit of the funds into a bank account designated by the TTC. The Contractor must submit any refunds of fees, as set forth in Subparagraph 5.2.1 (Refunds), with the remittance amount.

- **4.5.1** The TTC will work with the Contractor to develop a schedule for the electronic transmission of the Contractor's Payment Remittance Files to the TTC. The TTC will acknowledge all files received and processed as indicated in Attachment 5 (OCA-TTC Payment Remittance File Layout), for each deposit made into the bank account designated by the TTC. The Contractor is responsible for ensuring the payment files reconcile to each bank deposit.
- **4.5.2** If the remittance amount is \$250,000 or greater for the prior period's collections, the Contractor must deposit the remittance amount into the TTC's bank account no later than 8:00 a.m. Pacific Time (PT) each Friday. If Friday is a County Observed Holiday, the deposit has to be made on the following Monday.
- **4.5.3** The Contractor must exclude from the Payment Remittance File any check payment that the Contractor's bank returns as NSF or any chargeback debit/credit card transaction. If the NSF return or chargeback occurs after the Contractor remitted payment to the TTC, the Contractor must provide proof of the return or chargeback to the TTC for approval prior to deducting the payment from their next remittance to the TTC.
- **4.5.4** Exceptions will be resolved within two Business Days of receipt by either the TTC or the Contractor (i.e., when a payment gets remitted to TTC on a return account, this should be resolved within two Business Days).

4.6 Delinquent Account Inventory Reconciliation

4.6.1 The TTC will work with the Contractor to develop a schedule for the electronic transmission of Inventory Reconciliation Files. The TTC will acknowledge all files received and processed in a manner acceptable by the TTC as indicated in Attachment 6 (OCA-TTC Maintenance Inventory File Layout). The Inventory Reconciliation Report must be used to compare the Contractor's active account inventory with the

TTC's records, which may result in new referrals, the return of accounts, or payment and adjustment updates.

4.6.2 Exceptions (i.e., Inventory Reconciliation Reports the TTC cannot process) will be resolved within two Business Days of receipt by either the TTC or the Contractor.

4.7 Other Information Exchanges Including Correspondence

The Contractor must electronically submit monthly collection reports to the TTC by the 10th of each month using the method described in Attachment 8 (OCA Collection Statistics Report), and Attachment 9 (Stair Step Report (Sample)).

5.0 SPECIFIC WORK REQUIREMENTS

Prior to commencing collection efforts, the Contractor may be required to participate in training provided by the TTC for a particular referring department (e.g., DPSS and its appeal process).

5.1 Collections Related

5.1.1 Collection Methods

The Contractor must, at minimum, perform the services identified below:

- Issue an initial notice to all debtors which includes a statement, in Spanish, that directs the debtor to a telephone number to call if the debtor wishes to obtain additional information in Spanish;
- Issue monthly statements to all debtors;
- Issue warning letters advising delinquent debtors of an outstanding obligation;
- Attempt contact with delinquent debtors by telephone in an effort to collect the debtors' outstanding balances;
- Perform skip-tracing to locate contact information for debtors with no phone number or no valid address; and

- Accept multiple forms of payments, including cash (i.e., walk-in payments), checks, money orders, credit cards, debit cards, online payments, and via an interactive voice response system.
 - The Contractor must process Walk-In payments in accordance with Subparagraph 6.4.1 (Walk-In Payments), when applicable.
- **5.1.2** The Contractor will not commence collection efforts or accept payments until such time as the TTC refers the account for collection services.
- **5.1.3** Upon referral of accounts, the Contractor must undertake collection efforts immediately in accordance with the <u>Fair Debt Collection</u> <u>Practices Act</u>, the <u>California Rosenthal Fair Debt Collection Practices</u> <u>Act</u>, and all other applicable federal, state, or local statutes.

5.1.4 Disputes Between the Contractor and Debtors

The Contractor must develop and maintain written procedures for receiving and responding to disputes.

- **5.1.4.1** Within ten Business Days after the Contract effective date, the Contractor must provide the County with the Contractor's written policy for receiving and responding to debtor disputes.
- **5.1.4.2** The County will review the Contractor's policy and either approve or request changes. The revised policy is due within five Business Days for County's review and approval.
- **5.1.4.3** If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor must submit proposed changes in writing to the County for approval before implementation.
- **5.1.4.4** In the event a debtor disputes any amount of the balance due or liability for the amount due on a referred account, the Contractor must notify the County's Contract Manager in writing of such dispute within three Business Days after the Contractor receives the dispute. The Contractor will not resume collection efforts on the disputed amount until directed in writing by the TTC.

5.1.5 Retention of Records and Information

The Contractor must maintain all account information by account number. The Contractor must keep copies of all correspondence sent

to debtors and have the capability to produce copies of the correspondence upon request.

5.1.6 Debit/Credit Card Verification

The Contractor will not pass Debit/Credit Card fees, or any other additional fees, onto debtors or the TTC. To ensure the validity of Debit/Credit cards, the Contractor must obtain authorization for every Debit/Credit card transaction submitted by debtors using an Address Verification Service with a zip code validation.

5.1.7 Compromise Authority

The Contractor must utilize compromise settlements of delinquent accounts as a standard collection tool on eligible accounts within the TTC's delegated authority as stated in the County Code section 2.52.040(L). The TTC must approve each compromise settlement. The Contractor has no authority to process compromise settlements that the TTC has not approved.

5.1.8 Credit Reporting

The Contractor will not report any referral to any credit reporting agency. In the event this policy changes, the TTC will notify the Contractor in writing.

5.1.9 Paid in Full Letters

The Contractor must issue a letter or receipt to a debtor who has paid or settled their account in full. The letter or receipt must indicate a \$0.00 balance and include the following statement: "Account number (List account number), assigned to (List name of the Contractor), is paid/settled in full as indicated."

5.1.10 Debtor Payments on Assigned Accounts

5.1.10.1 The Contractor may establish payment plans to allow debtors to pay a referral in installments based on debtors' current income and ability to pay. If debtors' income is below the current Federal Poverty Guidelines, the Contractor must return the account to the TTC. The Contractor may extend payments longer than 365 Days, up to a maximum of 18 months, as long as debtors continue to make their payments as agreed (see Subparagraph 4.4.1). However, the Contractor must return

the accounts to the TTC once debtors become 60 Days past due.

5.1.10.2 The Contractor must remit all collections to the TTC in accordance with Subparagraph 4.5 (Payment Remittance to the TTC).

5.1.11 Contractor Collections

- **5.1.11.1** The Contractor must provide a daily cashiering function for payments remitted by mail.
- **5.1.11.2** The Contractor must process all Walk-In payments in accordance with Subparagraph 6.4.1 (Walk-In Payments).
- **5.1.11.3** The Contractor will only accept payments for assigned accounts. The Contractor's office staff must process and deposit all payments it receives into a financial institution's bank account on the same day it receives the payments. In addition, the Contractor must maintain this bank account exclusively for the use of the TTC collections.
- **5.1.11.4** The Contractor will maintain an account(s) each of which must be fully insured by the Federal Deposit Insurance Corporation (FDIC). The minimum ratings required will be a rating of "A" by Moody's or Standard & Poor's, regardless of numerical or symbolic qualifiers (1,2,3, +, or -) and an overall Community Reinvestment Act rating of not less than "satisfactory" in its most recent evaluation by the appropriate federal financial supervisory agency at the time of Contract award, unless otherwise agreed to by both the TTC and the Contractor. In the event that the Contractor's financial institution fails to maintain the minimum rating, the TTC reserves the right to require the Contractor to replace its Financial Institution with another Financial Institution that meets the minimum rating requirements.
- **5.1.11.5** The Contractor must ensure that it is in compliance with its internal control plan. For the purposes of this Contract, adequate internal control procedures are, at a minimum, the controls set forth in Paragraph 6.0 (Minimum Internal Control Requirements), of this SOW and require TTC approval. If the TTC determines that additional controls are necessary at any time during the term of the Contract, the Contractor must implement such additional controls as required. The

Contractor may propose and implement alternative procedures subject to the TTC's approval in writing prior to implementation.

5.1.11.6 The Contractor will be liable and responsible for all collection shortages (e.g., cashiering shortages) related to the accounts, which may occur during the Contractor's collection and processing activities.

5.2 Fees and Referral Related

5.2.1 Refunds

The Contractor is responsible for all refunds to debtors for all payments received that exceed the assigned amount. If the Contractor receives a payment that requires the issuance of a refund, the Contractor must issue the refund to the debtor. If the Contractor has already remitted the payment to the TTC, the Contractor will request for the TTC to return the remitted payment in order for the Contractor to issue the refund to the debtor.

5.2.2 Direct Payments

On a weekly basis, the TTC will notify the Contractor of payments that the TTC or the TTC's Client Department has received directly from debtors (Direct Payments) on accounts assigned to the Contractor. The TTC will remit a warrant to the Contractor for the appropriate fees on Direct Payments. The TTC's determination will be final with regard to Direct Payments.

5.2.3 Franchise Tax Board Intercept Program and Treasury Offset Program

The Contractor will not be entitled to any fee for payments received from the State of California Franchise Tax Board or through the U.S. Department of the Treasury Offset Program (e.g., Social Security and Internal Revenue Service); however, if the Contractor collects any of the remaining outstanding balance, it would be paid a fee on those collections.

5.2.4 Uncollectible Accounts

5.2.4.1 If the Contractor deems accounts uncollectible, it will initiate recall of those accounts in accordance with Subparagraph 4.3 (Recall of Accounts from the Contractor). The Contractor will

have no rights to a fee for any sums collected thereafter on these accounts. If the Contractor makes a recommendation for reassignment of an account within 60 Days of returning said account, the TTC may, in its sole discretion, reassign such account to the Contractor, pursuant to Subparagraph 4.1 (Referral of Delinquent Accounts to the Contractor). The Contractor will be entitled to its fee for any sums collected thereafter on such reassigned accounts.

5.2.4.2 The Contractor must not collect any payments and/or retain fees on accounts that the TTC has not assigned to the Contractor, or accounts that have been returned to the TTC. In the event the Contractor receives a payment on a returned account, the Contractor must notify the TTC Contract Manager for further instructions.

5.2.5 Deceased Debtors

If the Contractor is notified that a debtor is deceased, the Contractor must send a recall request for all of the deceased debtor's accounts to the TTC, as stated in Subparagraph 4.3.2.2. The Contractor will only be entitled to fees on payments collected by the Contractor prior to the date the Contractor received notification that the debtor was deceased.

5.3 Additional Delinquent Account Collection Services

- **5.3.1** The TTC reserves the right to request additional services other than those indicated in this SOW. Pricing for any additional services that are not the same or similar will be negotiated. If the TTC is unable to negotiate a commission with the Contractor, the TTC may, at its sole discretion, direct another vendor to perform the additional service outside of this Contract.
- **5.3.2** The TTC submits CalFresh and CalWORKS accounts via electronic file transfer to the California Department of Social Services (CDSS) on behalf of the DPSS in order to initiate the process of either intercepting tax refunds, lottery winnings, or unclaimed property or offsetting federal benefits. The TTC may require the Contractor to assume the duties of the TTC and to complete the process for these accounts. The overall process of the steps for each account is identified below:

CalFresh Accounts:

• The TTC submits CalFresh accounts to the CDSS via electronic file transfer;

- The CDSS submits CalFresh accounts to the Treasury Offset Program (TOP) to offset federal benefits (e.g., social security benefits);
- The TOP retains 82.5% of intercepted funds and forwards the remaining 17.5% to the TTC;
- The TTC applies intercepted funds to underlying accounts; and
- The TTC deducts its fee based on the 17.5% intercepted funds and forwards the remaining funds to DPSS.

CalWORKs Accounts:

- The TTC submits CalWORKs accounts to the CDSS via electronic file transfer;
- The CDSS submits CalWORKs accounts to the California Franchise Tax Board (FTB) to intercept tax refunds, lottery winnings, and unclaimed property;
- The FTB retains 65% of intercepted funds and forwards the remaining 35% to the TTC;
- The TTC applies intercepted funds to underlying accounts; and
- The TTC deducts its fee based on the 35% intercepted funds and forwards the remaining funds to DPSS.

5.4 Wind Down Process

- **5.4.1** Upon termination or expiration of the Contract, the Contractor must discontinue working on any referred accounts. The TTC will not pay fees on payments received by the Contractor after the date of termination or expiration.
- **5.4.2** At least 90 Days prior to the expiration of this Contract, or at a time determined by the TTC, the TTC will commence the Wind Down process. If the Contract is terminated, the Wind Down process will commence immediately. At the initiation of the Wind Down process, the TTC will:
 - a) Send a notification to the Contractor commencing the Wind Down process.
 - **b)** Discontinue sending referrals to the Contractor.
 - c) Submit a Recall request instructing the Contractor to return all accounts electronically within 60 Days of the request. The Contractor must include the latest address and telephone number for all accounts on all recall records as stated in Attachment 7 (OCA-TTC Return Referral File Layout).

- **d)** Request the Contractor to provide a listing of accounts where the debtor has filed bankruptcy, is deceased, or has disputed the account.
- **5.4.3** Upon receiving the Wind Down letter and/or notification of termination of the Contract, the Contractor must send letters notifying all debtors that the Contractor is no longer providing services to the TTC and informing debtors to submit payments directly to the TTC. The Wind Down letter must include a statement in Spanish that directs recipients to a telephone number to call if recipients wish to obtain additional information in Spanish. If the Contractor still receives payments after returning accounts to the TTC, the Contractor must forward all payments received to the TTC. The Contractor will not be entitled to any fees for payments received after the termination of the Contract.

6.0 MINIMUM INTERNAL CONTROL REQUIREMENTS

6.1 General Requirements for the Contractor

The Contractor must provide written internal control procedures to the TTC within ten Business Days of the Contract Award, which are subject to the TTC approval. The Contractor must maintain and periodically update as necessary and/or as requested by the TTC and provide an updated copy for review and approval by the TTC within ten Business Days of the update/request. The Contractor must communicate these procedures to office management staff and should continuously monitor operations to ensure compliance.

6.2 Contractor Mail Remittances

Cash handling and recordkeeping duties must be performed by different staff responsible for each duty. Mail must be picked up by employees who do not have cash handling duties or access to accounting records. This requirement can also be satisfied by using a private courier service to pick up the mail. Mail must be opened by at least two employees to document and verify the amount of mail payments. These employees must not have access to accounting records or be collectors.

6.2.1 Checks and money orders must be restrictively endorsed when the mail is opened. The payments must be logged into a Control Log showing the date of payment, payment instrument (e.g., check, money order and cash), debtor's name, amount received, and number of the payment instrument. Any cash received must immediately be receipted and placed into a safe or other secured location. The receipted

must be utilized for posting to the account. The actual checks and money orders must be locked in a secure location with restrictive access until deposited during or at the end of the day. This location must remain locked during the day. The Contractor must have controls in place for handling cash and check payments.

6.3 Receipts

The following controls must be in place to maintain accountability over receipts:

- **6.3.1** Receipts must be issued by an employee who does not have the ability to adjust debtor accounts.
- **6.3.2** Receipts must be issued to debtors.
- **6.3.3** Receipts must be used in sequential numerical order.
- **6.3.4** Issued receipts must be numerically controlled.
- **6.3.5** If receipts are not system generated, receipts must be kept in a secure place. Office management staff must maintain accountability for all non-system generated receipt stock, and all used and voided receipts.
- **6.3.6** Employees who issue receipts will not control used and unused receipt stock.

6.4 Additional Requirements

6.4.1 Walk-In Payments

The Contractor must ensure that all walk-in payments are receipted for, in the presence of debtors (or their representative), by an employee who does not have the ability to adjust posted debtor accounts. A copy of receipts must be given to debtors (or their representative). Signs must be posted instructing debtors (or their representative) to request and receive a receipt. The Contractor must provide multilingual translation services, if requested, at a minimum in Spanish. Walk-in payments are also accepted at the TTC located at:

Kenneth Hahn Hall of Administration 225 North Hill Street, First Floor Lobby (Cashier) Los Angeles, California 90012 Business Hours: Monday through Friday 8:00 a.m. to 5:00 p.m. PT Excluding County Observed Holidays

6.4.2 All Payments

- **6.4.2.1** All cash is to be secured; thereafter, receipts corresponding to cash received must be utilized for posting purposes. Unidentified Payments, post-dated, and returned NSF checks will be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition. In the event an Unidentified Payment is a check or money order, a photocopy of it must be retained, together with the log, to subsequently disposition the payment.
- **6.4.2.2** All payments, including Unidentified Payments, should be deposited daily. Duplicate deposit slips must be retained for all deposits.
- **6.4.2.3** Office management staff must reconcile mail payments and walk-in payments to the total amount of the deposit. The Contractor must have controls in place for handling all payments.

7.0 ADDITIONAL REQUIREMENTS

The TTC will not assign any employees to assist the Contractor on a full-time basis; however, staff will be available, at the TTC's discretion, to provide information or to act as a liaison between the Contractor and the TTC's client departments.

- **7.1** Various debt records and statistics of the TTC's operations may be made available to the Contractor for review and evaluation whenever deemed appropriate and feasible by the TTC, and as may be allowed by applicable law.
- **7.2** At the TTC's sole discretion, the TTC may provide space, chairs, and desks, on a non-exclusive basis, to the Contractor solely for services as specified in this Contract. The Contractor is prohibited from using such space, desks, and chairs for purposes other than for the performance of this Contract.
- **7.3** At the TTC's sole discretion, the TTC may provide access to telephones, fax machines, and photocopying equipment, on a non-exclusive basis, for the purpose of the Contractor's performance of this Contract. The Contractor is

prohibited from use of such equipment for the purposes other than for the performance of this Contract.

7.4 Contractor – Business Office

The Contractor must maintain a business office within the contiguous United States of America. At a minimum, the business office should maintain regular business hours from 8:00 a.m. to 5:00 p.m. PT, Monday through Friday, with early morning or late evening hours on at least one day per week and provide this information to debtors.

Contractor must provide the ability for clients to make in-person payments or partner with a local agency to accept walk in payments. and designate a person(s) to maintain all the records and reports required per this Contract.

The Contractor's business office address, toll-free telephone number, and business hours, including extended business hours, must be clearly visible on the Contractor's letterhead utilized for all client communications.

7.5 Location of Contractor's Collection Operations

The Contractor must provide all services related to this Contract from offices physically located within the contiguous United States of America. The Contractor will not provide services related to this Contract, within any physical or remote location outside the contiguous United States of America.

7.6 Telephone Services Requirements

- **7.6.1** If the Contractor has an office within a 15-mile radius of Downtown Los Angeles Civic Center, the Contractor is required to maintain a telephone listing in Los Angeles County.
- **7.6.2** The Contractor must provide a toll-free number so that debtors may be able to obtain information on the debt through an operator or automated system (e.g., status, amount due, payment options, etc.); to remit payment and to establish a payment plan.
- **7.6.3** The Contractor must offer multilingual translation options for the services mentioned in Subparagraph 5.1. At a minimum, any automated system to provide account information must offer both English and Spanish options.
- **7.6.4** The Contractor must provide a toll-free number for hearing impaired with a telecommunication device that offers the services specified in Subparagraph 5.1.

7.7 Materials and Equipment

The Contractor is responsible for the purchase of all materials and/or equipment to provide required services under this Contract. The Contractor must use materials and equipment that are safe for the environment and safe for use by employees.

7.7.1 The Contractor will furnish all labor, materials, supplies, personnel, equipment, and administrative support necessary to perform the services under this Contract.

8.0 INFORMATION SECURITY AND PRIVACY REQUIREMENTS

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

9.0 QUALITY CONTROL PLAN

Contractor must establish and maintain a comprehensive Quality Control Plan (QCP) to ensure the Contractor meets the requirements of the Contract and provides a consistently high level of service throughout the Contract Term. The QCP must be submitted to the County's Contract Manager within ten Business Days following the start date of this Contract and as changes occur during the Contract Term or upon request. Contractor must review its QCP annually and update as changes occur.

At a minimum, the QCP must include the following:

- **9.1** The method of monitoring to ensure that all Contract requirements are being met. It must specify the activities the Contractor will monitor, including activities monitored on either a scheduled or unscheduled basis; how often the monitoring will be performed; and the title of the individual(s) who will perform the monitoring;
- **9.2** The methods used by the Contractor to identify and prevent deficiencies in the quality of service performed before the level of performance becomes unacceptable and not in compliance with this Contract;
- **9.3** A record of all inspections conducted by the Contractor, any corrective action taken, the date a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, which must be provided to the TTC upon request;
- **9.4** The method for ensuring the Contractor maintains confidentiality of debtor information while in the care of the Contractor; and

9.5 On an ongoing basis, the Contractor's performance will be compared to the Contract performance standards identified herein.

10.0 BUSINESS CONTINUITY PLAN

The Contractor will provide a written Business Continuity Plan (BCP) for providing continuing services to the County in the event of an emergency that disrupts the Contractor's operations. The Contractor must provide an updated copy of the BCP to the County's Contract Administrator ten Business Days of this Contract start date and within ten Business Days when changes occur during the Contract Term. The BCP must include, at a minimum, the following components:

- The process for notifying the TTC immediately of any emergency that disrupts service (e.g., power outages, natural disaster, fire, cyber terrorism, etc.);
- Timeline for operationalizing the BCP;
- Description of the Contractor's disaster recovery plans and solutions;
- Address, phone number, email address, and fax number of any alternate site(s) where Contractor will perform services;
- Description of the production capabilities at any alternate site(s);
- Description of the Contractor's Information Technology plans and features to ensure the County's Information remains accessible and secure;
- Description of how Contractor would implement the BCP; and
- Description of how Contractor will test the BCP on an annual basis and update it accordingly.

11.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract.

11.1 Meetings

The Contractor is required to attend any scheduled meeting as agreed upon by the County and the Contractor. Failure to attend may result in an assessment as defined in the PRS Chart. The County will notify the Contractor in writing of the assessment and will deduct the assessment from payment to the Contractor. The Contractor must prepare meeting minutes and forward the minutes to the TTC for review no later than one week following the meeting date. Upon the TTC's review and approval, the Contractor will distribute the minutes to meeting attendees.

11.2 Contract Discrepancy Report

The County will determine whether a formal Contract Discrepancy Report (CDR), Attachment 10, is issued to the Contractor. Upon receipt of this document, the Contractor will respond in writing to the County within three Business Days, acknowledging the reported discrepancies or presenting contrary evidence. The County will evaluate the evidence presented and determine whether the discrepancy is valid. The Contractor will submit a plan for correction of all deficiencies identified in the CDR to the County within five Business Days and resolve discrepancy within a time period mutually agreed upon by the County and the Contractor.

11.3 County Observations

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

11.4 Contractor Complaint Log

The Contractor will maintain a log of all complaints received from the County or the public. The Contractor will immediately investigate all complaints and provide a written report to the County regarding the disposition of each complaint within five Business Days of receiving the complaint. Each report will include a summary of the complaint, name of the Contractor's employee(s) involved, results of the Contractor's investigation, and a statement regarding the corrective action taken to avoid or mitigate the recurrence of such a complaint.

The County retains the right to terminate this Contract if the Contractor does not take action to said complaint(s).

11.5 Site Visits

The TTC may designate personnel to conduct site visits to observe performance, activities, and review documents relevant to this Contract. TTC personnel will conduct site visits during normal business hours and will not unreasonably interfere with the Contractor's performance.

12.0 DAYS OF OPERATION/HOURS/WORKDAY

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

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

13.0 PERFORMANCE REQUIREMENTS SUMMARY

The PRS Chart (Attachment 11) lists the required services monitored by the County during the Contract Term.

- **13.1** All listings of services used in the PRS Chart are intended to be completely consistent with this Contract and are not meant in any case to create, extend, revise, or expand any obligation of the Contractor beyond that defined in this Contract. In any case of apparent inconsistency between services or deliverables as stated in this Contract, the meaning apparent in this Contract will prevail. If any service or deliverable seems to be created in the PRS, which is not clearly and forthrightly set forth in this Contract, that apparent service will be null and void and will place no requirement on the Contractor.
- **13.2** At the County's sole discretion, when the Contractor's performance does not conform to the requirements of this Contract, the County will have the option to apply non-performance remedies that may include, but are not limited to, the following:
 - Require the Contractor to implement a Correction Action Plan (CAP), subject to approval by the County. In the CAP, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
 - Reduce payment to the Contractor based on the assessment indicated in the PRS Chart.
 - Reduce, suspend, or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.

- Failure of the Contractor to comply with or satisfy requests for improvement of performance or to perform the neglected work specified within ten Business Days or the timeframe specified by the TTC will constitute authorization for the County to have the service(s) performed by others. Contractor must reimburse the County for the entire cost of such work performed by others because of the Contractor's failure to perform said service(s), as determined by the County. The Contractor will credit to the County on the Contractor's future invoice(s) under this Contract or any other County Contract.
- **13.3** Nothing within this Subparagraph precludes the County's right to terminate this Contract upon ten Days' written notice with or without cause as provided in this Contract.

EXHIBIT A STATEMENT OF WORK ATTACHMENTS

- 1. Referral Statistics
- 2. TTC-OCA Referral File Layout
- 3. TTC-OCA Payment and Adjustments File Layout
- 4. TTC-OCA Recall File Layout
- 5. OCA-TTC Payment Remittance File Layout
- 6. OCA-TTC Maintenance Inventory File Layout
- 7. OCA-TTC Return Referral File Layout
- 8. OCA Collection Statistics Report
- 9. Stair Step Report (Sample)
- 10. Contract Discrepancy Report (CDR)
- 11. Performance Requirements Summary (PRS)

REFERRAL STATISTICS

FY 2019-20 Referrals							
	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Collections			
DPSS	23,290	75.24%	\$ 19,537,568.00	\$ 7,768,503.00			
Non-DPSS	7,663	24.76%	\$ 6,989,538.00	\$ 1,132,683.00			
Total	30,953	100.00%	\$ 26,527,106.00	\$ 8,901,186.00			
Average Balance Per Account			\$ 857.01				

FY 2020-21								
	Referrals							
	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Collections				
DPSS	20,485	75.34%	\$ 19,532,057.00	\$ 1,723,873.00				
Non-DPSS	6,704	24.66%	\$ 6,390,520.00	\$ 636,129.00				
Total	27,189	100.00%	\$ 25,922,577.00	\$ 2,360,002.00				
Average Balance Per Account			\$ 953.42					

FY 2021-22									
	Referrals								
	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Collections					
DPSS	25,031	76.00%	\$ 24,262,070.00	\$ 5,259,632.00					
Non-DPSS	7,906	24.00%	\$ 6,019,306.00	\$ 863,802.00					
Total	32,937	100.00%	\$ 30,281,376.00	\$ 6,123,434.00					
Average Balance Per Account			\$ 919.37						

TTC-OCA Referral File Layout Description: The

ion: The OCA Referral File layout will be used to send new accounts placements to the OCA for collections.

Inbound/Outbound:	Outbound to OCA
Format:	Comma-delimited
Text delimiter:	Quotes
Interval:	Weekly. Wednesday's before 10:30am.
File Destination:	D:\REVQFileTransfers\Referral_OCA\Outbound\

File Naming Convention: _TTC_TO_USCB_PLACEMENTS_<Datetime>.csv

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number. This is the referring departments unique identification number.	Y	
4	Account.Reference2	INT	10	Legacy CARS identifier	Ν	
5	Account.Business Class	NVARCHAR	64	Pre-configured business class. Used for reporting purposes.	Ν	
6	Account.Type	NVARCHAR	64	Pre-configured client types Used for reporting purposes.	Ν	
7	Account.Location Code	NVARCHAR	64	Pre-configured location codes. Possibly used for reporting purposes.	Y	
8	Account.AssignedDate	DATE	MM/DD/YYYY	The date of the delinquent account was assigned to TTC	Ν	
9	Account.Status	NVARCHAR	50	Current status of debt in RevQ	Ν	

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
10	Assessment Date	DATE	MM/DD/YYYY	The date that the department provides service to the debtor.	Y	
11	Claim Date From	DATE	MM/DD/YYYY	The beginning date of the claim. Only available for DPSS accounts.	Y	
12	Claim Date To	DATE	MM/DD/YYYY	The ending date of the claim. Only available for DPSS accounts.	Y	
13	Charge Description	NVARCHAR	255	The brief description of the nature of the charges.	Y	
14	Debtor.IsPrimaryOnAccount	NVARCHAR	1	This value is either "Y" or "N". If this value is "Y", the debtor number listed in field number 1 is the primary debtor associated with the account listed in field number 2. Secondary debtors will have "N" in this field.	Ν	
15	Debtor Type	NVARCHAR	1	Type of debtor record. If company, value is "C". If individual, value is "I".	Ν	
16	Debtor Last Name	NVARCHAR	55	Debtor's last name. Empty, if debtor type = "C"	Ν	
17	Debtor First Name	NVARCHAR	55	Debtor's first name. Empty, if debtor type = "C"	Ν	
18	Debtor Middle Name	NVARCHAR	55	The debtor's middle name, if available. Empty, if debtor type = "C"	Y	
19	Debtor CompanyName	NVARCHAR	80	Company's name. If debtor type = "I", this value is empty	Ν	
20	Debtor.BirthDate	DATE	MM/DD/YYYY	Birth date of the debtor		
21	Debtor.DriversLicenseNumber	NVARCHAR	25	Drivers license number associated with the debtor	Y	
22	Debtor.DriversLicenseState	NVARCHAR	2	Two-digit State Code	Y	
23	Address.Type	NVARCHAR	50	The type of address	Y	"Residence" "Business" "Mailing" "Work"
24	Address.Status	NVARCHAR	50	Status of address.	Y	"Mail Return" "Good" "Bad" "Unknown"

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
25	Address.Address1	NVARCHAR	50	Debtor address line1	N	
26	Address.Address2	NVARCHAR	50	Debtor address line2, if available	Y	
27	Address.City	NVARCHAR	50	Debtor address city	N	
28	Address.State	NVARCHAR	2	Two-digit State Code	N	
29	Address.ZipCode	NVARCHAR	10	The debtor's zip code	N	
30	Phone.Type	NVARCHAR	50	Type of phone	Y	"Cell" "Home" "Work" "Fax"
31	Phone.Status	NVARCHAR	50	Status of phone number	Y	"Good" "Bad" "Unknown"
32	Phone.Area Code	INT	3	Three-digit area code of debtor's phone number, if available.	Y	
33	Phone.Number	NVARCHAR	8	Seven-digit phone number, if available. E.g. 123-1234	Y	
34	Debtor SSN	NVARCHAR	11	The debtor's social security number, if available.	Y	
35	Patient Name	NVARCHAR	50	The patient's name, if the account is from DHS	Y	
36	Client Claim Number	NVARCHAR	50	The benefit claim number from the client department	Y	
37	Account Balance	MONEY(19,2)	\$123.45	the account's balance	N	

TTC-OCA Payment And Adjustments File Layout

This interface file contains payments, adjustments, and reversals that originated with TTC and need to be communicated back to the OCA. Those payments Description: that do NOT have a Payment Type = "OCA Pymt-USCB" will be included in this export. Outbound Inbound/Outbound: Format: Comma-delimited Text-delimiter: Quotes Interval: Weekly File Destination: D:\REVQFileTransfers\Referral_OCA\Outbound

File Naming Convention: TTC_PAY_ADJ_TO_USCB_<Datetime>.csv

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number. This is the referring departments unique identification number.	Y	
4	Account.Reference2	INT	10	Legacy CARS identifier	Ν	
5	Account.BusinessClass	NVARCHAR	64	Pre-configured Client Codes	Y	
6	Account.Type	NVARCHAR	64	Pre-configured Client Types	Ν	
7	Account.LocationCode	NVARCHAR	64	Pre-configured location codes	Y	

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
				Type associated with transaction.		"Adjustment"
				If "Payment", positive amount decreases balance, negative amount increases balance.		"Payment"
8	Transaction Type	NVARCHAR	55	If "Adjustment", positive transaction amount will increase balance, negative amount will decrease balance.	N	"Reversal"
				If "Reversal", balance will increase by amount listed in Transaction amount field.		
9	Transaction Amount	MONEY(19,2)	\$123456.12. Explicit decimal, 2-digit precision. Can be negative.	The total amount of the transaction (payment, adjustment, or reversal).	N	
10	Transaction Type Detail	NVARCHAR	50	Type of payment received. Reason for balance adjustment.	N	
11	Post Date	DATE	MM/DD/YYYY	Reason for the reversal. Post date of the transaction	N	
12	Debtor Last Name	NVARCHAR	55	Debtors last name	Y	
13	Debtor First Name	NVARCHAR	55	Debtors first name	Y	
14	Debtor Middle Name	NVARCHAR	55	Debtors middle name	Y	
15	Debtor CompanyName	NVARCHAR	80	Debtors company name	Y	
16	Debtor DriversLicenseNumber	NVARCHAR	25	Debtors drivers license number	Y	
17	Payment Entered Date	DATE	MM/DD/YYYY	Date of payment into system	Ν	

TTC-OCA Recall File Layo	ut					
Description:	This interface file contains recalls that are transmitted to the OCA's					
Inbound/Outbound:	Outbound (from TTC to OCA)					
Format:	Comma-delimited					
Text-delimiter:	Quotes					
Interval:	Weekly					
File Destination:	D:\REVQFileTransfers\Referral_OCA\Outbound\					
File Naming Convention:	TTC_USCB_RECALL_ <datetime>.csv</datetime>					

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number	Ν	
4	Account.Reference2	NVARCHAR	10	Legacy System unique ID. Used for matching payments on legacy accounts	Y	
5	Account.BusinessClass	NVARCHAR	64	Pre-configured Client Codes	Y	
6	Account.Type	NVARCHAR	64	Pre-configured Client Types	Ν	
7	Account.LocationCode	NVARCHAR	64	Pre-configured location codes	Y	
8	Description	NVARCHAR	250	Brief description of the debt.	Y	
9	Recall Reason	NVARCHAR	50	Pre-configured recall reason code.	Ν	
10	Account.Status	NVARCHAR	50	Current account status in RevQ	Ν	
11	Batch Number	DATE	MM/DD/YYYY	Time stamp of the file	Ν	
12	Recall Date	DATE	MM/DD/YYYY	Date of recall request	Ν	

OCA-TTC Payment Remittance File Layout

Description:	The OCA payment remittance file contains payments that are collected by the OCA agencies.
Inbound/Outbound:	Inbound (from OCA to RevQ)
Format:	Comma-delimited
Text-delimiter:	Quotes
Interval:	Weekly
File Destination:	D:\REVQFileTransfers\Referral_OCA\Inbound\
File Naming Convention	USCB_PAYMENTS_TO_TTC_ <datetime>.csv</datetime>

Field#	RevQ Field	DataType	Length/Format	t Definition		Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number. This is the referring departments unique identification number.	Y	
4	Account.Reference2	INT	10	Legacy CARS identifier	Ν	
5	Account.BusinessClass	NVARCHAR	64	Pre-configured Client Codes	Y	
6	Account.Type	NVARCHAR	64	Pre-configured Client Types	Ν	
7	Account.LocationCode	NVARCHAR	64	Pre-configured location codes	Y	
8	Payment Type	This field is used to distinguish payments received by the OCA		Ν		
9	Post Amount	MONEY(19,2)	\$123456.12. Explicit decimal, 2-digit precision	The total amount of the payment.	Ν	
10	Actual Received	MONEY(19,2)	\$123456.12. Explicit decimal, 2-digit precision	Amount received by TTC from the OCA, net commission removed.	Ν	
11	Post Date	DATE	MM/DD/YYYY	The date of payment received.	Ν	
12	PCF.BatchNumber	NVARCHAR	20	OCA batch number tied to payment	Ν	
13	Collecting Agency	NVARCHAR	4	Collection agency name		
14	Commission Rate	DECIMAL	Right numeric 0 fill, decimal assumed			
15	Payment Receipt Number	NVARCHAR	50	Receipt Number associated with the payment (if available)	Y	

Page 1 of 1

OCA-TTC Maintenance Inventory File Layout

Description:

The OCA-TTC Maintenance Inventory File Layout provides a reconciliation data between the OCA and TTC. This file is used to find discrepancies between what is currently placed with the OCA and what is reflected as owed, received, and adjusted in RevQ.

Inbound/Outbound:	Inbound
Format:	Comma-delimited
Text-delimiter:	Quotes
Interval:	Weekly
File Destination:	D:\REVQFileTransfers\Referral_OCA\Inbound
File Naming Convention:	USCB_MAINTENANCE_RECON_ <datetime>.csv</datetime>

Field#	RevQ Field	DataType			Allow Blank	Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number	Ν	
4	Account.Reference2	NVARCHAR	10	Legacy System unique ID. Used for matching payments on legacy accounts	Y	
5	Account.BusinessClass	NVARCHAR	64	Pre-configured Client Codes	Y	
6	Account.Type	NVARCHAR	64	Pre-configured Client Types	Ν	
7	Account.LocationCode	NVARCHAR	64	Pre-configured location codes	Y	
8	Debtor Last name	NVARCHAR	55	Last name of the debtor	Y	
9	Debtor FirstName	NVARCHAR	55	First name of the debtor	Y	
10	Debtor Middle Name	NVARCHAR	55 Middle name of the debtor		Y	
11	Company Name	NVARCHAR	80 Name of company that owns debt. Only populated if "DebtorType" = "C".		Y	
12	Date of Acknowledgment	DATE	MM/DD/YYYY The cutoff date in OCA		Y	

Field#	RevQ Field	DataType	Length/Format	Definition	Allow Blank	Possible values (if applicable)
13	Original Balance	MONEY(19,2) Explicit decimal, 2 digits	\$123456.12. Explicit decimal, 2- digit precision	The account's beginning owing amount	Ν	
14	Total Adjusted Amount	MONEY(19,2) Explicit decimal, 2 digits	\$123456.12. Explicit decimal, 2- digit precision	Adjustment amount made to the owing amount. Positive amount means NET positive adjusted amount. Negative amount means NET negative adjusted amount.	Ν	
15	LastPaymentDate	DATE	MM/DD/YYYY	Date last payment received by OCA	N	
16	Total Paid	MONEY(19,2) Explicit decimal, 2 digits	\$123456.12. Explicit decimal, 2- digit precision	Total paid to OCA	N	
17	Account.Status	NVARCHAR	50	Current account status in RevQ	Ν	
18	OCAName	NVARCHAR	50	Collection vendor name	N	
19	Account.Balance	MONEY(19,2)	19,2	Balance on account, as of recall	Ν	

OCA-TTC Return Referral File Layout

Description:

This interface file provides confirmation that a recall has been completed successfully. The import updates status code and desk assignment, based upon the value in the return code.

Inbound/Outbound:	Inbound
Format:	Comma-delimited
Text-delimiter:	Quotes
Interval:	Weekly
File Destination:	D:\REVQFileTransfers\Referral_OCA\Inbound
File Naming Convention:	USCB_RECALL_RETURN_ <datetime>.csv</datetime>

Field#	RevQ Field	DataType	Length/Format			Possible values (if applicable)
1	Debtor Number	INT	10	System assigned debtor number. Unique to the person, not each individual debt.	Ν	
2	Account Number	INT	10	System assigned account number. Unique to the debt.	Ν	
3	Account.Reference1	NVARCHAR	50	Client reference number	Ν	
4	Account.Reference2	NVARCHAR	10	Legacy System unique ID. Used for matching payments on legacy accounts	Y	
5	Account.BusinessClass	NVARCHAR	64	Pre-configured Client Codes	Y	
6	Account.Type	NVARCHAR	64	Pre-configured Client Types	Ν	
7	Account.LocationCode	NVARCHAR	64	Pre-configured location codes	Y	
8	Description	NVARCHAR	250	Brief description of the debt.	Y	
9	Recall Reason	NVARCHAR	50	Pre-configured recall reason code.	Ν	
10	Account.Status	NVARCHAR	50	Current account status in RevQ	Ν	
11	Batch Number	DATE	MM/DD/YYYY	Time stamp of the file	Ν	
12	Recall Date	DATE	MM/DD/YYYY	Date of recall request	Ν	
13	Address.Address1	NVARCHAR	50	Address1 of debtor address	Ν	
14	Address.Address2	NVARCHAR	50	Address2 of debtor address, if available.	Ν	
15	Address.City	NVACHAR	50	City of debtor address		
16	Address.State	NVARCHAR	2	2-digit State code		
17	Address.ZipCode	NVARCHAR	10	Zip code of debtor address		
18	Phone.Number	NVARCHAR	10	Full ten-digit phone number of debtor		

Field#	RevQ Field	DataType	De Length/Format Definition		Allow Blank	Possible values (if applicable)
19	OCAName	NVARCHAR	RCHAR 50 Collection vendor name		Ν	
20	20 Return Date DATE MM		MM/DD/YYYY	Date of Return. Confirms the return of the account from the OCA.	Ν	
21	21 Account.Balance MONEY(19,2) 19,2 Balance on account, a		Balance on account, as of recall	Ν		

OCA COLLECTION STATISTICS									
	мс	MONTH OF FISCAL YTD				TO-DATE			
GROSS COLLECTIONS:									
OCA Remittance									
TTC Direct Payments									
Total		\$ -		\$ -		\$-			
COLLECTION ADJUSTMENTS:									
OCA Remittance:									
NSF Chks/Chargebacks		\$-							
Misapplied Payments		-		-					
Overpayments/Refunds		-		-					
Sub-total		\$-		\$-		\$-			
TTC Direct Payments:									
NSF Chks/Chargebacks									
Misapplied Payments									
Overpayments									
TI Payments Payments Prior FWD Date									
Payments = FWD Date									
Sub-total		\$ -		\$ -		\$ -			
Total		<u>\$</u> - \$-		\$- \$-		\$ - \$ -			
ADJUSTED COLLECTIONS (A)									
OCA Remittance		\$-				\$-			
TTC Direct Payments		-				-			
Total		\$ -		\$ -		\$-			
COMMISSIONS (B)									
OCA Remittance									
TTC Direct Payments									
Total		\$-		\$-		\$-			
NET COLLECTIONS (C) = (A) - (B)									
OCA Remittance		\$ -				\$-			
Direct Payments		-				-			
Total		\$-		\$-		\$-			
	мс	ONTH OF	FISC	AL YTD	INCEPTION-	TO-DATE			
	COUNT	AMOUNT	COUNT	AMOUNT	COUNT	AMOUNT			
REFERRALS	COUNT	ANICONT	COUNT		COONT	AWOUNT			
RECALLS									
ADJUSTMENTS									
INVENTORY									
CREDIT CARD PAYMENT RATIO				1		1			
Amount of Total Transactions									
Amount of Credit Card Transactions									
Number of Reported Transactions									
Number of Credit Card Transactions									
COLLECTION SUCCESS RATE									

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							LOS A	NGELES COUN	ITY - TREASURE	R AND TAX CO	LLECTOR							
	STAIR STEP REPORT - JANUARY 2023																	
			Net Amount	Avg Acc														
Month	Assigned	Amt Adj	Assigned	Amount	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12	Month13+	Total
February 2022	\$3,704,506.23	-\$35,209.55	\$3,669,296.68	\$657.46	\$32,958.51	\$109,175.72	\$181,268.84	\$100,070.77	\$150,935.03	\$60,201.60	\$53,808.88	\$19,102.40	\$14,073.40	\$24,479.56	\$18,282.87	\$20,151.93	\$18,589.50	\$803,099.01
	5581				0.90%	2.98%	4.94%	2.73%	4.11%	1.64%	1.47%	0.52%	0.38%	0.67%	0.50%	0.55%	0.51%	21.89%
March 2022	\$1,568,477.00	-\$55,908.70	\$1,512,568.30	\$974.59	\$27,171.51	\$27,262.89	\$25,509.44	\$13,418.24	\$8,641.32	\$6,419.35	\$4,935.32		\$5,983.49	\$2,053.30	\$6,272.96	\$6,465.38		\$136,615.20
	1552				1.80%	1.80%	1.69%	0.89%	0.57%	0.42%	0.33%	0.16%	0.40%	0.14%	0.41%	0.43%		9.03%
April 2022	\$89,544.61	-\$3,010.59	\$86,534.02	\$551.17	\$2,600.00	\$1,659.65	\$1,457.00	\$3,151.11	\$2,851.11	\$440.00	\$340.00	\$1,590.00	\$40.00	\$590.00	\$0.00			\$14,718.87
	157				3.00%	1.92%	1.68%	3.64%	3.29%	0.51%	0.39%	1.84%	0.05%	0.68%	0.00%			17.01%
May 2022	\$2,945,572.04	-\$36,493.51	\$2,909,078.53	\$830.45	\$40,774.74	\$73,217.79	\$53,147.59	\$37,470.86	\$20,150.07	\$14,255.12	\$15,287.50	\$11,186.04	\$9,663.42	\$5,723.03				\$280,876.16
	3503				1.40%	2.52%	1.83%	1.29%	0.69%	0.49%	0.53%	0.38%	0.33%	0.20%				9.66%
June 2022	\$1,900,226.71	-\$14,460.22	\$1,885,766.49	\$954.34	\$20,953.98	\$59,392.46	\$28,430.62	\$43,594.51	\$19,911.67	\$14,733.19	\$9,664.98	\$9,273.48	\$21,273.03					\$227,227.92
	1976				1.11%	3.15%	1.51%	2.31%	1.06%	0.78%	0.51%	0.49%	1.13%					12.05%
July 2022	\$1,331,747.15	-\$8,771.61	\$1,322,975.54	\$822.75	\$18,480.00	\$39,321.51	\$27,775.90	\$18,818.75	\$14,971.29	\$9,266.75	\$6,773.30	\$6,154.43						\$141,561.93
	1608				1.40%	2.97%	2.10%	1.42%	1.13%	0.70%	0.51%	0.47%						10.70%
August 2022	\$1,502,827.73	-\$1,019.91	\$1,501,807.82	\$948.11	\$25,324.23	\$38,591.20	\$18,340.34	\$26,644.63	\$16,417.56	\$15,723.13	\$4,180.00							\$145,221.09
	1584				1.69%	2.57%	1.22%	1.77%	1.09%	1.05%	0.28%							9.67%
September 2022	\$1,543,090.53	-\$1,126.00	\$1,541,964.53	\$891.31	\$22,076.59	\$38,458.96	\$34,770.27	\$22,236.71	\$16,677.51	\$11,336.41								\$145,556.45
	1730				1.43%	2.49%	2.25%	1.44%	1.08%	0.74%								9.44%
October 2022	\$2,006,164.69	-\$5,875.75	\$2,000,288.94	\$1,031.61	\$22,696.88	\$76,204.94	\$30,475.78	\$32,734.39	\$16,003.37	1					1	1		\$178,115.36
	1939				1.13%	3.81%	1.52%	1.64%	0.80%									8.90%
November 2022	\$2,706,412.30	-\$12,175.20	\$2,694,237.10	\$982.22	\$706.00	\$15,253.05	\$109,866.61	\$38,212.67		1					1	1		\$164,038.33
	2743				0.03%	0.57%	4.08%	1.42%										6.09%
December 2022	\$3,014,085.15	\$276.00	\$3,014,361.15	\$1,213.51	\$55,264.75	\$97,091.20	\$37,698.07			1					1	1		\$190,054.02
	2484				1.83%	3.22%	1.25%			1					1	1		6.30%
January 2023	\$2,895,146.21	-\$1,021.87	\$2,894,124.34	\$1,351.76	\$52,605.84	\$60,041.59						1						\$112,647.43
	2141				1.82%	2.07%				1					1	1		3.89%
Total Assigned	\$25,207,800.35	-\$174,796.91	\$25,033,003.44	\$927.22	\$25,033,003.44	\$22,138,879.10	\$19,124,517.95	\$16,430,280.85	\$14,429,991.91	\$12,888,027.38	\$11,386,219.56	\$10,063,244.02	\$8,177,477.53	\$5,268,399.00	\$5,181,864.98	\$3,669,296.68	\$960,757,215.16	\$1,114,548,417.56
	26998		1		1		1			1	1				1	1		
Total Collections			\$2,539,731.77		\$321,613.03	\$635,670.96	\$548,740.46	\$336,352.64	\$266,558.93	\$132,375.55	\$94,989.98	\$49,788.35	\$51,033.34	\$32,845.89	\$24,555.83	\$26,617.31	\$18,589.50	\$2,539,731.77
Avg Recovery %	1	1	10.15%		1.28%	2.87%	2.87%	2.05%	1.85%	1.03%	0.83%	0.49%	0.62%	0.62%	0.47%	0.73%	0.00%	1
Recovery Rate Averages	1	1	1		Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	1	1		
3 Months	1	1	1		3.04%	2.98%	2.27%	1.26%	0.88%	0.68%	0.44%	0.50%	0.47%	0.55%	1	1		1
6 Months			1		2.15%	1.93%	1.48%	0.85%	0.69%	0.58%	0.50%	1		1	1	1	1	
9 Months	İ	1	1	1	1.58%	1.45%	1.14%	0.75%		1	1	1	i i	1	1	1	1	1

CONTRACT DISCREPANCY REPORT (CDR)

TO:	
FROM:	
DATES:	
Prepared:	
Returned by Contractor:	
Action Completed:	
DISCREPANCY or PROBLEMS:	
Signature of County Representative	Date
CONTRACTOR RESPONSE (Cause and Corrective Action):	
Signature of Contractor Representative	Date
COUNTY EVALUATION OF CONTRACTOR RESPONSE:	
Signature of Contractor Representative	Date
COUNTY ACTIONS:	
CONTRACTOR NOTIFIED OF ACTION:	
County Representative's Signature and Date	
Contractor Representative's Signature and Date	

	CONTRACT								
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED						
Paragraph 7.0 Administration of Contract - Contractor	Replacement of Contractor personnel must be completed within one Business Day.	Inspection, Observation and Complaints	\$100 per employee per occurrence of non-replacement/removal.						
Subparagraph 7.1 Contractor's Contract Administrator Subparagraph 7.2 Contractor's Contract Manager/Contractor's Alternate Contract Manager Subparagraph 7.3 Contractor's Financial Manager	Contractor must notify the County's Contract Administrator and County's Contract Manager in writing of any changes to Exhibit E (Contractor's Administration) and provide resumé within five Business Days.	Inspection, Observation and Complaints	\$100 per occurrence of failure to notify or if notification is late.						
Subparagraph 7.7 Background and Security Investigations	Completion of Employee Background Checks for Contractor personnel.	Receipt of background check clearances prior to providing services on this Contract, complaints, and spot checks of assigned personnel	\$500 per incident of non-compliance.						
Subparagraph 7.8 Confidentiality	Contractor Acknowledgement and Confidentiality Agreement and Contractor Non-Employee Acknowledgment and Confidentiality Agreement, as applicable, signed and provided to the Department of Treasurer and Tax Collector (TTC) within three Business Days of providing services on this Contract.	Review of reports; complaints	\$200 per day for Contractor and/or non-employee, as applicable, if form is not signed and submitted as required. \$1,500 per unauthorized release of information.						

CONTRACT									
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED						
Subparagraph 8.24.2 Evidence of Coverage and Notice to County Subparagraph 8.25 Insurance Coverage	Maintain required insurance policies and provide evidence of coverage to the TTC.	Receipt and review of insurance information	\$250 per day per policy for each day certificates of insurance coverage and/or renewal certificates are provided past the deadlines established in Subparagraph 8.24.2; and/or the TTC may withhold payments due; and/or the TTC may terminate the Contract.						
Subparagraphs 8.39 Record Retention and Inspection-Audit Settlement	Contractor to maintain all required documents as specified in this Subparagraph.	Inspection of files	 \$50 per occurrence upon notification of incomplete/missing records, and/or failure to provide stated documents upon demand; \$500 per occurrence if requested documents are not received within 48 hours of demand. 						
Subparagraph 8.39.5 Financial Statements	Provide required financial statements according to this Subparagraph.	Review of reports	\$50 per each day that financial statements are not provided as required in this Subparagraph. Incomplete/inaccurate Financial Statements will be considered late.						
Subparagraph 8.39.6 Pending Litigation	Provide required pending litigation notifications according to this Subparagraph.	Review of reports	\$200 per each day that pending litigation notifications are not provided as required in this Subparagraph.						
Subparagraph 8.41 Subcontracting	Contractor must obtain County's written approval prior to subcontracting any work.	Inspection and Observation	\$500 per occurrence for failure to obtain County's written approval, or possible termination for breach of Contract.						

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Subparagraph 4.2 Payments and Adjustments to the Contractor's Records	Adjustments are posted accurately and per the agreed upon schedule as required in Subparagraph 4.2.1.	Debtor complaints, management reports, review accounts during on-site audits	\$200 per each incomplete/inaccurate account adjustment posting.\$200 per each day posting is processed after the agreed upon deadline.
Subparagraph 4.3 Recall of Accounts from the Contractor	Return accounts to TTC timely and as required. Discontinue collection activities immediately upon notification of recall.	Analyze reports and logs	 \$150 each day account is not returned after requested return date. \$200 per account, if Contractor continues collection activities after notification of recall.
Subparagraph 4.5 Payment Remittance to the TTC	Deposit of funds into bank account designated by TTC; payments remitted to TTC timely and accurately.	Review of reports	 \$75 per day required deposit of funds is late. \$1,000 per incident of late remittance PLUS \$75 per day remittance is late. \$150 per incomplete/inaccurate remittance.
Subparagraph 4.7 Other Information Exchanges Including Correspondence	Provide TTC with required reports.	Review of reports	\$100 per incomplete/inaccurate report. \$100 per report per each day late.

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Subparagraph 5.1.4 Disputes Between the Contractor and Debtors (Subparagraph 5.1.4.4)	Maintain written procedures for handling disputes. Notify the TTC within three business days after debtor disputes the amount.	Debtor complaints, on-site audits	 \$100 per day for each day notification of dispute is late. \$150 per incident of locate or collection activities day on a disputed account.
Subparagraph 5.1.7 Compromise Authority	Obtain and maintain documentation supporting negotiations to secure a compromise settlement per <u>County</u> <u>Code</u> section 2.52.40(L).	Review of accounts during on-site audits	\$500 per improper or unauthorized compromise settlement.\$250 if file documentation does not support compromise per guidelines.
Subparagraph 5.1.8 Credit Reporting	No reporting of debtors to credit reporting agencies.	Debtor complaints	\$500 per incident of debtor reported to credit reporting services.
Subparagraph 5.1.9 Paid in Full Letters	Issue paid in full letter on paid in full or settled accounts.	Debtor complaints	\$150 per incident of failure to issue paid in full letter.

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Subparagraph 5.1.10 Debtor Payments on Assigned Accounts	Accept payments, including payments made in accordance with established payment plans as specified and process payments on assigned accounts timely and as required.	Analyze reports, on site audits, debtor complaints.	\$100 per individual payment accepted on an account not assigned.
Subparagraph 5.2.4 Uncollectible Accounts	Report and return accounts to TTC as required and in a timely manner.	Debtor complaints, review accounts during on-site audits.	\$100 per day per account not reported and returned in accordance with SOW Subparagraph 4.3.
Subparagraph 5.4 Wind Down Process	Discontinue collection activities immediately upon termination or expiration of Contract term. Return accounts to TTC as required in Subparagraph 5.4.3; all funds received to be forwarded to TTC as required.	Review of accounts and reports.	 \$100 per account per each day accounts are not returned as required in SOW Subparagraph 5.4.3. \$100 per day funds are forwarded late to TTC as required in Subparagraph 5.4.3. \$100 per incident of locate or collection activities after termination or expiration of Contract term.
Subparagraph 6.1 General Requirements for the Contractor	A written internal control procedure must be maintained and provided as required.	Receipt and review of the internal control procedure	\$50 per each day the procedure is received past the deadline as stated in Subparagraph 6.1. \$100 if the procedure is incomplete.

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Subparagraph 6.4.2 All Payments	Cash must be secured, all payment transactions dispositioned as required.	Review of payment controls.	\$100 per finding of incomplete/inaccurate audit trail. \$100 per each day finding of inaccurate audit trail.
Paragraph 9.0 Quality Control Plan (QCP)	A written QCP must be maintained and provided as required.	Receipt and review of QCP	\$100 per each day that the QCP is received past the deadline as stated in SOW Paragraph 9.0. \$100 if QCP is incomplete.
Paragraph 10.0 Business Continuity Plan (BCP)	A written BCP must be maintained and provided as required.	Receipt and review of BCP	\$100 per each day that the BCP is provided past the deadlines established in Paragraph 10.0. \$100 if BCP is determined incomplete.
Subparagraph 11.1 Meetings	Contractor's representative to attend scheduled meetings.	Attendance	\$500 per occurrence of failure to attend.

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Subparagraph 11.4 Contractor Complaint Log	Complaints are received, logged, investigated, dispositioned and reported to TTC within five business days of receiving complaint.	Analyze management reports (e.g. complaint log); Review debtor complaints	 \$100 per each day, the Contractor's Complaint report is received past the deadline as stated in Subparagraph 11.4. \$200 for each complaint not reported to TTC as required in Subparagraph 11.4.

COMMISSION RATE SCHEDULE

BC Services, INC.

(Company Name)

DELINQUENT ACCOUNT COLLECTION SERVICES	PROPO COMMIS RAT	SION
Rate for Secondary Collection Services:		
	12.5	%

INTENTIONALLY OMITTED

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY'S CONTRACT ADMINISTRATOR:

Name:	Deondria Barajas
Title:	Assistant Treasurer and Tax Collector
Address:	500 West Temple Street, Room 437
	Los Angeles, CA 90012
Telephone:	(213) 974-2077
Facsimile:	(213) 626-1812
Email Address:	dbarajas@ttc.lacounty.gov

COUNTY'S CONTRACT MANAGER:

Name:	Sergio Marquez
Title:	Operations Chief
Address:	225 North Hill Street, Room 115
	Los Angeles, CA 90012
Telephone:	(213) 893-0703
Facsimile:	(213) 620-7948
Email Address:	smarquez@ttc.lacounty.gov

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY'S CONTRACTS' SECTION - CONTRACT MONITOR:

Seeta Azizi
Contract Monitor
500 West Temple Street, Room 464
Los Angeles, CA 90012
(213) 584-1303
(213) 687-4857
sazizi@ttc.lacounty.gov

COUNTY'S ADMINISTRATION

CONTRACT NO.

CHIEF INFORMATION SECURITY OFFICER:

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

CHIEF PRIVACY OFFICER:

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

COUNTY'S DEPARTMENTAL CHIEF INFORMATION OFFICER (DCIO):

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

COUNTY'S DEPARTMENTAL INFORMATION SECURITY OFFICER (DISO):

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

Email Address: cso@ttc.lacounty.gov

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: <u>BC Services, Inc.</u>

CONTRACT NO. _____

CONTRACTOR'S CONTRACT ADMINISTRATOR:

Name:	Ben Gauthier		
Title:	Director of Compliance and Administration		
Address:	550 Disc Drive		
	Longmont, CO 80503		
Telephone:	(303) 532-3593		
Facsimile:	(303) 532-3544		
Email Address:	ben.gauthier@bcservice.com		

CONTRACTOR'S CONTRACT MANAGER:

Name:	Heath Morgan
Title:	General Counsel
Address:	550 Disc Drive
	Longmont, CO 80503
Telephone:	(303) 882-9329
Facsimile:	(303) 532-3544
Email Address:	heath.morgan@bcservice.com

CONTRACTOR'S ALTERNATE CONTRACT MANAGER:

Name:	Jon Levin			
Title:	Associate Attorney			
Address:	550 Disc Drive			
	Longmont, CO 80503			
Telephone:	(303) 532-3695			
Facsimile:	(303) 532-3544			
Email Address:	jon.levin@bcservice.com			

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: <u>BC Services, Inc.</u>

CONTRACT NO.

CONTRACTOR'S FINANCIAL MANAGER

Name:	Christian Boettcher			
Title:	Director of Accounting and Financial Analysis			
Address:	550 Disc Drive			
	Longmont, CO 80503			
Telephone:	(303) 532-3678			
Facsimile:	(303) 532-3544			
Email Address:	Christian.boettcher@bcservice.com			

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name:	Chris Gaddis			
Title:	CEO			
Address:	550 Disc Drive			
	Longmont, CO 80503			
Telephone:	<u>(303) 702-3881</u>			
Facsimile:	(303) 532-3544			
Email Address:	chris.gaddis@bcservice.com			
Name:	Alexandra Slocum			
Name: Title:	Alexandra Slocum EVP Sales & Marketing			
Title:	EVP Sales & Marketing			
Title:	EVP Sales & Marketing 550 Disc Drive			
Title: Address:	EVP Sales & Marketing 550 Disc Drive Longmont, CO 80503			

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: <u>BC Services, Inc.</u>

CONTRACT NO. _____

Notices to Contractor shall be sent to the following:

Name:	Alexandra Slocum
Title:	EVP Sales & Marketing
Address:	550 Disc Drive
	Longmont, CO 80503
Telephone:	<u>(970) 217-3322</u>
Facsimile:	(303) 532-3544
Email Address:	alexandra.slocum@bcservice.com

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

NON-IT CONTRACTS

- F1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- F2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- F2 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME BC Services, Inc.

Contract No. TBD

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:	Chi gettin

DATE: 02 /14 /2025

PRINTED NAME: Christopher C. Gaddis

POSITION:

Chief Executive Officer

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name:	BC Services, Inc.	Contract No	TBD or tap here to enter text.

Employee Name: Alexandra Slocum

GENERAL INFORMATION:

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

EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE:		lle	DATE:	02/14/2025
PRINTED NAME	:	Alexandra Slocum		
POSITION:	Execu Mark	utive Vice President of Sales and eting		

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name

Contract No.

Non-Employee Name

GENERAL INFORMATION:

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

NON-EMPLOYEE ACKNOWLEDGEMENT:

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

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

SIGNATURE:	N/A	DATE:	/	_/
PRINTED NAME:				
POSITION:				

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

Any fire station. Any hospital. Any time.



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.
- 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 Jaw is doing exactly what it was designed to do: save the lives of innocent babies. Visit BabySafeLA.org to learn more.

No shame | No blame | No names

ANY FIRE STATION. ANY HOSPITAL. ANY TIME. 1.877.222.9723 BabySafeLA.org

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





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?

Surrendering a Daby? 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:

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.

2.206.010 Findings and declarations.
2.206.020 Definitions.
2.206.030 Applicability.
2.206.040 Required solicitation and contract language.
2.206.050 Administration and compliance certification.
2.206.060 Exclusions/Exemptions.
2.206.070 Enforcement and remedies.
2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to <u>California Revenue and Taxation</u> <u>Code section 343</u>6; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to <u>California Revenue and Taxation Code section 2922</u>; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.

G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within ten days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

- 1. Chief Executive Office delegated authority agreements under \$50,000;
- 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
- 3. A purchase made through a state or federal contract;
- 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
- 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
- 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
- 7. Program agreements that utilize Board of Supervisors' discretionary funds;
- 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
- A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
- 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
- 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
- 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
- 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
- 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
 - 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 - 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or
 - 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to <u>Section 2.206.060.A.14</u> of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

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" will 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" will 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 will 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. <u>PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED</u> <u>HEALTH INFORMATION</u>

- 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 deidentification 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 <u>will</u> 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. <u>PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH</u> INFORMATION

- 3.1 Business Associate must 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 must 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 must 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 must 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 must 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. <u>REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY</u> <u>INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH</u> <u>INFORMATION</u>

- 5.1 Business Associate must 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 must 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 must report to Covered Entity any Security Incident of which Business Associate becomes aware.
 - 5.1.3. Business Associate must 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 will 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 must 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 must make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
 - (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
 - (b) The number of Individuals whose Protected Health Information is involved;
 - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
 - (d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach
 - 5.2.2 Business Associate must make a <u>written report without</u> <u>unreasonable delay and in no event later than three business days</u> 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 West Temple Street,7thFloor,LosAngeles,California90012,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;
- 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 themselves 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 knowledge of the facts and circumstances of the nonpermitted 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 must 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 must 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 must 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 must 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 must 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 must 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 must immediately notify County.
- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) must 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) must 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 must 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 must, within two 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 must 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 must notify Covered Entity in writing within two days of the receipt of the request. Whether access <u>will</u> be provided or denied <u>will</u> 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 must 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. <u>AMENDMENT OF PROTECTED HEALTH INFORMATION</u>

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 must, within ten 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 must notify Covered Entity in writing within five days of the receipt of the request. Whether an amendment <u>will</u> be granted or denied <u>will</u> be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

- 9.1 Business Associate must 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 must 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 must document the information specified in Section 9.1.1, and must maintain the information for six years from the date of the Disclosure.
- 9.2 Business Associate must provide to Covered Entity, within ten 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 must notify Covered Entity in writing within five days of the receipt of the request, and must provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting must be in accordance with 45 C.F.R. § 164.528.

10. <u>COMPLIANCE WITH APPLICABLE HIPAA RULES</u>

- 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 must comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate must comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

- 11.1 Business Associate must 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 must 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 must 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 must, 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 must 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 must be written in plain language, will be subject to review and approval by Covered Entity, and must 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 themselves 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, including 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 must 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 will 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 must 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 will 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 must thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity will 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. <u>TERM</u>

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement will 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 will 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 must 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 nonbreaching party may terminate this Business Associate Agreement immediately.

18. <u>DISPOSITION OF PROTECTED HEALTH INFORMATION UPON</u> <u>TERMINATION OR EXPIRATION</u>

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate must return or, if agreed to by Covered entity, must 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 will retain no copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 <u>will</u> 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 proper management and administration or to carry out its proper management and administration or to carry out its legal responsibilities and must return or destroy all other Protected Health Information.
 - 18.3.1 Business Associate must 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 must 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 must 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 must 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, Moster 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 will 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 will 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, will 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 <u>Disclaimer.</u> 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 <u>HIPAA Requirements.</u> 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 <u>No Third Party Beneficiaries</u>. Nothing in this Business Associate Agreement <u>will</u> confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 <u>Construction.</u> 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 will control. Otherwise, this Business Associate Agreement <u>will</u> 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 Agreement, 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 <u>Regulatory References</u>. 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 <u>Interpretation</u>. Any ambiguity in this Business Associate Agreement will be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 <u>Amendment.</u> The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

INFORMATION SECURITY AND PRIVACY REQUIREMENTS



INFORMATION SECURITY AND PRIVACY REQUIREMENTS EXHIBIT

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

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

1. DEFINITIONS

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

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

significant violation of County policy.

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

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

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

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

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

The Contractor's Information Security Program shall:

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

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

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

The Contractor's Privacy Program shall include:

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

3. PROPERTY RIGHTS TO COUNTY INFORMATION

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

4. CONTRACTOR'S USE OF COUNTY INFORMATION

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

5. SHARING COUNTY INFORMATION AND DATA

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

6. CONFIDENTIALITY

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

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

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

7. SUBCONTRACTORS AND THIRD PARTIES

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

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

8. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

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

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

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

9. RETURN OR DESTRUCTION OF COUNTY INFORMATION

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

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

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

10. PHYSICAL AND ENVIRONMENTAL SECURITY

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

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

11. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

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

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of County Information and services. The formal framework includes a defined back-up policy and associated procedures, including documented policies and procedures designed to: (i) perform back-up of data to a remote back-up data center in a scheduled and timely manner; (ii) provide effective controls to safeguard backed-up data; (iii) securely transfer County Information to and from back-up location; (iv) fully restore applications and operating systems; and (v) demonstrate periodic testing of restoration from back-up location. If the Contractor makes back-ups to removable media (as described in Section 8 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), all such

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

12. ACCESS CONTROL

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

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

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

13. SECURITY AND PRIVACY INCIDENTS

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

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

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

14. NON-EXCLUSIVE EQUITABLE REMEDY

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

15. AUDIT AND INSPECTION

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

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

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

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

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

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

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	☐ Board Memo	□ Other			
CLUSTER AGENDA REVIEW DATE	4/16/2025				
BOARD MEETING DATE	5/6/2025				
SUPERVISORIAL DISTRICT AFFECTED	□ All □ 1 st □ 2 nd □ 3 rd ⊠ 4 th □ 5 th				
DEPARTMENT(S)	Los Angeles County Registrar Recorder/County Clerk				
SUBJECT	Elevator Panel Replacement Project	Elevator Panel Replacement Project			
PROGRAM					
AUTHORIZES DELEGATED AUTHORITY TO DEPT	🗌 Yes 🛛 No				
SOLE SOURCE CONTRACT	□ Yes				
	If Yes, please explain why:				
SB 1439 SUPPLEMENTAL DECLARATION FORM	Yes No – Not Applicable				
REVIEW COMPLETED BY	If unsure whether a matter is subject to the Levine				
EXEC OFFICE	to <u>EOLevineAct@bos.lacounty.gov</u> to avoid delay	s in scheduling your			
DEADLINES/	Board Letter.				
TIME CONSTRAINTS					
COST & FUNDING	Total cost: Funding source:				
	\$357,000 Capital Project No. 87892				
	TERMS (if applicable):				
	Explanation: The total cost for the proposed Project is estimated at \$357,000, which includes design, construction, change order allowance, inspection/testing, and Internal Services Department (ISD) County services costs (Attachment A).				
PURPOSE OF REQUEST	Approval of the recommendations will find the Elevator Par	el Replacement Project			
	exempt from the California Environmental Quality Act, establish and approve Capital				
	Project No. 87892, approve the project budget, and authorize the Director of the Internal Services Department, or designee, to deliver the proposed project using a				
	Board-approved Master Agreement.				
BACKGROUND	The proposed project involves replacing the elevator door p				
(include internal/external	five (5) elevators at the RRCC office located at 12400 Imperial Hwy, Norwalk, CA				
issues that may exist including any related	90650. The existing door panels contain asbestos as fireproofing material. If damaged, they pose a potential hazmat risk in a high-traffic building.				
motions)					
EQUITY INDEX OR LENS	🗌 Yes 🛛 No				
	If Yes, please explain how:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ⊠ No If Yes, please state which one(s) and explain how:				
DEPARTMENTAL	Name, Title, Phone # & Email:				
CONTACTS	Floyd Willis, M&O Division Manager, (323) 443-9315,				
	fwillis@isd.lacounty.gov				



County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue Los Angeles, California 90063

MICHAEL OWH Director

Speed. Reliability. Value.

Telephone: (323) 267-2101

(323) 264-7135

FAX:

May 6, 2025

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:

LOS ANGELES COUNTY REGISTRAR RECORDER/COUNTY CLERK ELEVATOR PANEL REPLACEMENT PROJECT CATEGORICAL EXEMPTION ESTABLISH AND APPROVE CAPITAL PROJECT NO. 87892 APPROVE PROJECT BUDGET (FY 2024-25) (SUPERVISORIAL DISTRICT 4) (3-VOTES)

SUBJECT

Approval of the recommendations will find the Elevator Panel Replacement Project exempt from the California Environmental Quality Act, establish and approve Capital Project No. 87892, approve the project budget, and authorize the Director of the Internal Services Department, or designee, to deliver the proposed project using a Board-approved Master Agreement.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Find the proposed Elevator Panel Replacement Project exempt from the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.
- 2. Establish and approve the proposed Elevator Panel Replacement Project, Capital Project No. 87892 with a total budget of \$357,000.
- 3. Authorize the Director of the Internal Services Department, or designee, to deliver the Elevator Refurbishment Project using a Board-approved Master Agreement.

The Honorable Board of Supervisors May 6, 2025 Page 2

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the proposed Elevator Panel Replacement Project (Project) would find the project exempt from the California Environmental Quality Act (CEQA) and approve the refurbishment of five (5) existing elevators located at the Registrar Recorder/County Clerk's (RRCC) office located at 12400 Imperial Hwy, Norwalk, CA 90650. The existing elevator door equipment is worn out and the door panels contain asbestos. These components will be replaced to mitigate any potential risk that may occur if the door panels were damaged.

The proposed scope of work includes replacing hoistway and elevator car door operating equipment, door panels, infrared reopening devices, and related components such as switches, locks, hangers, tracks, and restrictors. Asbestos-containing door panels would be safely removed, transported, and disposed of in accordance with code regulations.

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

Implementation of Strategic Plan Goals

These recommendations support the County Strategic Plan: North Star 3: Realize Tomorrow's Government Today, Focus Area Goal G: Internal Controls and Processes, Strategy ii. Manage and Maximize County Assets by investing in public infrastructure that will improve the operational effectiveness of an existing County asset.

FISCAL IMPACT/FINANCING

The total cost for the proposed Project is estimated at \$357,000, which includes design, construction, change order allowance, inspection/testing, and Internal Services Department (ISD) County services costs (Attachment A).

Sufficient appropriation is available in the Fiscal Year 2024-25 Capital Projects / Refurbishment Budget, Capital Project No. 87892, to fully fund the project. The proposed Project is funded with \$357,000 of NCC derived from the Departmental prior-year savings.

Operating Budget Impact

The proposed scope of work consists of repairs and refurbishments to existing elevators. Therefore, upon completion of the proposed project, ISD and RRCC do not anticipate any start-up or ongoing costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In accordance with the Board's Local and Targeted Worker Hire Policy, updated on May 17, 2023, the proposed Project budget is less than \$500,000; therefore, the "Local Worker" and "Local Targeted Worker" labor hours are not required as part of the project.

The Honorable Board of Supervisors May 6, 2025 Page 3

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

ENVIRONMENTAL DOCUMENTATION

The proposed Project is categorically exempt from CEQA. The scope of work consists of refurbishments to existing elevators. Therefore, the work is within certain classes of projects that have been determined not to have a significant effect on the environment in that it will meet the criteria set forth in Sections 15301(d), 15302, and 15303 of the State CEQA Guidelines and Classes 1(c), 2, and 3 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G because it includes repairs and minor alterations to existing public facilities with negligible or no expansion of use, replacement of features with the same purpose and capacity, placement of small equipment and accessory structures, and installation of equipment at existing facilities.

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

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

CONTRACTING PROCESS

ISD currently administers the As-Needed Elevator and Escalator Maintenance Services MAs to maintain a pool of readily available qualified contractors to provide required elevator and escalator services for a variety of County facilities. Contractors provide expedited services for elevator and escalator projects that occur on an intermittent basis.

On July 13, 2020, ISD released a Request for Statement of Qualifications (RFSQ) for As-Needed Elevator and Escalator Maintenance Services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 5), which was sent to 98 vendors. Additionally, ISD hosted two virtual vendor events to advertise the contracting opportunity, specifically to increase participation from our small business community.

Five (5) Statements of Qualifications (SOQs) were received and reviewed for compliance with the minimum qualifications criteria set forth in the RFSQ. The vendors were determined to be qualified and were recommended for MA award, which was approved by the Board on March 16, 2021 for an initial term of five years, with three additional one-year renewal options and six month-to-month extensions.

The Honorable Board of Supervisors May 6, 2025 Page 4

On May 29, 2024, ISD Contracting Division solicited bids for the proposed Project to the five qualified vendors. Out of the five vendors, three submitted bids, and two did not submit bids. Following evaluation of the 3 submitted bids, Smartrise Elevator Services Inc. was selected as the lowest cost, qualified bidder.

ISD currently administers the Facility Ancillary Services Master Agreement (FASMA) to maintain a pool of readily available qualified contractors to provide required hazardous material and remediation services for a variety of County facilities. ISD will utilize a FASMA vendor to remove and abate any asbestos containing material that results from this project and dispose of within accordance of State and local laws.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will have minimal impact on current County services. The Project will be performed one elevator at a time, which will allow four elevators to be available throughout the project duration.

CONCLUSION

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

Respectfully submitted,

Michael Owh Director

MO:QH:ME:FW:kc

Enclosures

C: Executive Office, Board of Supervisors Chief Executive Office County Counsel Registrar Recorder/County Clerk

LOS ANGELES COUNTY REGISTRAR RECORDER/COUNTY CLERK ELEVATOR PANEL REPLACEMENT PROJECT PROJECT INFORMATION SHEET SCHEDULE AND BUDGET SUMMARY

PROJECT :	Elevator Panel Replacement	
CAPITAL PROJECT NO. :	87892	

I. PROJECT SCHEDULE						
Project Activity	Duration	Scheduled Completion Date				
Complete Construction Documents	N/A	N/A				
Jurisdictional Approval	N/A	N/A				
Start Project	2 weeks following Board approval	May 2025				
Substantial Completion	3 months following Board approval	July 2025				
Project Acceptance	4 months following Board approval	August 2025				

II. BUDGET SUMMARY					
Budget Category		Proposed Budget			
Construction					
Construction	\$	282,000.00			
Change Orders (Contingency)	\$	28,000.00			
Subtotal	\$	310,000.00			
Civic Art	\$	-			
Plans and Specifications	\$	-			
Jurisdictional Review/Plan Check/Permits	\$	-			
ISD Indirect	\$	47,000.00			
Total Project Budget	\$	357,000.00			

BOARD LETTER/MEMO CLUSTER FACT SHEET

⊠ Board Letter	☐ Board Memo		□ Other		
CLUSTER AGENDA REVIEW DATE	4/16/2025				
BOARD MEETING DATE	5/6/2025				
SUPERVISORIAL DISTRICT AFFECTED	All 1 st	2 nd 3 rd 4 th 5 th			
DEPARTMENT(S)	CEO/CIO & DPH				
SUBJECT	ITF Request for CareCo	ITF Request for CareConnect for Domestic Violence (DV) Shelters			
PROGRAM	DPH Domestic Violence Program				
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☐ Yes ☐ No				
SOLE SOURCE CONTRACT	🗌 Yes 🛛 No				
	lf Yes, please explain w	hy:			
SB 1439 SUPPLEMENTAL	🛛 Yes 🗌 No – I	Not Applicable			
DECLARATION FORM REVIEW COMPLETED BY	If unsure whether a	matter is subject to the Levine Ac	t, email vour packet		
EXEC OFFICE	to EOLevineAct@bo	s.lacounty.gov to avoid delays in			
	Board Letter.				
DEADLINES/ TIME CONSTRAINTS	None				
COST & FUNDING	Total cost:	Funding source:			
	\$765,000	Information Technology Fund			
	TERMS (if applicable):				
	Explanation:				
PURPOSE OF REQUEST		allocate \$756,000 from ITF to CEO S&S Connect for DV Shelters.	S to fund		
BACKGROUND (include internal/external issues that may exist including any related motions)	The implementation of CareConnect will be performed using pool dollars under County Agreement JC-10003 with IBM, executed on August 21, 2023.				
EQUITY INDEX OR LENS WAS UTILIZED	Yes No If Yes, please explain how:				
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	Yes No If Yes, please state which one(s) and explain how: This project support the Board Homeless Initiative priority.				
DEPARTMENTAL	Name, Title, Phone # & Email:				
CONTACTS	Peter Loo, CIO/CEC				
	Chanel Smith, DPH				

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



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

April 29, 2025

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:

APPROVE THE USE OF INFORMATION TECHNOLOGY FUND FOR IMPLEMENTATION OF CARECONNECT FOR DOMESTIC VIOLENCE SHELTERS AND AN APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2024-25 (ALL SUPERVISORIAL DISTRICTS – 4 VOTES)

SUBJECT

The Chief Executive Officer (CEO) is requesting the Board of Supervisors' (Board) approval of an appropriation adjustment to use \$765,000 in one-time funding from the County of Los Angeles' (County) Information Technology Fund (ITF) to implement CareConnect for Domestic Violence Shelters.

IT IS RECOMMENDED THAT THE BOARD:

- 1. Approve and authorize the use of \$765,000 in one-time funding from the ITF to implement CareConnect for Domestic Violence Shelters.
- Approve a Fiscal Year 2024-25 appropriation adjustment in the ITF to reallocate \$765,000 from Services and Supplies (S&S) to Other Financing Uses, and to increase the CEO's S&S Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Domestic Violence (DV) is a leading cause of homelessness. It is so prevalent that fleeing DV is listed as Category four of the US Department of Housing and Urban Development (HUD) definition of homelessness. Findings from the 2022 Downtown Women's Needs Assessment showed that approximately 6,776 (or 48.4 percent of 14,000) unaccompanied homeless women were survivors who need shelter/housing each night in LA County.



Each Supervisor April 29, 2025 Page 2

Currently, Los Angeles County's DV shelter network lacks a system that captures DV shelter bed availability in real time; each shelter uses a disparate/discrete intake process and as a result, shelter staff cannot see where beds might be available elsewhere for a client in need. As a result, survivors in distress must navigate this complicated system – having to call multiple sites to identify and access one of the few shelter beds available. Without a single data repository, DV shelter service providers also struggle to locate where additional resources are available in the current County network.

To respond to this gap, the Department of Public Health (Public Health), Los Angeles Homeless Services Agency (LAHSA), and Los Angeles City in collaboration with the County Chief Information Office have identified an existing County software platform, CareConnect, to centralize real-time shelter bed availability data to serve survivors of DV, sexual assault (SA), and human trafficking (HT). The CareConnect software platform would be leveraged to centralize data on services for DV survivors; and would be used by service organizations to identify appropriate and available resources for survivors. This system, which will be informed by victim service providers, would begin with a focus on shelter, and later be expanded to include hotel/motel voucher services, DV supportive services and permanent housing resources.

The DV CareConnect platform is a part of a larger collaborative project between the LAHSA, LA City Community Investment for Families department and Public Health to implement the DV shelter system referred to as, Centralized Access. This project consists of three components: the CareConnect Platform, a Centralized Hotline, and Category Four Matchers (LAHSA staff tasked specifically with identifying long-term housing supports for individuals who are homeless due to fleeing DV). LAHSA has secured \$4.2 Million in funding from the HUD to complete the Centralized Hotline and Matchers components of the project.

Approval of the recommendation action will allow Public Health to streamline entry into the DV shelter system and support services and will positively impact the number of survivors achieving safety in permanent housing, optimize utilization of survivor resources, and create system alignment for DV/SA/HT service providers.

Implementation of Strategic Plan Goals

The recommended action supports Focus Area Goals 1.C, Housing and Homelessness and I.D, Support Vulnerable Populations.

FISCAL IMPACT/FINANCING

The approved Appropriation Adjustment (enclosed) in the amount of \$765,000 in one-time funding from the County's IIF will be used to implement CareConnect for DV Shelters.

Each Supervisor April 29, 2025 Page 3

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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

CONTRACTING PROCESS

The implementation of CareConnect will be performed using pool dollars under County Agreement JC-10003 with IBM, executed on August 21, 2023.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will enable Public Health to implement CareConnect as the platform for the DV shelter system.

CONCLUSION

Upon the Board's approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the CEO.

Respectfully submitted,

FESIA A. DAVENPORT Chief Executive Officer

FAD:JMN:CM PL:ca

Enclosure

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