



# Board of Supervisors Operations Cluster Agenda Review Meeting

**DATE:** November 5, 2025

**TIME:** 2:00 p.m. – 4:00 p.m.

**MEETING CHAIR:** Michelle Vega, 5<sup>th</sup> 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 [Click here to join the meeting](#)

Teams Meeting ID: 237 250 878 670

Passcode: UoBQAE

**For Spanish Interpretation, the Public should send emails within 48 hours in advance of the meeting to [ClusterAccommodationRequest@bos.lacounty.gov](mailto:ClusterAccommodationRequest@bos.lacounty.gov).**

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

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

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

**1. CALL TO ORDER**

**2. GENERAL PUBLIC COMMENT**

**3. BOARD MOTION ITEM(S):**

None.

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

- A) Board Letter:  
APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH 3DI, INC. FOR  
THE PROVISION CASE MANAGEMENT SYSTEM SERVICES  
DCBA/CIO - Alfred Beyruti, Administrative Deputy and  
Jose Rivas, Information Technology Manager
- B) Board Letter:  
REQUEST FOR APPROVAL TO AWARD AND EXECUTE STRATEGIC PLAN  
AND SUPPORT SERVICES MASTER AGREEMENTS  
CEO/CONTRACTS - Luci Gutierrez, Acting Manager
- C) Board Letter:  
INCREASING THE LIFETIME MAXIMUM BENEFIT FOR THE ANTHEM BLUE  
CROSS PLANS PROVIDED BY THE LOS ANGELES COUNTY EMPLOYEES  
RETIREMENT ASSOCIATION  
CEO/LABOR - Leslie Rooney, Principal Analyst
- D) Board Letter:  
AUTHORIZATION FOR THE ASSESSOR TO AMEND SOLE SOURCE  
AGREEMENT WITH ORACLE AMERICA, INC. (ORACLE) TO PROVIDE  
CONTINUOUS SUPPORT FOR PHASE V OF THE ASSESSOR  
MODERNIZATION PROJECT (AMP)  
ASR - Kevin Lechner, Departmental Chief Information Officer II
- E) Board Letter:  
REQUEST APPROVAL TO EXECUTE A CONTRACT AMENDMENT WITH  
GEORGE HILLS COMPANY, INC., FOR CLAIMS ADMINISTRATION AND  
LITIGATION MANAGEMENT SUPPORT SERVICES  
CEO/RM - Anthony Taras, Manager and  
Kashari S. Jones, Administrative Services Manager III
- F) Board Letter:  
ACQUISITION OF COMPUTER EQUIPMENT (IBM VIRTUAL TAPE SYSTEM  
AND ENTERPRISE STORAGE ARRAY EXPANSION) HOSTING  
COUNTYWIDE APPLICATIONS IN DATA CENTER 1 AND LOCAL RECOVERY  
CENTER  
ISD - Rumi Salihue, Division Manager

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

None.

#### **6. ADJOURNMENT**

**UPCOMING ITEMS FOR NOVEMBER 12, 2025:**

- A) GOVERNANCE REFORM TASK FORCE POSITIONS AND ALLOWANCE  
CEO/CLASS - Eileen Cohen, Principal Analyst
  
- B) ADVANCED NOTIFICATION OF INTENT TO ENTER NEGOTIATIONS FOR A  
SOLE SOURCE AGREEMENT WITH EMPOWER TO PROVIDE THIRD PARTY  
ADMINISTRATIVE, COMMUNICATIONS, AND DIRECTED TRUSTEE  
SERVICES FOR THE DEFINED CONTRIBUTION PROGRAM  
CEO/LABOR - Susan R. Moomjean, Manager
  
- C) APPROVAL OF SOLE SOURCE CONTRACT FOR eRESERVATION  
SOFTWARE AS A SERVICE SOLUTION AND SUBSCRIPTION SERVICES  
WITH ACTIVE NETWORK, LLC  
PARKS/CIO - Terence Davis, Chief Information Officer
  
- D) SERVICE CONTRACT  
WATER RESOURCES CORE SERVICE AREA  
LOS ANGELES COUNTY WATERWORKS DISTRICTS AND  
THE MARINA DEL REY WATER SYSTEM  
SOLE-SOURCE AMENDMENT TO THE COMPREHENSIVE  
CUSTOMER INFORMATION SYSTEM SOLUTION FOR WATER BILLING  
DPW - Caroline Hernandez, Assistant Deputy Director and  
John Calas, Chief Information Officer
  
- E) FIVE-YEAR LEASE AGREEMENT  
STAR VIEW BEHAVIORAL HEALTH, INC.  
415 EAST AVENUE I, LANCASTER  
CEO/RE - Douglas Cole, Senior Real Property Agent
  
- F) FIVE-YEAR LICENSE AGREEMENT  
HOMEBOY INDUSTRIES  
THE MARTIN LUTHER KING JR. BEHAVIORAL HEALTH CENTER  
12021 WILMINGTON AVENUE, WILLOWBROOK  
CEO/RE - Helena Dedic, Manager

G) TEN-YEAR LEASE

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

20151-A NORDHOFF STREET, CHATSWORTH AND

TEN-YEAR LEASE

DEPARTMENT OF MENTAL HEALTH AND

DEPARTMENT OF HEALTH SERVICES

20151-B NORDHOFF STREET, CHATSWORTH

CEO/RE - Alexandra Nguyen-Rivera, Section Chief, Leasing

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](mailto:OPS_CLUSTER_COMMENTS@CEO.LACOUNTY.GOV)

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	11/5/2025	
<b>BOARD MEETING DATE</b>	12/2/2025	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
<b>DEPARTMENT(S)</b>	Department of Consumer and Business Affairs (DCBA)	
<b>SUBJECT</b>	Requesting Approval to Execute a Sole Source Contract with 3Di, Inc. for a Case Management System and Related Services	
<b>PROGRAM</b>	Multiple DCBA Programs	
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please explain why: The purpose of the recommended sole source contract is to allow the Department to continue partnering with 3DI for the provision of a case management system and related services. Transitioning to a new system or vendor at this time would result in significant operational disruptions, set back substantial progress made in developing and refining the system over the last few years, and most importantly, incur additional costs related to start up, data migration, system reconfiguration, and training.	
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>	
<b>DEADLINES/ TIME CONSTRAINTS</b>	The current agreements expire January 2026. The recommended contract will go into effect January 1, 2026, following County execution, to ensure there is no gap in services.	
<b>COST &amp; FUNDING</b>	Total cost: Not to exceed \$1,697,500 for a 7 year agreement term (5 years plus 2 optional years). Annual cost is approximately \$242,500.	Funding source: Rent Registry Fees, REAP Fees, and Net County Cost.
	TERMS (if applicable): Initial term of five (5) years with two (2) optional one-year renewals for a maximum contract term of seven (7) years.	
	Explanation: DCBA will exercise the optional renewals in accordance with the agreement, as needed.	
<b>PURPOSE OF REQUEST</b>	To execute a sole source agreement with an existing vendor to continue providing a case management system and related licensing, maintenance, and support services.	
<b>BACKGROUND</b> (include internal/external issues that may exist including any related motions)	None to note.	
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: This will support the Board's North Star 1 – Realize tomorrow's government today by using data to make decisions.	
<b>DEPARTMENTAL CONTACTS</b>	Name and Title: Jose Rivas, IT Manager Phone: 213.334.1285 Email: <a href="mailto:JRivas@dcba.lacounty.gov">JRivas@dcba.lacounty.gov</a>	



LOS ANGELES COUNTY

# CONSUMER & BUSINESS AFFAIRS

## 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

December 2, 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:

## Director

Rafael Carbajal

## Chief Deputy

Joel Ayala

### **APPROVAL TO EXECUTE A SOLE SOURCE CONTRACT WITH 3DI, INC. FOR THE PROVISION CASE MANAGEMENT SYSTEM SERVICES (3 VOTES – ALL DISTRICTS)**

**CIO RECOMMENDATION:** \_\_\_\_\_

## **SUBJECT**

The Department of Consumer and Business Affairs (DCBA) is seeking the Board of Supervisors' (Board) approval to execute a sole source contract with 3Di, Inc (3Di), for the continued provision of a Software as a Service (SaaS) case management system and related licensing, maintenance, and support services.

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

1. Delegate authority to the Director of DCBA, or their designee, to execute and administer a sole source contract, substantially similar to Attachment I, with 3Di to provide a SaaS-based case management system and related services for an initial five (5) year term, commencing on January 1, 2026, with two (2) one-year extension options, for a maximum total contract term of seven (7) years at a total maximum contract sum of \$1,697,500.
2. Delegate authority to the Director of DCBA, or their designee, to negotiate and execute necessary and appropriate contractual amendments, as needed. Such amendments may include, but are not limited to, extending the term of the agreement; increasing the total contract sum by up to 10% of the maximum contract sum listed in Recommendation 1 above to fund



**dcba.lacounty.gov**  
**dcba@dcba.lacounty.gov**

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706  
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137

additional services or system enhancements that fall within the general scope of the agreement, and incorporate as-needed tasks to support emerging County objectives (provided that the total allocation does not exceed available funding); amending terms and conditions to align with Board policy changes and directives; and if necessary, terminating or assigning the contract for default or convenience. All amendments will be subject to review and approval as to form by County Counsel.

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

The recommended contract will allow 3Di to continue providing licensing, maintenance, and support services for DCBA's case management system, DCBA Connect. DCBA Connect is customized to support multiple program portals and core case management functions, which align with DCBA's specific business processes, reporting requirements, and service delivery models.

Additionally, the recommended contract will allow DCBA to consolidate three separate agreements with 3Di into a single contract to streamline contract oversight and reduce the administrative burden associated with managing multiple agreements. The initial agreement was executed in January 2020, to develop and implement a SaaS-based platform for the County's Rent Registry portal and the subsequent agreements were implemented to support expansion and enhancement of the platform by integrating additional portals and functionalities to develop case management modules for various programs administered by DCBA.

Over the past five years, DCBA has worked closely with 3Di to develop and refine the DCBA Connect platform, which now serves as an essential case management system for the Department to manage inquiries, complaints, case workflows, and to generate reports for multiple consumer protection and housing programs administered by DCBA. The level of customization provided by 3Di significantly exceeds standard out-of-the-box functionalities offered by most SaaS-based providers and includes unique program-specific workflows and integration with the County's IT infrastructure.

While the recommended contract is primarily intended to sustain the current case management system and functionalities, it would also allow for staff and resources to focus on continued enhancements which aim to improve operational efficiency, enhance user experience, and support greater public participation in DCBA-administered programs. Improvements include Amazon Web Services Call Center integration, payment processing features, and enhanced public facing intake forms.



## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions support North Star 1, Make Investments that Transform Lives, Focus Area Goal C, Strategy ii, and North Star 3 - Realize Tomorrow's Government Today, Goal E, of the Los Angeles County Strategic Plan.

## **FISCAL IMPACT/FINANCING**

The estimated annual contract amount is \$242,500 and is funded through Net County Cost, Rent Registry fees, and Rent Escrow Account Program fees. Funding for this contract is included in the Department's budget, thus, there will not be a request for additional Net County Cost dollars.

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

The recommended contract contains all of the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoffs as well as qualified Greater Avenues for Independence (GAIN)/Skills and Training to Achieve Readiness for Tomorrow (START) participants for employment openings, compliance with zero tolerance on human trafficking, Jury Service Ordinance, Safely Surrendered Baby Law and the Child Support program. The recommended contract also contains provisions for assignment and delegation, compliance with applicable law, force majeure, indemnification, Public Records Act compliance, termination for default and convenience, and relevant IT-related provisions.

In accordance with Board Policy 6.020 "Chief Information Office Board Letter Approval", the Office of the Chief Information Officer (CIO) reviewed this request and recommends approval the contract (Attachment II).

## **CONTRACTING PROCESS**

On May 21, 2025, in accordance with Board Sole Source Policy 5.100, DCBA notified the Board of Supervisors of the intent to negotiate a sole source contract with 3Di for the continued provision of a SaaS case management system and related services. On July 10, 2025, DCBA began contract negotiations and has worked with the Office of County Counsel and Chief Information Office. Contract negotiations have concluded, and the recommended contract has been reviewed and approved by County Counsel and CIO.

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

The Approval of the recommended actions will allow for the continued provision of an essential case management system and related services. This includes, but is not limited to, maintaining and enhancing multiple program portals that allow County constituents to





access program information and resources, download and submit forms, make inquiries and payments, and electronically file complaints.

### **CONCLUSION**

Upon approval by the Board, it is requested that the Executive Officer, Board of Supervisors, return one stamped copy of the approved Board Letter to the Department.

Respectfully submitted,

Reviewed by,

Rafael Carbajal  
Director

Peter Loo  
Chief Information Officer

RC:AB:SR:ph

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

Attachments



# **ATTACHMENT I**



**[dcba.lacounty.gov](http://dcba.lacounty.gov)**  
**[dcba@dcba.lacounty.gov](mailto:dcba@dcba.lacounty.gov)**

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706  
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137



**CONTRACT BY AND BETWEEN  
COUNTY OF LOS ANGELES  
AND  
3DI SYSTEMS  
FOR  
DCBA CONNECT  
CASE MANAGEMENT SYSTEM SERVICES**

**CONTRACT NUMBER: CA-26-0XX**

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**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
3DI, INC.  
FOR  
DCBA CONNECT  
CASE MANAGEMENT SYSTEM SERVICES**

This Contract ("Contract" or "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2025 ("Execution Date") by and between the County of Los Angeles, hereinafter referred to as "County" and 3Di, Inc., hereafter referred to as "Contractor." The County and Contractor shall be referred to individually as a "Party" and collectively as the "Parties."

**RECITALS**

WHEREAS, Contractor desires to provide, and County desires to acquire from Contractor continued licensing, maintenance, and support services; and

WHEREAS, Contractor is a private firm of recognized professionals with extensive experience and training in their specialized field. In rendering these services, Contractor shall at a minimum exercise the ordinary care and skill expected from the average practitioner in Contractor's profession acting under similar circumstances; and

WHEREAS, the County does not have the solution or the technical staff with specific skills and expertise necessary to provide the case management system and related services; and

WHEREAS, the County is authorized by the California Government Code, Section 31000 to contract for special services, including the case management system described herein; and

WHEREAS, pursuant to the authority granted by the Board, County and Contractor enter into this Agreement for continued licensing, maintenance, and support services in accordance with the terms and conditions set forth herein.

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

**1 APPLICABLE DOCUMENTS**

Exhibits A through K 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	Pricing Schedule
Exhibit C	Service Level Agreement
Exhibit D	County's Administration
Exhibit E	Contractor's Administration
Exhibit F	Contractor Acknowledgement, Confidentiality, and Copyright Agreement
Exhibit G	Safely Surrendered Baby Law

### **Unique Exhibits:**

Exhibit H	Intentionally Omitted
Exhibit I	Contract Discrepancy Report Template
Exhibit J	Intentionally Omitted
Exhibit K	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 shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.

## **2 DEFINITIONS**

### **2.1 Standard Definitions:**

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

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

**2.1.2 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.

**2.1.3 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.

**2.1.4 Contractor's Project Manager:** The person designated by the Contractor to administer the operations under this Contract.

- 2.1.5 Contractor Proprietary Technology:** Any technical innovations, processes, software, or intellectual property that the Contractor legally owns or/and licenses and uses to deliver the DCBA Connect system and related services identified in this Contract.
- 2.1.6 County's Contract Analyst:** The person designated by the County to manage and facilitate the administrative functions of the Contract.
- 2.1.7 County's Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this contract that cannot be resolved by the County's Project Manager.
- 2.1.8 County's Project Manager:** Person designated by County's Project Director to manage the operations under this contract.
- 2.1.9 County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. A list of County observed holidays may be found on the County's website <https://lacounty.gov/government/about-la-county/about/>.
- 2.1.10 Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.11 DCBA Connect or System:** Web-based case management system provided by the Contractor to County according to the terms of this Contract. The case management system includes but is not limited to all Contractor software and/or third-party software included therein; all interfaces between DCBA Connect and other County or external systems, including all documentation, tasks, deliverables, services, revisions and other work provided by the Contractor in order to host the case management system.
- 2.1.12 Department:** The County of Los Angeles Department of Consumer and Business Affairs, which is entering into this Contract on behalf of the County of Los Angeles.
- 2.1.13 Director:** The Director of the Department of Consumer and Business Affairs.
- 2.1.14 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.1.15 Statement of Work:** Exhibit A (Statement of Work) to this Contract, including any attachments thereto, which includes but is not limited to the directions, provisions, and requirements provided herein and special provisions pertaining to the method, frequency, manner and place of performing the Contract services.

**2.1.16 Subcontract:** An agreement by the Contractor to employ a subcontractor to provide services to fulfill this contract.

**2.1.17 Subcontractor:** Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.

### **3 WORK**

**3.1** Pursuant to the provisions of this Contract, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.

**3.2** If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same will be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor must have no claim whatsoever against the County.

### **4 TERM OF CONTRACT**

**4.1** The initial term of this Contract shall be for a five (5) year period, commencing January 1, 2026, through December 31, 2031, subject to County's right to terminate earlier in whole or in part, as provided in this Contract.

**4.2** Contingent upon available funding, the County will have the sole option to extend this Contract term for up to two (2) additional one-year periods for a total maximum Contract term of seven (7) years. Each such extension option may be exercised at the sole discretion of the Director.

**4.3** The County maintains a database that tracks/monitors Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

**4.4** The Contractor must notify Department when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).

### **5 CONTRACT SUM**

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

The maximum amount of this Contract shall be **\$1,697,124.00** (Contract Sum) for the term of this Contract as set forth in Paragraph 4.0 – Term of Contract above.

Any costs incurred to complete this project in excess of the maximum not-to-exceed cost will be borne by Contractor.

#### **5.1.1 Pool Dollars**

The Contract Sum includes a maximum amount of **\$221,000.00** pool dollars, to allow the County to initiate as-needed work for unforeseen costs related to DCBA Connect enhancements. Such enhancements may include, but are not limited to, technology refreshes, feature upgrades, reporting improvements, integration support, potential transition activities, and other changes and enhancements as deemed necessary by the Department ("Optional Work"). County may initiate Optional Work by providing written request to the Contractor specifying the desired work. The Contractor will advise County of Contractor's availability to perform the Optional Work.

Contractor's performance of the Optional Work shall be subject to County's review and written approval of: (a) Contractor's work plan to implement the Optional Work request; (b) Contractor's fees for such Optional Work; and (c) availability of pool dollars. Contractor fees associated with implementing Optional Work shall not exceed a maximum rate of \$110 per hour.

Prior to commencing Optional Work, authorized changes will be documented through a formal amendment, in accordance with Paragraph 8.1.

- 5.1.2** The Contract Sum under this contract will be the total monetary amount payable by County to Contractor for supplying all the tasks, deliverables, goods, services and other work specified under this Contract, consistent with the costs identified in Exhibit B (Pricing Schedule). Notwithstanding said limitation of funds, the Contractor agrees to satisfactorily perform, provide, and complete all tasks, deliverables, goods, services, and other work specified in this Contract.

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

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

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

The Contractor must maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract sum under this Contract. Upon occurrence of this event, the Contractor must send written notification to County at the address herein provided in Exhibit D (County's Administration).

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

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

### **5.5 Invoices and Payments**

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

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

**5.5.3** The Contractor's invoices shall contain the information set forth in Statement of Work describing the tasks, deliverables, goods, services, and other work, hours spent, and facility and/or other work for which payment is claimed, and shall tie back to the applicable line item in Exhibit B (Pricing Schedule) for which the amount is billed and attach supporting documentation.

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

**5.5.5** All invoices under this Contract must be submitted by electronic mail to the following:

Jose Rivas  
Department of Consumer and Business Affairs  
320 W. Temple St., Room G-10  
Los Angeles, CA 90012  
Email: [jrivas@dcba.lacounty.gov](mailto:jrivas@dcba.lacounty.gov)  
and

Financial Management Division – Accounting  
Department of Consumer and Business Affairs  
320 W. Temple St., Room G-10  
Los Angeles, CA 90012  
Email: [invoice@dcba.lacounty.gov](mailto:invoice@dcba.lacounty.gov)

#### **5.5.6 County Approval of Invoices**

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

#### **5.5.7 Preference Program Enterprises - Prompt Payment Program**

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

### **5.6 Budget Modifications**

The movement of Contract Sum funds within an approved budget as illustrated in Exhibit B, Pricing Schedule, from one line item to another line item is classified as a Budget Modification. For the entirety of any Fiscal Year, a Budget Modification must not exceed twenty percent (20%) of the baseline amount allocated to the line items being modified (i.e., Contractor's movement of funds among line items must not cause one line item to be reduced or increased by twenty percent (20%) of its baseline amount). For purposes of this section, baseline is defined as the original amount allocated at the beginning of a Fiscal Year; for Fiscal Years following the first Fiscal Year, such amount may differ from what is reflected in the original Agreement. A Budget Modification will not change the maximum Contract Sum allocated under this Agreement. Contractor must notify County's Project Manager in writing to request authorization prior to submitting a Budget Modification. On the date County approves a Budget Modification, such Budget Modification must

supersede any prior Budget Modification(s) approved by County within the same Fiscal Year (i.e., when Contractor's Budget Modification number two (2) is approved by County, it becomes effective upon the approval date and Contractor's Budget Modification number one (1) is no longer effective as of that same date).

## **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 Auditor-Controller (A-C).
- 5.7.2** The Contractor must submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 5.7.3** 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 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, will decide whether to approve exemption requests.

## **6 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.

### **6.2 County's Project Director**

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

- 6.2.1** Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and

- 6.2.2** Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

### **6.3 County's Project Manager**

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

- 6.3.1** Meeting with the Contractor's Project Manager on a regular basis; and
- 6.3.2** Overseeing the day-to-day administration of this Contract; and
- 6.3.3** Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.
- 6.3.4** The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

### **6.4 County's Contract Analyst**

The role of the County's Contract Analyst is to manage and facilitate the administrative functions of the Contract. The County's Contract Analyst reports to the County's Project Director.

### **6.5 County's Contract Monitor**

The County's Contract Monitor is responsible for the monitoring of the Contract and the Contractor. The County's Contract Monitor provides reports to the County's Project Director and the County's Project Manager.

## **7 ADMINISTRATION OF CONTRACT - CONTRACTOR**

### **7.1 Contractor Administration**

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

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

- 7.2.1** The Contractor's Project Manager is designated in Exhibit E (Contractor's Administration). The Contractor must notify the County in



writing of any change in the name or address of the Contractor's Project Manager.

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

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

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

### **7.4 Intentionally Omitted**

### **7.5 Background and Security Investigations**

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

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

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

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

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

## **7.6 Confidentiality and Security**

### **7.6.1 General Confidentiality Obligation**

In addition to the requirements set forth in Exhibit K (Information Security and Privacy Requirements), Contractor must maintain the confidentiality of all County records and information, including but not limited to Personally Identifiable Information ("PII"); information related to County's constituents, partners, or personnel (collectively, "Users"); case information; and any other County Data, obtained accessed, and/or produced under the provisions of this Contract (collectively, "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.

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

### **7.6.2 Nature of Confidential Information**

Contractor agrees that all of County's Confidential Information will be deemed confidential and proprietary to the County, regardless of whether such information was disclosed intentionally or unintentionally

or marked as “confidential” or “proprietary”. Notwithstanding the foregoing or Paragraph 7.6.1, Confidential Information does not include information that: (a) is or becomes known to the public without fault or breach of the either party; (b) a party obtains from a third party without restriction on disclosure and without breach of a non-disclosure obligation known to that party; and/or (c) is independently developed by a party without use of the other party’s Confidential Information.

### **7.6.3 Required Actions Regarding County’s Confidential Information**

The Contractor shall restrict access to the County’s Confidential Information only to its officers, employees, agents and subcontractors who need the County’s Confidential Information to perform official duties under the Contract.

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

**7.6.3.2** Contractor will cause each employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit F1 (Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement).

**7.6.3.3** Contractor will cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit F2 (Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement).

**7.6.3.4** Contractor must ensure that only those employees and/or non-employees required to perform the services covered under this Contract have access to County Confidential Information. All records, materials, documents, and/or other information of any kind obtained from County and all reports developed by Contractor and/or its subcontractors under this Contract are confidential to and are solely the property of the County.

**7.6.3.5** Contractor shall take the steps necessary to ensure that confidential records, materials, documents, data, and/or other information of any kind obtained from County shall not be copied or reproduced by any method without the express, written approval of the County’s Project Director or County’s Project Manager.

**7.6.3.6** The Contractor shall: (a) not use the County’s Confidential Information for any purpose whatsoever other than carrying

out the express terms of the Contract; (b) promptly transmit to the County a written notification regarding all requests for disclosure of any of County's Confidential Information made by any third party other than Contractor's officers, employees, agents, or subcontractors with respect to which the Contractor shall have complied with Paragraph 7.6.3; (c) not disclose, except as otherwise specifically permitted by the Contract, any of County's Confidential Information to any person or organization other than the County without the County's prior written authorization that the records are, or information is, releasable; and (d) at the expiration or termination of the Contract, at County's election, return, destroy, or maintain all of County's Confidential Information in accordance with this Contract.

**7.6.3.7** Without limiting the generality of the preceding paragraph, in the event the Contractor receives any court or administrative agency order, or service of process regarding any of County's Confidential Information, the Contractor shall promptly notify (to the extent permitted by law) the County. Thereafter, the Contractor shall comply with such order, process, or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, the Contractor shall use commercially reasonable efforts to delay such compliance and cooperate with the County to obtain relief from such obligations to disclose until the County shall have been given a reasonable opportunity to obtain such relief. Additionally, the Contractor shall promptly notify the County of any improper action with respect to the County's Confidential Information that comes to the Contractor's attention.

#### **7.6.4 Non-Exclusive Equitable Remedy**

The Contractor acknowledges that due to the unique nature of the Confidential Information there may be no adequate remedy at law for any breach of its obligations hereunder, that any such breach or threatened breach may result in irreparable harm to the County, and therefore, that upon any such breach or any threat thereof, the County may 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 either of them might have at law or equity.

#### **7.6.5 Personally Identifiable Information**

In connection with this Contract and performance of the services,

Contractor may be provided or obtain, from County or otherwise, PII pertaining to County's current and prospective personnel, directors and officers, agents, investors, and clients and may need to process such PII and/or transfer it, all subject to the restrictions set forth in this Contract and otherwise in compliance with all applicable State and Federal laws, rules, and regulations for the sole purpose of performing work under this Contract.

#### **7.6.5.1 Treatment of Personally Identifiable Information**

Without limiting any other warranty or obligations specified in this Contract, and in particular the confidentiality and security provisions of this Paragraph 7.6, during the term of this Contract and thereafter in perpetuity, Contractor will not gather, store, log, archive, use, or otherwise retain any PII in any manner and will not disclose, distribute, sell, share, rent, or otherwise retain any PII 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 County. Contractor represents and warrants that Contractor will use and process PII only in compliance with this Contract and all applicable State and Federal laws, rules, and regulations.

#### **7.6.5.2 Retention of Personally Identifiable Information**

Contractor will not retain any PII 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 PII in order to perform its duties under this Contract, Contractor will promptly return or destroy or erase at County's option all originals and copies of such PII in accordance with this Paragraph 7.6 (Confidentiality and Security).

### **7.6.6 Information Security and Privacy Requirements**

Without limiting this Paragraph 7.6, Contractor, its officers, employees, Subcontractors, agents, and DCBA Connect, as applicable, shall, always, during the term of this Contract, comply with Exhibit K (Information Security and Privacy Requirements), as well as applicable confidentiality and privacy laws, rules, regulations, ordinances, guidelines, directives, and policies mandated by the State and Federal governments. 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).

### **7.6.7 Specific Indemnification**

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

### **7.6.8 Material Breach**

Any breach of this Paragraph 7.6 by Contractor shall constitute a material breach of this Contract and be grounds for termination of this Contract pursuant to the applicable provisions of Paragraph 8.43 (Termination for Default) of this Contract.

## **8 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments**

**8.1.1** For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract must be prepared and executed by the Contractor and by the Director or their designee and approved as to form by County Counsel.

**8.1.2** The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by the Director.

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

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

- 8.2.1** The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 8.2.2** The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this paragraph, County consent will require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract will be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.3** Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, will be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County will be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

## **8.3 Authorization Warranty**

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

## **8.4 Budget Reductions**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, or if the funding source for this Contract is reduced or eliminated, 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), or in any manner as it may be appropriate due to the reduction or elimination of the funding, and the services to be provided by the Contractor under this Contract will also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation will be provided within thirty (30) calendar days of the Board's approval of such actions, or any other such reduction or elimination of funding. Except as set forth in the preceding sentence, the Contractor must continue to provide all of the services set forth in this Contract.

## **8.5 Complaints**

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

### **8.5.1 Complaint Procedures**

**8.5.1.1** Within fifteen (15) business days after the Contract effective date, the Contractor must provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

**8.5.1.2** The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

**8.5.1.3** If the County requests changes in the Contractor's policy, the Contractor must make such changes and resubmit the plan within fifteen (15) business days for County approval.

**8.5.1.4** If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor must submit proposed changes to the County for approval before implementation.

**8.5.1.5** The Contractor must preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within fifteen (15) business days of receiving the complaint.



**8.5.1.6** When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.

**8.5.1.7** Copies of all written responses must be sent to the County's Project Manager within fifteen (15) business days of mailing to the complainant.

## **8.6 Compliance with Applicable Law**

**8.6.1** In the performance of this Contract, Contractor must comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

**8.6.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 8.6 (Compliance with Applicable Law) will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.7 Compliance with Civil Rights Laws**

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 [Sections 2.203.010 through 2.203.090 of the Los Angeles County Code](#).

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

**8.8.2.1** Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program ([Section 2.203.020 of the County Code](#)) or that the Contractor qualifies for an exception to the Jury Service Program ([Section 2.203.070 of the County Code](#)), the Contractor must have and adhere to a written policy that provides that its Employees will receive from the Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

**8.8.2.2** For purposes of this paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts.

“Employee” means any California resident who is a full-time employee of the Contractor. “Full-time” means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor will also be subject to the provisions of this paragraph. The provisions of this paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the Contract.

**8.8.2.3** If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor will have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and the Contractor must immediately notify the County if the Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate, to the County’s satisfaction that the Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that the Contractor continues to qualify for an exception to the Program.

**8.8.2.4** Contractor’s violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 Conflict of Interest**

**8.9.1** No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, will be employed in any capacity by the Contractor or have any other direct

or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder will in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

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

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

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

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

**8.11.1** Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor will give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or Skills and Training to Achieve Readiness for Tomorrow (START) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration will mean that the Contractor will interview qualified candidates. The County will refer GAIN/START participants by job category to the Contractor. Contractors must report all job openings with job requirements to: [gainstart@dpss.lacounty.gov](mailto:gainstart@dpss.lacounty.gov) and [bservices@opportunity.lacounty.gov](mailto:bservices@opportunity.lacounty.gov) and DPSS will refer qualified GAIN/START job candidates.

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

## **8.12 Contractor Responsibility and Debarment**

### **8.12.1 Responsible Contractor**

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

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

The Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

### **8.12.3 Non-responsible Contractor**

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

### **8.12.4 Contractor Hearing Board**

**8.12.4.1** If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

**8.12.4.2** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the

hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

**8.12.4.3** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board will be presented to the Board of Supervisors. The Board of Supervisors will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**8.12.4.4** If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

**8.12.4.5** The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the Contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

**8.12.4.6** The Contractor Hearing Board's proposed decision will contain a recommendation on the request to reduce the

period of debarment or terminate the debarment. The Contractor Hearing Board will present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Subcontractors of Contractor**

These terms will also apply to subcontractors of County contractors.

#### **8.13 Contractor's Acknowledgement and Notice to its Employees of 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 must notify and provide to its employees, and will require each Subcontractor to notify and provide to its employees, a Fact Sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and information on where and how to safely surrender a baby. Additionally, 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" (available in English/Spanish/Chinese/Korean), 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. The Contractor, and its Subcontractor(s), can access posters and other program material at <https://lacounty.gov/residents/public-safety/baby-safe-surrender-program/>.

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

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

**8.14.2** As required by the County's Child Support Compliance Program ([County Code Chapter 2.200](#)) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and will during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and will implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department

Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

## **8.15 County's Quality Assurance Plan**

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

## **8.16 Damage to County Facilities, Buildings or Grounds**

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

## **8.17 Employment Eligibility Verification**

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



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

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

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

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

## **8.19 Fair Labor Standards**

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

## **8.20 Force Majeure**

**8.20.1** Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

**8.20.2** Notwithstanding the foregoing, a default by a subcontractor of Contractor will not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such

subcontractor, and without any fault or negligence of either of them. In such case, Contractor will not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this subparagraph, the term “subcontractor” and “subcontractors” mean subcontractors at any tier.

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

## **8.21 Governing Law, Jurisdiction, and Venue**

This Contract will be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder will be exclusively in the County of Los Angeles.

## **8.22 Independent Contractor Status**

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

- 8.22.2** The Contractor will be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County will have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

- 8.22.3** The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor will be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

- 8.22.4** The Contractor must adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

## **8.23 Indemnification**

### **8.23.1 General 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.

### **8.23.2 Intellectual Property Indemnification**

Contractor shall indemnify, hold harmless, and defend County Indemnitees from any and all liability, including but not limited to claims, demands, actions, fees, 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 DCBA Connect or other Contractor Proprietary Technology (collectively in this Paragraph 8.23.2, the "Indemnified Items").

**8.23.2.1** Any legal defense pursuant to the Contractor indemnification obligations under Paragraph 8.23.2, shall be conducted by the Contractor and performed by counsel selected by the Contractor and approved by the County. Notwithstanding the preceding sentence, the County shall have the right to participate in any such defense at its sole cost and expense, except that in the event the Contractor fails to provide the County with a full and adequate defense, as determined by the County in its sole judgment, the County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from the Contractor for all such costs and expenses incurred by the County in doing so. The 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 the County without the County's prior written approval.

**8.23.2.2** County shall notify Contractor, in writing, as soon as practicable of any complaint, claim or action alleging such infringement or unauthorized disclosure. If any Indemnified Item hereunder becomes the subject of an infringement related claim or action under this Paragraph 8.23.2, or in County's opinion is likely to become the subject of such a claim or action, then, in addition to defending the claim or action and paying any damages and attorneys' fees as required above, 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 non-infringing, non-misappropriating, and non-disclosing (hereinafter collectively for the purpose of this Paragraph 8.23.2, "Remedial Act(s)").

**8.23.2.3** If Contractor fails to complete the Remedial Acts described in Paragraph 8.23.2.2 above within forty-five (45) days of notice of the claim or action (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, in which case, in addition to other remedies available to County, Contractor shall reimburse County for all fees paid by County to Contractor under the Contract for the case management system, DCBA Connect, as apportioned by County in its sole discretion, 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 in this Paragraph 8.23.2.3 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.

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

**8.24.1** Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

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

**8.24.2.1** Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) have been given Insured status under the Contractor's General Liability policy, must be delivered to County at the address shown below and provided prior to commencing services under this Contract.

**8.24.2.2** Renewal Certificates must be provided to County not less than ten (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.

**8.24.2.3** Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the Contractor identified as the contracting party in this Contract. Certificates must provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.

**8.24.2.4** Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s)

and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.

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

Dushyant Bala  
Department of Consumer and Business Affairs  
320 W. Temple Street, Room G-10  
Los Angeles, CA 90012-2706  
[contracts@dcba.lacounty.gov](mailto:contracts@dcba.lacounty.gov)

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

**8.24.3 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) must be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents' additional insured status must apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also must apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**8.24.4 Cancellation of or Changes in Insurance**

Contractor must provide County with, or Contractor's insurance policies must contain a provision that County will receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice must be provided to County at least ten (10) days in advance of

cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. 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 will precede the effective date of this Contract. Contractor understands and agrees it will maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.12 Application of Excess Liability Coverage**

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

#### **8.24.13 Separation of Insureds**

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

#### **8.24.14 Alternative Risk Financing Programs**

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

#### **8.24.15 County Review and Approval of Insurance Requirements**



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

## **8.25 Insurance Coverage**

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

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

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

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

### **8.25.4 Unique Insurance Coverage**

#### **8.25.4.1 Professional Liability-Errors and Omissions**

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

less than three (3) years following this Agreement's expiration, termination or cancellation.

#### **8.25.4.2 Cyber Liability Insurance**

The Contractor must secure and maintain cyber liability insurance coverage with limits of \$5 million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, will not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

### **8.26 Liquidated Damages**

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

**8.26.2** If the Director, or their designee, determines that there are deficiencies in the performance of this Contract that the Director, or their designee, deems are correctable by the Contractor over a certain time span, the Director, or their designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Director, or their designee, may: (a) Deduct from the Contractor's payment, pro

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

**8.26.3** The action noted in Paragraph 8.26.2 must not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

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

## **8.27 Most Favored Public Entity**

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

## **8.28 Nondiscrimination and Affirmative Action**

**8.28.1** The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

**8.28.2** Contractor certifies to the County each of the following:

**8.28.2.1** That Contractor has a written policy statement prohibiting discrimination in all phases of employment.

- 8.28.2.2** That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
- 8.28.2.3** That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- 8.28.2.4** Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.
- 8.28.3** The Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action must include, but is not limited to employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4** The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5** The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6** The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 8.28.7** If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination

provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

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

## **8.29 Non Exclusivity**

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

## **8.30 Notice of Delays**

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

## **8.31 Notice of Disputes**

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

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

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

## **8.33 Intentionally Omitted**

### **8.34 Notices**

All notices or demands required or permitted to be given or made under this Contract must be in writing and will be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits D (County's Administration) and E (Contractor's Administration). Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director or their designee will have the authority to issue all notices or demands required or permitted by the County under this Contract.

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

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

### **8.36 Public Records Act**

**8.36.1** Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection-Audit Settlement) of this Contract; as well as those documents which were required to be submitted in response to the 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 et seq.](#) (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County will not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

## **8.37 Publicity**

**8.37.1** 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:

**8.37.1.1** The Contractor must develop all publicity material in a professional manner; and

**8.37.1.2** During the term of this Contract, the Contractor will not, and will not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County will not unreasonably withhold written consent.

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

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

**8.38.1** The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. 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 (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor will pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.38.2** In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor must file a copy of such audit report with the County's Auditor Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County will make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.38.3** Failure on the part of the Contractor to comply with any of the provisions of this subparagraph 8.38 will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.4** If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference must be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference will be paid to the Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 Recycled Bond Paper**

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

### **8.40 Subcontracting**

- 8.40.1** The requirements of this Contract may not be subcontracted by the Contractor without the advance approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.40.2** If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:



- 8.40.2.1** A description of the work to be performed by the subcontractor.
- 8.40.2.2** A draft copy of the proposed subcontract; and
- 8.40.2.3** Other pertinent information and/or certifications requested by the County.
- 8.40.3** 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.
- 8.40.4** The Contractor will remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.
- 8.40.5** The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.
- 8.40.6** The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by the County, Contractor must forward a fully executed subcontract to the County for their files.
- 8.40.7** The Contractor will be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8** The Contractor 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:

Dushyant Bala  
Department of Consumer and Business Affairs  
320 W. Temple Street, Room G-10  
Los Angeles, CA 90012-2706  
[contracts@dcba.lacounty.gov](mailto:contracts@dcba.lacounty.gov)

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

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

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

**8.42.1** This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than thirty (30) days after the notice is sent.

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

**8.42.2.1** Stop work under this Contract on the date and to the extent specified in such notice, and

**8.42.2.2** Complete performance of such part of the work as would not have been terminated by such notice.

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

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

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

**8.43.1.1** Contractor has materially breached this Contract; or

**8.43.1.2** Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or

**8.43.1.3** Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

**8.43.2** In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor will continue the performance of this Contract to the extent not terminated under the provisions of this paragraph.

**8.43.3** Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

**8.43.4** If, after the County has given notice of termination under the provisions of Paragraph 8.43 (Termination for Default) it is determined by the County that the Contractor was not in default under the provisions of Paragraph 8.43 (Termination for Default) or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination

had been issued pursuant to Paragraph 8.42 (Termination for Convenience).

- 8.43.5** The rights and remedies of the County provided in this Paragraph 8.43 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

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

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

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

- 8.45.1** The County may terminate this Contract forthwith in the event of the occurrence of any of the following:
- 8.45.1.1** Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- 8.45.1.2** The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;

**8.45.1.3** The appointment of a Receiver or Trustee for the Contractor;  
or

**8.45.1.4** The execution by the Contractor of a general assignment for  
the benefit of creditors.

**8.45.2** The rights and remedies of the County provided in this Paragraph 8.45  
(Termination for Insolvency) will not be exclusive and are in addition to  
any other rights and remedies provided by law or under this Contract.

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

The Contractor, and each County Lobbyist or County Lobbying firm as defined in [County Code Section 2.160.010](#) retained by the Contractor, must fully comply with the County's Lobbyist Ordinance, [County Code Chapter 2.160](#). Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance will constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

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

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

#### **8.48 Validity**

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

#### **8.49 Waiver**

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

## **8.50 Warranty Against Contingent Fees**

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

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

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

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

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

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

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

## **8.53 Time Off for Voting**

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

seen as employees come or go to their place of work, a notice setting forth the provisions of [Section 14000](#).

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

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

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

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

#### **8.55 Effect of Termination**

**8.55.1** 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:

**8.55.1.1** Contractor will continue the performance of this Contract to the extent not terminated.

**8.55.1.2** Contractor will cease to perform the portion of the work being terminated on the date and to the extent specified in such notice and provide to County all completed work and work in progress, in a media reasonably requested by County.

**8.55.1.3** County will pay to Contractor all sums due and payable to Contractor for work properly performed and accepted in accordance with this Contract through the effective date of such expiration or termination (prorated as appropriate).

**8.55.1.4** Contractor will refund to County any prepaid but unused fees.

**8.55.1.5** Contractor shall promptly return to County all of the County's Confidential Information that relates to the portion of the Contract or work terminated by County, including all County Data, in a media reasonably requested by County or at County's election destroy all copies of such Confidential Information in accordance with this Contract.



- 8.55.2** 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.
- 8.55.3** Contractor understands and agrees that County has obligations that it cannot satisfy without use of the System provided to County hereunder or an equivalent system, and that a failure to satisfy such obligations could result in irreparable damage to County and the entities it serves. Therefore, Contractor agrees that in the event of any expiration or termination of this Contract, Contractor shall fully 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 as provided herein. For ninety (90) days prior to the expiration date of this Contract, or upon notice of termination of this Contract (in this sub-paragraph, "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. Additionally, upon the expiration or termination of this Contract, County may require Contractor to provide services to assist County to transition DCBA Connect operations from Contractor to County or County's designated third party (in this sub-paragraph, "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, using any applicable rates set forth on Exhibit B (Pricing Schedule). 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 subparagraph 8.55.3 in any court of competent jurisdiction and Contractor hereby waives any defense that damages are an adequate remedy. Additionally, if County terminates the Contract for any breach by Contractor, County shall be entitled to seek reimbursement from Contractor for all costs incurred by County in connection with Contractor's provision of Transition Services, including but not limited to all fees paid to Contractor for such Transition Services. Compliance with this subparagraph 8.55.3 by either Party shall not constitute a waiver or estoppel with regard to any rights or remedies available to the Parties.



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

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

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

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

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

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

#### **8.59 Injury and Illness Prevention Program**

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

#### **8.60 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding**

Pursuant to [Government Code Section 84308](#), Contractor and its Subcontractors,

are prohibited from making a contribution of more than \$500 to a County officer for twelve (12) months after the date of the final decision in the proceeding involving this Contract. Failure to comply with the provisions of [Government Code Section 84308](#) and of this paragraph, may be a material breach of this Contract as determined in the sole discretion of the County.

## **9 UNIQUE TERMS AND CONDITIONS**

### **9.1 Proprietary Considerations**

#### **9.1.1 License Grants and Limitations**

##### **9.1.1.1 Access License**

Subject to the terms and conditions of this Contract, Contractor grants to County a fully paid, worldwide, nonexclusive license to access and use DCBA Connect in accordance with the terms of this Contract for the length of the term of this Contract.

##### **9.1.1.2 Third Party Vendors**

Contractor acknowledges and agrees that County may use certain third-party vendors for purposes of performing some of County's internal business processes ("Third Party Vendors"). County may allow its Third Party Vendors to access and use DCBA Connect, subject to the terms and conditions of this Contract, solely for County's internal business processing services, subject to the following conditions: (i) County agrees to be fully responsible for all use of DCBA Connect by its Third Party Vendors; (ii) County will ensure compliance by Third Party Vendors with the terms and conditions of this Contract, including without limitation, the applicable provisions of Paragraph 7.6 (Confidentiality and Security) of this Contract; and (iii) upon termination of its relationship with such Third Party Vendors or of this Contract, County will ensure that all access to DCBA Connect by such Third Party Vendors ceases immediately.

##### **9.1.1.3 Limitations**

Unless otherwise expressly authorized in this Contract, County will not: (i) modify, adapt, alter, translate, or create derivative works from the DCBA Connect system; (ii) merge DCBA Connect (or any part thereof) with any other software, products or services (other than Contractor-provided interfaces or interfaces developed based upon Specifications

provided by Contractor); (iii) sublicense, resell, re-distribute, lease, rent, loan, disclose or otherwise transfer the DCBA Connect system (or any part thereof) or any other associated products and services to any third party (other than as permitted under Sub-paragraph 9.1.1.2 (Third-Party Vendors) above); (iv) reverse engineer, decompile, disassemble, or otherwise attempt to derive the source or object code of DCBA Connect (or any part thereof); (v) otherwise use or copy DCBA Connect (or any part thereof) except as expressly allowed under this Contract or (vi) alter, distort, or remove any confidential, proprietary, copyright, trademark, trade secret, or patent legends from any copy of DCBA Connect (or any part thereof).

## **9.1.2 Documentation**

At no additional charge to County, Contractor shall provide or make available to County all documentation relating to the DCBA Connect system ("Documentation"). If Documentation for DCBA Connect 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 case management system users, and incorporate such copies into its own technical and user manuals, provided that such reproduction relates to County's and users' use of DCBA Connect 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.

## **9.1.3 Revisions**

### **9.1.3.1 Notice of Revisions**

Contractor may from time to time make material revisions to DCBA Connect. In the event of such revisions, (a) the revision of DCBA Connect will include at least the functionality, level, or quality of services that County previously received and shall continue to comply with all the requirements of this Contract, and (b) County shall be provided, at least sixty (60) days in advance of any such changes, emailed notice and a demonstration of such changes. If such advanced demonstration reveals material adverse effects on functionality or operation of DCBA Connect, 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 version of the DCBA Connect system and continue to receive support and maintenance services as required hereunder for the remainder of the term of the Contract.

#### **9.1.3.2 Revisions During Contract Term**

During the Contract Term, all revisions (including Displaced/Renamed Products) shall be provided to County at no additional charge, regardless of whether Contractor charges other customers for such revisions. During the term of this Contract, if (a) the System is displaced in Contractor's product line by another product or (b) a renamed product containing substantially similar functionality to DCBA Connect 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.

#### **9.1.4 Proprietary Rights**

##### **9.1.4.1 Ownership of County Data**

All County Confidential Information, including without limitation PII, information relating to County's constituents, users, partners, or personnel; and other data, records, and information of County to which Contractor has access, or otherwise provided to Contractor under this Contract; and all of the output from DCBA Connect generated by County's use of the System, including without limitation, reports, graphs, charts, modified County Data, etc., but expressly excluding any form templates of such reports, graphs or charts that by themselves that do not include County Data (collectively, "County Data") provided or made accessible by County 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.

#### **9.1.4.2 Ownership of Deliverables and Intellectual Property Rights Created Under this Contract**

The County shall be the sole owner of all right, title and interest, including copyright, in and to all DCBA Connect design, project and DCBA Connect plans, diagrams, reports, and other deliverables (excluding the case management system itself) (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract or otherwise delivered pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all the Contractor's right, title, and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract. During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all the Contractor's working papers prepared under this Contract. The County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.

#### **9.1.4.3 Proprietary Rights in the Contractor's Proprietary Technology**

As between the Parties, and subject to the terms and conditions of this Contract, Contractor and its third-party suppliers will retain ownership of all intellectual property rights in the DCBA Connect system or other deliverables in existence as of the effective date of this Contract or developed outside of the scope of this Contract (collectively, "Contractor Proprietary Technology"). County acquires no rights to Contractor Proprietary Technology except for the license interests granted under this Contract, which include but are not limited to license rights in the DCBA Connect system granted herein, as well as a perpetual license in all Contractor Proprietary Technology to the extent incorporated into the materials and necessary to County's use.

- 1)** All Contractor Proprietary Technology shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate

page of any document containing such material according to Sub-paragraph 8.36 (Public Records Act).

- 2) The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute, or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.
- 3) Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under this Paragraph 9.1.4.3, for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by this Paragraph 9.1.4.3, or for any disclosure which the County is required to make under any state or Federal law or order of court.

#### **9.1.5 Integration**

Contractor represents and warrants that DCBA Connect's components are capable of interconnecting and/or interfacing with each other and County systems, either through integration or, as applicable, industry standard interface protocols, and when taken together, DCBA Connect components and County systems will be capable of delivering the functionality needed by County to meet its information systems requirements as set forth in this Contract. The System must be interoperable at the time it is provided to County and at all times thereafter during the term of this Contract.

#### **9.1.6 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 Confidential Information or of causing any unplanned interruption of the operations of, or accessibility of the System or any component to County or any user of 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.

#### **9.1.7 General Warranties**

Contractor further represents, warrants, covenants, and agrees that during the term of this Contract:

**9.1.7.1** All tasks, subtasks, deliverables, goods, services and other Work provided by Contractor under this Contract shall be provided and/or performed in a timely and professional manner by qualified personnel and consistent with generally accepted industry standards;

**9.1.7.2** Contractor shall comply with the description and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions, and requirements applicable to Licensed Products, including Licensed Data and Licensed Software, meeting industry standards) set forth in this Contract, including Exhibit A (Statement of Work); and

**9.1.7.3** All Documentation delivered under this Contract shall be in accordance with Contractor standards.

#### **9.1.8 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 the Contract. This Contract and the solution 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 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 not make such statement misleading.

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

- 9.2.1** With the exception of licensed products, County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.
- 9.2.2** During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.
- 9.2.3** Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.2.4** The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.
- 9.2.5** Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under subparagraph 9.2.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by subparagraph 9.2.3 or for any disclosure which the County is required to make under any state or federal law or order of court.
- 9.2.6** All the rights and obligations of this Paragraph 9.2 shall survive the expiration or termination of this Contract.



### **9.3 Patent, Copyright and Trade Secret Indemnification**

**9.3.1** The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure and shall support the Contractor's defense and settlement thereof.

**9.3.2** In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

**9.3.2.1** Procure for County all rights to continued use of the questioned equipment, part, or software product; or

**9.3.2.2** Replace the questioned equipment, part, or software product with a non-questioned item; or

**9.3.2.3** Modify the questioned equipment, part, or software so that it is free of claims.

**9.3.3** The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

### **9.4 Data Destruction**

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

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

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

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

## **9.5 Maintenance, Operational Support, and Hosting Services**

During the term of this Contract, Contractor shall provide the County with maintenance, operational support, and hosting services for the DCBA Connect system as set forth in this Contract, including the Statement of Work and Exhibit K (Information Security and Privacy Requirements), at no additional charge beyond the fees set forth in Exhibit B (Pricing Schedule). Without limiting the foregoing, there shall be no additional charge to County for on-site maintenance and support services to remedy a breach of warranty, correct a System failure to conform to the specifications outlined hereunder, or to fulfill Contractor's obligations pursuant to this Paragraph 9.5 (Maintenance, Operational Support, and Hosting Services).

## **9.6 Contractor's Charitable Activities Compliance**

The County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law, including the "Nonprofit Integrity Act of 2004", as approved and codified in California Government Code, Sections 12580–12599.10, in order to protect the County and its taxpayers. The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. ([County Code Chapter 2.202](#))

## **9.7 Local Small Business Enterprise (LSBE) Preference Program**

**9.7.1** This Contract is subject to the provisions of the County's ordinance entitled LSBE Preference Program, as codified in [Chapter 2.204 of the Los Angeles County Code](#).

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

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

## **9.8 Social Enterprise (SE) Preference Program**

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

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

**9.8.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.

**9.8.4** If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor will:

**9.8.4.1** Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

**9.8.4.2** In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the contract; and

**9.8.4.3** Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

## **9.9 Disabled Veteran Business Enterprise (DVBE) Preference Program**

**9.9.1** This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in [Chapter 2.211 of the Los Angeles County Code](#).

**9.9.2** Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.

**9.9.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

**9.9.4** If Contractor has obtained certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, Contractor will:

**9.9.4.1** Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

**9.9.4.2** In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and

**9.9.4.3** Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

**9.9.5** Notwithstanding any other remedies in this Contract, the above penalties will also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a contract award.

**9.10 Intentionally Omitted**

**9.11 Intentionally Omitted**

**9.12 Intentionally Omitted**

**9.13 Compliance with County's Women in Technology Hiring Initiative**

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](mailto:WITProgram@isd.lacounty.gov).

## 10 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
Paragraph 5.4	No Payment for Services Provided Following Expiration-Termination of Contract
Paragraph 7.6	Confidentiality and Security
Paragraph 8.1	Amendments
Paragraph 8.2	Assignment and Delegation/Mergers or Acquisitions
Paragraph 8.6	Compliance with Applicable Law
Paragraph 8.19	Fair Labor Standards
Paragraph 8.20	Force Majeure
Paragraph 8.21	Governing Law, Jurisdiction, and Venue
Paragraph 8.23	Indemnification
Paragraph 8.24	General Provisions for all Insurance Coverage
Paragraph 8.25	Insurance Coverage
Paragraph 8.26	Liquidated Damages
Paragraph 8.34	Notices
Paragraph 8.38	Record Retention and Inspection-Audit Settlement
Paragraph 8.42	Termination for Convenience
Paragraph 8.43	Termination for Default
Paragraph 8.48	Validity
Paragraph 8.49	Waiver
Paragraph 8.58	Prohibition from Participation in Future Solicitation
Paragraph 8.60	Campaign Contribution Prohibition Following Final Decision in Contract Proceeding
Paragraph 9.1	Proprietary Considerations
Paragraph 9.2	Ownership of Materials, Software and Copyright

Paragraph 9.3      Patent, Copyright and Trade Secret Indemnification  
Paragraph 10.0     Survival

{Signature page to follow}

DRAFT

IN WITNESS THEREOF, County has caused this Contract to be executed by the Director of the DCBA or their designee. Contractor has caused this Contract to be executed by its duly authorized representative.

COUNTY OF LOS ANGELES  
CONSUMER AND BUSINESS AFFAIRS

By \_\_\_\_\_  
RAFAEL CARBAJAL  
DIRECTOR

Date \_\_\_\_\_

3DI, INC.

By \_\_\_\_\_  
MIHIR DESAI  
COO & CFO

Date \_\_\_\_\_

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By \_\_\_\_\_  
Senior Deputy County Counsel



## STATEMENT OF WORK

**1 PROJECT SUMMARY**

The Los Angeles County (“County”), through its Department of Consumer and Business Affairs (“DCBA”), is contracting with 3Di, Inc. (“Contractor”), a software as a service (“SaaS”) solutions provider with extensive experience in successfully delivering comprehensive and fully integrated web-based solutions in housing, customer engagement, and public safety, to provide development, implementation, and hosting services for a case management software system to support various DCBA Programs (“DCBA Connect” or “System”).

The purpose of this Contract is to consolidate Maintenance, Operations, and Support (MOS) services for DCBA Connect, including internal and customer-facing portals for Rent Registry, Service Request Management/311, and the Rent Escrow Account Program (REAP). The Contractor shall keep the existing production systems secure, available, performant, and supported, and perform limited configurable changes through monthly support hours (“Genie Hours”). Additional enhancements and integrations shall be implemented into DCBA Connect, as outlined herein, to meet DCBA program needs.

The Contractor will be responsible for providing all licensed software, including but not limited to Contractor and third-party software licenses, System interfaces, System infrastructure, maintenance, support services, enhancements, integrations, and any additional components as outlined in this Statement of Work (SOW).

**2 DEFINITIONS**

The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 “API”** shall mean application programming interface, the technical specifications, protocols, and integrations that define how the System communicates and exchanges data automatically and reliably with internal and external systems.
- 2.2 “CRM”** shall mean Customer Relationship Management functionality supporting intake, tracking, and case management.
- 2.3 “DCBA” or “Department”** shall mean the Department of Consumer and Business Affairs.
- 2.4 “DCBA Connect” or “System”** shall mean the web-based case management system that supports multiple platforms for various programs administered by the DCBA.
- 2.5 “Eviction Prevention Services”** shall mean a set of coordinated activities or services designed to support tenant housing stability and reduce the risk of displacement.

- 2.6** “**GIS**” shall mean Geographic Information System functionality supporting mapping, address validation, and spatial analysis within DCBA Connect.
- 2.7** “**Maintenance**” shall mean System updates, bug fixes, release management, version control, and log maintenance.
- 2.8** “**Operations**” shall mean cloud hosting, monitoring, performance tuning, security monitoring, security notifications, and backups/restore.
- 2.9** “**OLE**” shall mean the Office of Labor Equity, a division of the DCBA.
- 2.10** “**RACI**” shall mean Responsible, Accountable, Consulted, and Informed – a framework developed by the Contractor to define and clarify roles and responsibilities across all phases of incident management for DCBA Connect.
- 2.11** “**REAP**” shall mean Rent Escrow Account Program, a programmatic enforcement tool that imposes fees for non-compliant landlords and rent reductions for affected tenants.
- 2.12** “**Rent Registry**” shall mean the Los Angeles County Rent Registry platform.
- 2.13** “**Risk Register**” shall mean a document maintained by the Contractor that serves as the main record for identifying, assessing, prioritizing, and tracking potential risks that could impact DCBA Connect.
- 2.14** “**RSTPO**” shall mean Rent Stabilization and Tenant Protections Ordinance.
- 2.15** “**MRSMOPO**” shall mean Mobilehome Rent Stabilization and Mobilehome Owner Protections.
- 2.16** “**SRM**” or “**311**” shall mean Service Request Management, a System function that enables intake, tracking, and resolution of constituent requests through multiple channels (web, mobile, call center, and walk-ins).
- 2.17** “**Support**” shall mean service desk (ticketing, phone/email support) and dedicated monthly Genie Hours for changes within the limits outlined in this SOW.

### **3 SPECIFIC TASKS / DELIVERABLES**

Except to the extent expressly specified as an obligation of the County, Contractor shall perform, complete, and deliver all tasks, deliverables, and services as set forth herein this SOW or in any referenced document, pursuant to the Contract terms and conditions.

#### **3.1 PROJECT PLANNING AND MANAGEMENT**

- 3.1.1** Contractor shall coordinate a kick-off meeting with County personnel within five (5) days of Contract execution.

- 3.1.2 Contractor shall submit a detailed project plan using the Microsoft Project tool, outlining all tasks, milestones, and dependencies required to operate, maintain, and enhance System components, subject to County review and approval.
    - 3.1.2.1 Following written approval of the project plan by the County Project Director and/or Manager, deliverables must be approved by County according to the timeframes set forth in the project plan.
    - 3.1.2.2 Contractor will be provided with a reasonable resolution period to correct any deficiencies regarding a deliverable.
    - 3.1.2.3 Each deliverable shall be deemed “accepted” upon County’s Project Director or/and Project Manager’s formal review and written approval.
  - 3.1.3 Contractor shall submit a comprehensive disaster recovery plan to ensure continuity of service, data integrity, and timely recovery of the System in the event of a disruption, outage, or disaster, subject to County review and approval.
    - 3.1.3.1 The disaster recovery plan shall meet the requirements set forth in Exhibit K (Information Security and Privacy Requirements), including the development of incident management logs to track, review, report, and resolve issues.
  - 3.1.4 Contractor shall develop and maintain a RACI Matrix that clearly defines roles and responsibilities and identifies points of contact across all phases of incident management.
  - 3.1.5 Contractor shall conduct weekly project meetings with County personnel throughout the Contract term to review progress, address issues, and resolve deviations from the approved project plan.
- 3.2 DCBA CONNECT – IMPLEMENTED SYSTEM FUNCTIONS**
- 3.2.1 Common Maintenance, Operations, and Support Services

Contractor shall provide Maintenance, Operations, and Support (MOS) services to ensure the System remains secure, available, performant, and fully supported. These services include:

    - 3.2.1.1 Maintaining the knowledge base, service catalog, notification templates, and ad hoc report/dashboard adjustments within dedicated Genie Hours.

3.2.1.2 Maintaining payment gateway configurations and reporting, in coordination with County merchant processor teams.

3.2.1.3 Providing weekly data downloads per County-approved attribute lists across the Rent Registry, SRM, and REAP platforms until the reporting database outlined in section 3.3.1.4 is implemented, allowing DCBA to directly access System data.

### 3.2.2 DCBA Connect Hub

The DCBA Connect Hub serves as the main landing page, integrating with multiple DCBA-led programs' platforms. Existing functionalities include investigation of consumer complaints, mediation services, enforcement of wage ordinances, and integration of payment and fee collection processes. Contractor shall maintain and support the following implemented features:

### 3.2.3 Service Request Management / 311

The Service Request Management (SRM) / 311 portal within DCBA Connect includes technical support and functionality for DCBA's call center, powered by AWS Connect, and provides omnichannel intake, CRM, identity and role management, GIS, integrated workflow, messaging, dashboards, reports, and mobile apps. Contractor shall provide MOS services and limited configurable changes for SRM, including:

3.2.3.1 Capture intake and outcome details, case notes, service outcomes and referral tracking to support DCBA's Consumer Counseling on various topics such as fraud, elderly services, and small claims program.

3.2.3.2 Capture intake and outcome details for services provided under the Office of Immigrant Affairs (OIA) related to inquiries and complaints.

3.2.3.3 Capture intake and outcome details for services provided under the Office of Cannabis Management (OCM) for inquiries and complaints.

3.2.3.4 Capture intake, outcome and referral tracking details for services provided under for the Foreclosure Prevention program.

3.2.3.5 Capture intake, outcome and referral for the Office of Labor Equity (OLE) related to investigations on worker protection violations and violation of LA County's Minimum Wage ordinance.

- 3.2.3.6 Capture intake, outcome and referral for the Consumer Protection related to investigations based on consumer complaints on various topics such as consumer fraud, wage enforcement, real-estate fraud, immigration services fraud, elderly financial abuse, and identity theft, Price Gouging.
- 3.2.3.7 Capture intake, outcome and mediation information from multiple parties the Mediation and Conciliation Services program to resolve disputes between businesses, neighbors, and others.
- 3.2.3.8 Web and mobile portals (multi-language, responsive, multi-browser, integrated with DCBA's website).
- 3.2.3.9 Mobile apps (iOS/Android) for service request submission, notifications, personalization, and DCBA information.
- 3.2.3.10 Central Identity Management (CIM) with external identity federation (Google/Facebook) for external users and Microsoft Active Directory integration for internal users.
- 3.2.3.11 Integrated workflow, GIS integration, dashboards, analytics, and multichannel messaging (push, SMS, email, portal).
- 3.2.3.12 Omnichannel intake (web, mobile, call center, walk-ins), full lifecycle case management, and SLA tracking.
- 3.2.3.13 Role-based dashboards and integration with external data sources via APIs.
- 3.2.3.14 DCBA Call Center technical configuration and support.

#### 3.2.4 Housing and Tenant Protections

The Housing and Tenant Protections portal within DCBA Connect provides role-based access for tenants, landlords, community-based organizations (CBOs), County-authorized third-party administrators, and staff. Functions include case management, integrations with external agencies (e.g., DPH), third-party escrow administration, payment workflows linked to the County processor, knowledge base, scheduling, reporting/dashboards, forms, migrated program data, and data downloads.

##### 3.2.4.1 Rent Registry Platform

Contractor shall ensure the Rent Registry platform maintains accurate records of rental property information in unincorporated Los Angeles County and supports:

- Case management for rent increases, evictions, capital passthroughs, relocations, buyouts, exemptions, and appeals.
- Owner, tenant, public, and staff portals with role-based access to enforce RSTPO/MRSMOPO; register, verify, and maintain rental properties/units; upload required documents and notices; generate certificates; file review or correction cases; calculate allowable rent increases; request capital passthroughs, exemptions, and rent increases; file relocations and tenant buyouts; view and manage case status via workflows; and manage tenant, contact, and property information.
- Online payment support via the County merchant gateway.
- Program data migration from legacy systems with continuity of existing cases maintained.
- Dashboards fixed and ad hoc reports, weekly data downloads, and auto-generated RSTPO/MRSMOPO certificates.
- Eviction Prevention module which records activities or services designed to support tenant housing stability and reduce risk of displacement.
- Scalable integration with related County systems.
- Maintenance:
  - Maintain and calibrate workflows; update RSTPO/MRSMOPO calculators per County-provided rules while preserving historical calculators.
  - Maintain payment gateway configuration and reporting in coordination with County merchant processor teams.
  - Maintain certificate generation, notice templates, GIS-enabled reports/maps, and property inventory controls.
  - Maintain the knowledge base, service catalog, and notification templates; support ad hoc report/dashboard adjustments within dedicated Genie Hours.

#### 3.2.4.2 REAP Platform

Contractor shall ensure the REAP platform maintains accurate records for properties in unincorporated Los Angeles County

that are considered for or placed into REAP and supports the following:

- Program integrations with external agencies (e.g., DPH), systems, and third-party escrow administrators.
- Bi-directional integration with the Rent Registry using APN, including ingestion of violation reports, inspection schedules, outreach activities, referrals, and hearing outcomes via regular feeds.
- Role based access for tenants, landlords, CBOs, third-party contractors, and County staff.
- Public-facing property search, mobile-friendly portals, and multi-language support.
- Escrow account management for rent deposits, landlord fees, withdrawals/disbursements, receipts, monthly statements, and fee billing.
- Reference library, FAQs, scheduling, hosted forms, complaints intake.
- Routine reporting and weekly data downloads.
- Maintenance:
  - Maintain payment processor connectivity and escrow workflows (deposits, withdrawals, statements, administrative fees).
  - Maintain system integration APIs between REAP, Rent Registry, and external partner systems, including associated batch schedules and synchronization processes.
  - Monitor data exchanges, reconcile failures, and ensure continuity of information across platforms.
  - Maintain the knowledge base, forms library, scheduler resources, and complaint channels; fulfill weekly data downloads per schedule.

### **3.3 ENHANCEMENTS AND INTEGRATIONS**

Contractor shall implement enhancements and integrations across DCBA Connect to automate communication, improve collaboration, and expand functionality.

#### **3.3.1 Enhancements shall include:**

- Workers Owed Wages (WOW) – Integration into Worker Complaint intake form.
- OLE Payment Integration – Automated payment schedules, settlement reporting, online payments, large document storage, and automated notices.

- Multi-Year Rent & Over/Under Payment – Multi-cycle payments, offline/partial payments, overpayment application, penalties, and APN balance adjustments.
- OLAP Database – Separate reporting database instance with secure, role-based access to materialized views, nightly refreshes, schema documentation, and audit logs.
- Customer Support & AWS Connect Integration – Chatbot, bi-directional chat, AI translation, customer support page, call logs, surveys, phased rollout.

#### 3.3.1.1 Workers Owed Wages

Contractor shall integrate the WOW feature into the worker complaint intake form and make the feature publicly accessible through the DCBA Connect portal to allow workers to determine whether they are owed payments by their employer before submitting a Worker Complaint case.

#### 3.3.1.2 OLE Payment Integration

Contractor shall implement fees collected by OLE to automate the processing of settlement payments received from businesses and owed wages distributed to employees. This feature shall include:

- Generate payment schedule based on settlement agreement with corresponding businesses.
- Reports generating total to be captured on how much money was owed at the beginning of the year to end of the year for each business.
- Integrate DCBA's payment processor.
- Settlement payment processing for businesses.
- Store supporting settlement documents.
- Automated emails and notices to businesses.

#### 3.3.1.3 Multi-Year Rent & Over/Under Payment

Contractor shall enhance the Rent Registry platform to improve multi-cycle and partial payment tracking as follows:

- Implement multi-cycle payment options (past and current cycles).
- Enable tracking of partial payments, application of overpayments to future registration fees, and monitoring of fines across multiple annual cycles.



#### 3.3.1.4 Reporting Database

Contractor shall establish a reporting database that provides secure, role-based access to historical case management data across all departmental programs as follows:

- Views shall include timestamps, status changes, and audit trails, and be refreshed on a scheduled basis (e.g., nightly).
- Views shall be indexed for performance and accessible via secure SQL endpoints or APIs compatible with departmental reporting tools.
- Supply schema documentation, refresh schedules, and access credentials; maintain audit logs of view access and updates; and document and communicate changes in advance.
- Update tables as system changes occur and notify the County with documentation within 24 hours of implementation.

#### 3.3.1.5 Customer Support & AWS Connect Integration

Contractor shall implement an AWS connect integration to improve call center functionalities and user experience through the following capabilities:

- Chatbot Integration: Case status lookup, service request creation, generative AI responses provided in multiple languages based on knowledgebase documentation, as authorized by DCBA staff, and bi-directional chat with agents, utilizing an integrated AI translation feature in supported languages.
- Customer Support Page: Citizen identification by phone number or email, access to prior case submissions and statuses, call logs, and pre-filled case creation.
- Survey Dashboard: Collection and reporting of customer satisfaction survey data to inform service improvements.

#### 3.3.2 User Acceptance Testing

3.3.2.1 Contractor shall conduct end-user testing with relevant County personnel to ensure enhancements and integrations meet System objectives and requirements.

3.3.2.2 Contractor shall conduct ongoing testing of the platform to identify and rectify errors, bugs, security flaws, or

inconsistencies in the software solution's quality, functionality, and stability.

### **3.4 SUPPORT SERVICES**

3.4.1 Contractor shall provide the County with eighty (80) of as-needed end-user support service hours (Genie Hours) per month as part of the hosting subscription fee.

3.4.1.1 Monthly Genie Hours may be used for urgent issues, technical assistance, troubleshooting, System enhancements, configurations, integrations, and refinements.

3.4.1.2 Unused monthly Genie Hours shall not roll over into subsequent months.

### **3.5 OPTIONAL WORK**

3.5.1 Upon County's written request for additional as-needed work (Optional Work), the Contractor shall provide the County with a written work plan and proposed cost estimate to implement the request.

3.5.1.1 Optional Work may include enhancements otherwise not covered by monthly Genie Hours. Such enhancements shall include, but not be limited to, technology refreshes, feature upgrades, reporting improvements, integration support, potential transition activities, and other changes and enhancements as deemed necessary by the Department.

3.5.1.2 Optional Work shall be subject to the availability of funds and County's written approval, documented through a formal amendment.

## **4 AGENCY ROLES & RESPONSIBILITIES**

Contractor and County each commit to dealing in good faith and to communicate clearly and with transparency to each other in the execution of this Contract. Contractor and County further commit to adopting the following roles and responsibilities in execution of this Contract as outlined below:

### **4.1 CONTRACTOR**

4.1.1 Contractor shall provide a Project Manager with experience in managing projects of similar size and scope as contained in this Statement of Work.

- 4.1.2 Contractor's Project Manager shall act as a central point of contact with County and shall have full authority to act for the Contractor on all matters relating to the daily operation of the Contract.
- 4.1.3 Contractor shall provide a telephone number where the Project Manager may be reached throughout the duration of the Contract during regular business hours. Contractor shall also provide a telephone number where the Project Manager or their designee may be reached in the evening and on weekends, as necessary.
- 4.1.4 Contractor shall assign a sufficient number of employees to perform the required work.
  - 4.1.4.1 At least one employee shall be authorized to act for the Contractor in every detail of the Contract.
- 4.1.5 Contractor shall provide, if requested, information, documents and records regarding the Program to County and/or a potential program evaluator that will assist with the monitoring and evaluation.
- 4.1.6 Contractor shall make itself available to County for consultation on matters regarding the progress and evaluation of the project, including any setbacks or delays.
- 4.1.7 Contractor shall work with County to establish an effective system to streamline communication throughout the duration of the Contract term.
- 4.1.8 Contractor is required to attend all meetings required in this SOW.
- 4.1.9 Contractor may collaborate with County to engage sub-consultants and additional subject-matter experts pursuant to the Contract terms and conditions.

## **4.2 COUNTY**

- 4.2.1 County shall promptly consider any requests by Contractor for reallocation of funding and approve or deny any funding reallocation request within thirty (30) days.
- 4.2.2 County shall prepare Contract amendments in accordance with the Contract.

## **5 QUALITY ASSURANCE PLAN**

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

## **EXHIBIT A**

- 5.1.1 County shall periodically review the Contractor's performance for successful completion of the deliverables and terms of this Contract.
- 5.1.2 Verbal notification of a Contract discrepancy will be made to the Contract Compliance Manager as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by County and Contractor.
- 5.1.3 In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor or subcontractor's performance.

## PRICING SCHEDULE

**MAXIMUM NOT TO EXCEED CONTRACT COST IS: \$1,697,124.00**

The maximum, not-to exceed, cost for this entire Contract is **\$1,697,124.00** for all tasks and deliverables described in Exhibit A (Statement of Work) of this Contract. Payment shall be in arrears in a manner and subject to the pricing schedule detailed below and the conditions as set forth in section 5, CONTRACT SUM, of this Contract. Any costs incurred to complete this project in excess of the maximum not-to-exceed cost shall be borne by the Contractor.

The County reserves the right to review current progress of all deliverables and approve the percentage of completion prior to issuing payment for any monthly invoice.

<b>Pricing Schedule</b>	
<b>DESCRIPTION</b>	<b>BUDGET</b>
<b>Software as a Service (SaaS) – Subscription Fees</b>	
Year 1 – Licensing, Ongoing Maintenance, Operations, Support	\$180,000.00
Year 2 – Licensing, Ongoing Maintenance, Operations, Support	\$185,850.00
Year 3 – Licensing, Ongoing Maintenance, Operations, Support	\$191,890.00
Year 4 – Licensing, Ongoing Maintenance, Operations, Support	\$198,127.00
Year 5 – Licensing, Ongoing Maintenance, Operations, Support	\$204,566.00
<b>Option Years – Software as a Service (SaaS) – Subscription Fees*</b>	
Optional Year 6 – Licensing, Ongoing Maintenance, Operations, Support	\$211,214.00
Optional Year 7 – Licensing, Ongoing Maintenance, Operations, Support	\$218,079.00
<b>Subtotal Subscription Fees</b>	<b>\$1,389,726.00</b>
<b>Enhancements and Integrations</b>	
Call Center & Chatbot Integration	\$33,440.00
OLE Payment Integration	\$37,008.00
Rent Registry - Multi-Year Registration & Over/Under Payment	\$15,950.00
<b>Subtotal Enhancements and Integrations</b>	<b>\$86,398.00</b>
<b>As-Needed Services</b>	
Pool Dollars - Optional As-Needed Work	\$221,000
<b>Subtotal As-Needed Services</b>	<b>\$221,000.00</b>
<b>TOTAL MAXIMUM CONTRACT SUM</b>	<b>\$1,697,124.00</b>
<i>*If the County, in its sole discretion, exercises optional one-year extension periods, the subscription fees shall not exceed the amounts set forth above for each respective extension.</i>	

## SERVICE LEVEL AGREEMENT

This Service level Agreement is attached to and made a part of contract number CA-26-0XX ("Contract"), entered into by and between the Los Angeles County ("County") through the Department of Consumer and Business Affairs ("DCBA") and 3Di, Inc. ("Contractor").

Capitalized terms used herein without definition have the meanings given to such terms in the Contract.

This exhibit sets forth the scope of DCBA Connect under Exhibit A (Statement of Work and Attachments), and Contractor's service level commitment regarding hosting services and support services, including correction of deficiencies, warranties and County's remedies for Contractor's failure to meet the service levels specified herein (collectively, "Support Services").

### 1.0 SCOPE OF SERVICES

#### 1.1 Description

Contractor shall provide service levels and warranties relating to Support Services for the DCBA Connect System as specified in the Contract and this Exhibit, as more fully described below. Support Services shall include but are not limited to correction of Deficiencies based on service levels and warranties. Support Services commence as specified in the Contract.

#### 1.2 Definitions

As used herein the following terms have the following meanings:

**"Available"** means the case management system shall be available for access and use by the County.

**"Business Hours"** shall mean 8:00 a.m. to 5:00 p.m. Pacific Time (PT) Monday through Sunday except for County approved holidays.

**"Compatible"; "Compatibility"** means, with respect to the licensed software, that (a) the applicable components of the Licensed Software are capable of supporting, operating and otherwise performing all functions of such Licensed Software components set forth in the Specifications and this Contract when the Minimum System Requirements are met; (b) the applicable components of Third Party Products are capable of supporting, operating and otherwise performing all functions of such Third Party Products components set forth in the Specifications and this Contract, when used in conjunction with the other components of the Licensed Software; (c) the applicable components of Licensed Software are capable of supporting, operating and otherwise performing all functions of such Licensed Software components set forth in the Specifications and this Contract, when used in conjunction with the Third Party Products; and (d) the applicable components of the Licensed Software are capable of supporting, operating and

otherwise performing all functions of such Licensed Software components set forth in the Specifications and this Contract, when used in conjunction with one another and with the Hosted Environment.

**“Days of Operation”** shall mean 365/366 days per year, 24 hours per day, excluding “Scheduled Downtime”.

**“Deficiency”** shall mean a failure that impairs the performance of the case management system when operated in accordance with the Contract.

**“Disaster”** shall mean a catastrophic event that results in significant or potentially significant Downtime or disruption of the Hosted Environment for System use and requires Contractor to invoke the Disaster Recovery/Business Continuity Plan.

**“Downtime”** shall mean the period of time when the System or any System component is unavailable, including Unscheduled Downtime and Scheduled Downtime.

**“Hosted Environment”** shall mean hardware, hosted network, and hosted operating software to be supplied by Contractor as a part of its obligation to perform hosting services. The Hosted Environment includes the Hosted Environment for production use and any other environments described in this Contract, if any, including Exhibit A (Statement of Work).

**“Off-Business Hours”** shall mean all hours that are not Business Hours or Scheduled Downtime.

**“Response Time”** shall mean the time elapsed for all data fields on a page to load such that they are available for use.

**“Scheduled Downtime”** shall mean a prescheduled timeframe during which the case management system cannot be accessed due to scheduled maintenance, including but not limited to preventive maintenance, revisions, scheduled reboots and restarts.

**“Total Monthly Time”** shall mean all minutes in the Days of Operation for a calendar month, excluding Scheduled Downtime.

## **2.0 CORRECTION OF DEFICIENCIES**

### **2.1 Identification of Deficiencies**

The Deficiencies under this Contract may be identified either as a result of Contractor’s use of its own monitoring tools or discovered by County. Upon discovery of a Deficiency by County, County will report the Deficiency to Contractor’s Help Desk Support for resolution in accordance with this Exhibit.

The priority level of a Deficiency shall be assigned as described in, and according to the priority level definition set forth in, paragraph 3.2.1(Problem Correction Priorities). Based on Contractor's proposed resolution and/or workaround(s) for the Deficiency, County may reevaluate and escalate or downgrade the priority level of the Deficiency pursuant to paragraph 3.2.3 (Priority level Adjustment).

## 2.2 Resolution of Deficiencies

### 2.2.1 Problem Correction Priorities

County shall assign the priority level to each Deficiency reported by County to Contractor's Help Desk Support. Contractor shall assign priorities to Deficiencies discovered by its own monitoring tools. Following report of a Deficiency from County, Contractor shall respond back to County within the prescribed "Response Timeframe" specified below and resolve each such Deficiency within the specified "Resolution Goal". The Response Timeframe and Resolution Goal for correction of Deficiencies shall start tolling when County first notifies Contractor of a Deficiency by telephone or otherwise as specified herein, including Contractor's Help Desk Support portal, and shall end when County reasonably determines that the Deficiency has been resolved.

Priority Level	Description of Deficiency	Response Timeframe	Resolution Goal
1 - Critical	<p>Critical functionality is down or impaired or degraded; major impact to County's business; no reasonable workaround(s) exists or no current patch set or service pack is available.</p> <p><u>Examples of Critical Deficiencies:</u> Response Time is at or over four (4) times the agreed upon Response Time Baseline or does not function at all, as determined by County. There is no way to circumvent the problem; a significant number of Users are affected. A production business System is inoperable.</p>	One (1) Business Hour	One (1) Business Day
2 – Severe	<p>Functionality is impaired or degraded, or an important function is not available, and operations are severely impacted. There are time-sensitive issues that impact ongoing production. A reasonable workaround exists, but it is only temporary. Hotfix, patch or service pack or upgrade is not available.</p> <p><u>Examples of Severe Deficiencies:</u> A component of the System is not performing in accordance with the Specifications (e.g., Response Time is at two (2) or three (3) times the agreed upon Response Time Baseline), which is creating significant County business impact, or its core functionality is not available, as determined by County. OR</p>	Four (4) Business Hours	Five (5) Business Days or next scheduled maintenance, whichever is less



Priority Level	Description of Deficiency	Response Timeframe	Resolution Goal
	Mandatory reporting within the System is inaccurate, or data is unavailable (unless the inaccuracy is due to inaccurate data provided by the County).		
3 – Moderate	<p>Non-critical functionality is down or impaired. Does not have significant current production impact. Performance is degraded. A short to medium term work-around is available. Patch, service pack or upgrade is available.</p> <p><u>Examples of Moderate Deficiencies:</u> A component of the System is not performing in accordance with the Specifications, which is creating a moderate or minor operational impact, as determined by County.</p>	One (1) Business Day	Two (2) weeks
4 – Low	<p>Non-critical function impaired. No business impact. A medium to long term work-around is available. Patch, service pack or upgrade is available.</p> <p><u>Examples of Low Deficiencies:</u> This is a low impact problem and is not significant to operations or is related to education (e.g., general “how to” and informational Licensed Software questions, Documentation requests, understanding of reports or general “how to” create reports), as determined by County.</p>	Two (2) Business Days	Next Version Release or 6 months unless otherwise agreed to by County and Contractor

2.2.2 All identified deficiencies along with their respective priority levels should be documented and tracked in the Contractor’s help desk support portal.

#### 2.2.3 Problem Resolution Process

For any Deficiency reported by County or discovered by Contractor, Contractor shall commence corrective action according to the applicable Response Timeframe. Contractor shall correct all Deficiencies within the Resolution Goals specified above. Contractor shall also immediately commence developing a workaround or a fix for any priority level 1 or priority level 2 Deficiency. County and Contractor shall agree on the Deficiency resolution, whether by a permanent solution or a workaround. Contractor shall provide the best level of effort to correct all Deficiencies and, in particular, Deficiencies with priority level 1 through priority level 3.

In the event that Contractor fails to correct a Deficiency within the prescribed Resolution Goals, Contractor shall provide County with a written or electronic report that includes a detailed explanation of the status of such Deficiency, preliminary actions taken, detailed mitigation plans and an estimated time for completing the correction of such Deficiency. This process will be repeated until the Deficiency is resolved and the resolution is approved by County’s Project Manager. The parties will jointly cooperate during this period of time.

#### 2.2.4 Priority Level Adjustment

County may escalate or downgrade a priority level of a Deficiency if the Deficiency meets the definition of the priority level as escalated or downgraded. Additionally, County's Project Manager may escalate a priority level of a Deficiency at any time during which the System is experiencing more than one Deficiency of the same priority level. A Deficiency may also be escalated by County if the Deficiency persists or re-occurs, as determined by County's Project Manager. At the time the Deficiency is escalated or downgraded, an appropriate timeline will be applied for resolution of such Deficiency in accordance with Subparagraph 3.2.1 (Problem Correction Priorities). Contractor may not downgrade a priority level without the consent of County's Project Manager. Contractor may not "close" or "inactivate" a trouble ticket or Deficiency report without the consent of County's Project Manager. Contractor may request a special exception to the above timeline where there are extenuating circumstances, with the decision for extension made at the discretion of County's Project Manager. If a reasonable workaround may be provided by Contractor for a Deficiency, County may elect to downgrade the priority level of such Deficiency until an agreed upon date. If a permanent fix is not provided by such agreed upon date, County will be able to escalate the priority level back to the original priority level or higher, as provided herein.

### 2.3 System Availability Requirements

#### 2.3.1 Scheduled Downtime

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

Scheduled Downtime shall be determined and mutually agreed by County and Contractor. 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 Director or Manager. Any Downtime outside of the above window of time without such prior notice and County's Project Director's or Manager's approval shall be considered "Unscheduled Downtime" which may entitle County to remedies as specified in section 2.3.3 (Service Credits for Unscheduled Downtime) below. Notwithstanding the foregoing, Contractor may request System Downtime for an emergency correction to the System. Such Downtime shall be deemed Scheduled Downtime, provided that it has been approved by County's Project Director or Manager.

### 2.3.2 Unscheduled Downtime

Without limiting any other rights and remedies available to County, either pursuant 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, subject to the Dispute Resolution Procedure.

### 2.3.3 Service Credits for Unscheduled Downtime:

Length of Continuous Unscheduled Downtime	Service Credits
3.6 hours or more but less than 6 hours	10% of monthly invoice
6 hours or more but less than 12 hours	20% of monthly invoice
12 hours or more but less than 24 hours	40% of monthly invoice
24 hours or more	100% of monthly invoice

2.3.4 Service credits shall be calculated separately for each applicable incident of a Deficiency and shall be added up to be assessed at the end of each month. Service credits, in any amounts, are not and shall not be construed as penalties and, when assessed, will be deducted from any amounts due to the Contractor under the Contract.

## 2.4 Subscription Services

Support Services provided by the Contractor shall include maintenance, hosting services and 24x7x365 System availability, with the exception of scheduled downtime and Revisions (hereinafter "Subscription Services").

## 2.5 System Maintenance & Expected Uptime

### 2.5.1 Hosting Services

Contractor shall operate the hosting services on the Hosted Environment owned and maintained by the Contractor (and its hosting provider, if applicable) on a 24x7x365 basis.

Contractor shall allow access to the hosting services over the internet from the Hosted Environment facilities on a 24x7x365 basis and provide secure and confidential storage of all information transmitted to and from the hosting services. The Hosted Environment shall provide redundancy at all tiers of the hosting environment, redundant clustered firewalls with redundant internet connections, running industry standard secure inspection, and analysis software.

Contractor shall supply hardware, security protocols, software, and communications support structure to facilitate connection to the Internet in accordance with the requirements set forth herein this Contract.

Contractor shall build into the solution's architecture the capability to operate in more than one data center and in different availability zones (AZ's) for high availability, fault tolerance, scalability, and disaster recovery. The selected AZ's shall reside in the continental United States.

Contractor shall review security notifications and alerts relevant to the Hosted Environment (e.g., Contractor notification of bugs, attacks, patches), and apply as appropriate to maintain the highest level of defense.

Contractor shall provide adequate firewall protection in order to secure personal data and other Confidential Information of County and users of the hosting services from unauthorized access by third parties.

#### **2.5.2 Hosting Provider**

As of the Effective Date, Contractor is providing hosting services. In the event that, during the term of the Contract, Contractor desires to transition to a new hosting provider, Contractor shall provide County with at least sixty (60) calendar days' prior notice of the transition. Contractor shall reasonably cooperate with County in evaluating the security and performance of the proposed hosting provider. County shall have thirty (30) calendar days from receipt of notice of the transition to reasonably object to the proposed new hosting provider. In the event of such objection, the parties shall negotiate in good faith regarding alternate hosting providers. If the Parties are unable to reach agreement within thirty (30) calendar days of receipt by Contractor of the objection, County may elect to terminate this Contract without further obligation.

### **2.6 User Set up and Access**

Contractor shall provide secured access to DCBA Connect by delegating authentication and authorization to the County's Azure Active Directory (Azure AD). Contractor shall work with the County to identify and document the tenant configuration data necessary to enable Azure AD interface for each of the provisioned Hosted Environments.

Contractor shall work with the County to elaborate and document the requirements for role-based access to DCBA Connect for each of the provisioned Hosted Environments. Contractor shall conduct requirements gathering meetings with County to identify the create, read, update, delete (CRUD) rights of each of the

roles available in DCBA Connect. DCBA Connect roles shall be mapped to the appropriate County user roles as determined in the requirements gathering meetings. The requirements documentation will include, but not be limited to, providing applicable Department staff the ability to perform the necessary tasks based upon role using DCBA Connect. This will include but will not be limited to managing information related to the various modules that form part of the DCBA Connect System management.

Contractor shall configure user accounts, user roles, establish System access and enable System log-in and user auditing for each of the provisioned Hosted Environments.

### **3.0 SUPPORT SERVICES**

#### **3.1 Scope of Support**

3.1.1 As a part of Subscription Services, Contractor shall provide Support Services, which includes Contractor's responsibilities for supporting the operation of the System and responding to problems reported and correcting deficiencies as specified in this Exhibit. As part of its Support Services, Contractor shall provide operational support for the System during the Support Hours, which shall include without limitation providing a point of contact for all System problems by maintaining a System for customer support to be used County's technical support ("Help Desk Support"). Such operational support shall include Support Services to correct any failure of the System and to remedy Deficiencies in accordance with this Exhibit to ensure that the System operates in accordance with the Specifications, warranties and other requirements under the Contract. Requests for Help Desk Support will be submitted by County's technical support via telephone and/or Contractor's web-based trouble ticketing System. In the event that the Contractor's web-based trouble ticketing System is not available, County may use email or any other reasonable means to request Help Desk Support. Help Desk Support shall respond with a plan for resolving each Deficiency and respond to County's Project Manager within the applicable required period specified in this Exhibit.

#### **3.2 Help Desk Support**

Contractor's Help Desk Support service level requirements shall also include but not be limited to those listed below:

3.2.1 County designated technical support staff that provides First level Support shall have access to Contractor's Help Desk Support through the methods outlined in this Exhibit.

3.2.2 County shall have access to Contractor's Help Desk Support through the

## EXHIBIT C

Web-based trouble ticketing System or telephone. The trouble ticketing System shall provide for County a simple method to submit, track and update issues that require escalation to Contractor's Help Desk Support. The authorized County contacts will each receive an account and training on the ticketing System.

- 3.2.3 Contractor shall provide a telephone number for County staff to call during Business Hours. This telephone number shall be managed by an automated System to quickly connect County staff with the appropriate Help Desk Support personnel.
- 3.2.4 Contractor's automated System shall include the functionality of leaving detailed voice mails describing the issues. The voicemails must be responded to within 24 to 48 hours (including weekends and holidays).
- 3.2.5 Priority levels for the Deficiencies shall be assigned according to definitions specified in this Exhibit.
- 3.2.6 Contractor shall respond within the period specified in this Exhibit depending on the priority level of the Deficiency.
- 3.2.7 Contractor's Help Desk Support shall made be available to County 24 hours per day, Monday through Sunday ("Support Hours").
- 3.2.8 Contractor's Help Desk Support shall work with County's Project Manager and County's technical support staff on correcting Deficiencies and keep such County personnel informed regarding the updates and scheduled timeframes to ensure that all maintenance windows are clearly communicated, and the requirements of this Exhibit are met.
- 3.2.9 Contractor shall triage and update submitted Deficiencies and requests to have the priority, description, type, version and other elements of each case modified by Help Desk Support based on the severity and business impact.
- 3.2.10 Deficiency correction, timeframes and Service Credits for failure to timely correct any Deficiencies as specified herein shall be as specified in this Exhibit.
- 3.2.11 Enhancement suggestions to DCBA Connect shall be submitted using Contractor's Customer Support ticketing system. Contractor shall conduct a preliminary evaluation within thirty (10) days and update the ticket with that preliminary evaluation. Contractor shall use this information in product enhancement planning.

COUNTY'S ADMINISTRATION

CONTRACT NO. CA-26-0XX

**COUNTY'S PROJECT DIRECTOR:**

Jose Rivas  
Department of Consumer and Business Affairs,  
320 W. Temple St., Room G-10  
Los Angeles, CA 90012  
(213) 334-1285  
[jrivas@dcba.lacounty.gov](mailto:jrivas@dcba.lacounty.gov)

**COUNTY'S PROJECT MANAGER:**

Brent Rivera  
Department of Consumer and Business Affairs,  
320 W. Temple St., Room G-10  
Los Angeles, CA 90012  
(213) 948-2894  
[brivera@dcba.lacounty.gov](mailto:brivera@dcba.lacounty.gov)

**COUNTY'S CONTRACT COMPLIANCE MANAGER:**

Dushyant Bala  
Department of Consumer and Business Affairs  
320 W. Temple Street, Room G-10  
Los Angeles, CA 90012-2706  
Email: [contracts@dcba.lacounty](mailto:contracts@dcba.lacounty)

**COUNTY'S CONTRACT ANALYST:**

Sara Rocha  
Department of Consumer and Business Affairs  
320 W. Temple Street, Room G-10  
Los Angeles, CA 90012-2706  
Email: [contracts@dcba.lacounty](mailto:contracts@dcba.lacounty)

**CONTRACTOR'S ADMINISTRATION**

**CONTRACTOR'S NAME: 3Di, Inc.**

**CONTRACT NO: CA-26-0XX**

**CONTRACTOR'S PROJECT MANAGERS:**

Rebbeca Baharain  
Implementation Manager  
3 Point Drive, Suite 307  
Brea, CA 92821  
(909) 731-0809  
[rebecca.baharian@3disystems.com](mailto:rebecca.baharian@3disystems.com)

Jia Zhang  
Project Manager  
3 Point Drive, Suite 307  
Brea, CA 92821  
(857) 334-1444  
[jia.zhang@3disystems.com](mailto:jia.zhang@3disystems.com)

**CONTRACTOR'S AUTHORIZED OFFICIAL(S):**

Mihir Desai  
COO & CFO  
3 Point Drive, Suite 307  
Brea, CA 92821  
(949) 254-5681  
[mihir.desai@3disystems.com](mailto:mihir.desai@3disystems.com)

Rajiv Desai  
CEO  
3 Point Drive, Suite 307  
Brea, CA 92821  
(714) 936-9283  
[rajiv.desai@3disystems.com](mailto:rajiv.desai@3disystems.com)

**Notices to Contractor shall be sent to the following:**

Mihir Desai  
COO & CFO  
3 Point Drive, Suite 307  
Brea, CA 92821  
(949) 254-5681  
[mihir.desai@3disystems.com](mailto:mihir.desai@3disystems.com)



Rajiv Desai  
CEO  
3 Point Drive, Suite 307  
Brea, CA 92821  
(714) 936-9283  
[rajiv.desai@3disystems.com](mailto:rajiv.desai@3disystems.com)

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**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

**Contractor Name:** 3Di, Inc **Contract No** CA-26-0XX  
**Employee Name:** Click or tap here to enter text.

**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, Confidentiality, and Copyright Assignment 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 employer, whichever occurs first.

**COPYRIGHT ASSIGNMENT AGREEMENT**

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or

## EXHIBIT F1

acquired by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom will be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright.

The County will have the right to register all copyrights in the name of the County of Los Angeles and will have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

**CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY, AND COPYRIGHT ASSIGNMENT AGREEMENT**

Contractor Name:      3Di, Inc      Contract No      CA-26-0XX

Non-Employee Name:      Click or tap here to enter text.

**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, Confidentiality, and Copyright Assignment 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 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 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 must 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.

**COPYRIGHT ASSIGNMENT AGREEMENT:**

I agree that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired

## EXHIBIT F2

by me in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom will be the sole property of the County. In this connection, I hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, I agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright.

The County will have the right to register all copyrights in the name of the County of Los Angeles and will have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

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

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_

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

Any fire station. Any hospital. Any time.

1.877.222.9723



BabySafeLA.org

No shame | No blame | No names



Some parents of newborns can find themselves in difficult circumstances. Sadly, babies are sometimes harmed or abandoned by parents who feel that they're not ready or able to raise a child. Many of these mothers or fathers are afraid and don't know where to turn for help.

This is why California has a Safely Surrendered Baby Law, which gives parents the choice to legally leave their baby at any hospital or fire station in Los Angeles County.

### FIVE THINGS YOU NEED TO KNOW ABOUT BABY SAFE SURRENDER

- 1 Your newborn can be surrendered at any hospital or fire station in Los Angeles County up to 72 hours after birth.
- 2 You must leave your newborn with a fire station or hospital employee.
- 3 You don't have to provide your name.
- 4 You will only be asked to voluntarily provide a medical history.
- 5 You have 14 days to change your mind; a matching bracelet (parent) and anklet (baby) are provided to assist you if you change your mind.

No shame | No blame | No names



### ABOUT THE BABY SAFE SURRENDER PROGRAM

In 2002, a task force was created under the guidance of the Children's Planning Council to address newborn abandonment and to develop a strategic plan to prevent this tragedy.

Los Angeles County has worked hard to ensure that the Safely Surrendered Baby Law prevents babies from being abandoned. We're happy to report that this law is doing exactly what it was designed to do: save the lives of innocent babies. Visit [BabySafeLA.org](http://BabySafeLA.org) to learn more.

No shame | No blame | No names

ANY FIRE STATION.  
ANY HOSPITAL.  
ANY TIME.

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

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



No shame | No blame | No names







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

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

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

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

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

## ANSWERS TO YOUR QUESTIONS

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

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

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

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

### What information needs to be provided?

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

### What happens to the baby?

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

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

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

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

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

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

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

**1.877.222.9723 or BabySafeLA.org**

English, Spanish and 140 other languages spoken.



***INTENTIONALLY OMITTED***

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# **CONTRACT DISCREPANCY REPORT TEMPLATE**

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

<b>Date:</b>		<b>Contractor Response Received:</b>			
<b>Contractor:</b>	<b>Contract No.</b>	<b>County's Project Manager:</b>			
<b>Contact Person:</b>	<b>Telephone:</b>	<b>County's Project Manager Signature:</b>			
<b>Email:</b>		<b>Email:</b>			
<p>A contract discrepancy(s) is specified below. The Contractor will take corrective action and respond back to the <b>County personnel</b> identified above by the date required. Failure to take corrective action or respond to this Contract Discrepancy Report by the date specified may result in the deduction of damages.</p>					
No.	Contract Discrepancy	Contractor's Response*	County Use Only		
			Date Correction Due	Date Completed	Approved
1					
2					
3					

\*Use additional sheets if necessary

<hr/> <b>Contractor's Representative Signature</b>	<hr/> <b>Date Signed</b>
--	--------------------------

<b>Additional Comments:</b>	

***INTENTIONALLY OMITTED***

DRAFT

## INFORMATION SECURITY AND PRIVACY REQUIREMENTS

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

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

### 1. DEFINITIONS

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

- a) **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).
- b) **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.
- c) **County Information:** all Data and Information belonging to the County.
- d) **Data:** a subset of Information comprised of qualitative or quantitative values.
- e) **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations; or significant violation of County policy.
- f) **Information:** any communication or representation of knowledge or understanding such as facts, Data, or opinions in any medium or form, including electronic, textual, numerical, graphic, cartographic, narrative, or audiovisual.

- g) **Information Security Policy:** high level statements of intention and direction of an organization used to create an organization's Information Security Program as formally expressed by its top management.
- h) **Information Security Program:** formalized and implemented Information Security Policies, standards and procedures that are documented describing the program management safeguards and common controls in place or those planned for meeting the County's information security requirements.
- i) **Information Technology:** any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of Data or Information.
- j) **Integrity:** the condition whereby Data or Information has not been improperly modified or destroyed and authenticity of the Data or Information can be ensured.
- k) **Mobile Device Management (MDM):** software that allows Information Technology administrators to control, secure, and enforce policies on smartphones, tablets, and other endpoints.
- l) **Privacy Policy:** high level statements of intention and direction of an organization used to create an organization's Privacy Program as formally expressed by its top management.
- m) **Privacy Program:** A formal document that provides an overview of an organization's privacy program, including a description of the structure of the privacy program, the resources dedicated to the privacy program, the role of the organization's privacy official and other staff, the strategic goals and objectives of the Privacy Program, and the program management controls and common controls in place or planned for meeting applicable privacy requirements and managing privacy risks.
- n) **Risk:** a measure of the extent to which the County is threatened by a potential circumstance or event, Risk is typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.
- o) **Threat:** any circumstance or event with the potential to adversely impact County operations (including mission, functions, image, or reputation), organizational assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.
- p) **Vulnerability:** a weakness in a system, application, network or process that is subject to exploitation or misuse.
- q) **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the County.

## 2. INFORMATION SECURITY AND PRIVACY PROGRAMS

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

Contractor's Information Security Program shall include the creation and maintenance of Information Security Policies, standards, and procedures. Information Security Policies, standards, and procedures will be communicated to all Contractor employees in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure operational effectiveness and compliance with all applicable laws and regulations to safeguard the security of County Information and preserve Confidentiality, Integrity and Availability of County Information pursuant to this agreement. The Contractor's Security Program shall perform ongoing monitoring and audits of operations to identify and mitigate Security Threats.

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, at a minimum, include the maintenance of Privacy Policies, procedures for its organization, and appropriate workforce training regarding such Privacy Policies and procedures for all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies and procedures shall be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, to safeguard the privacy of County Information and preserve the Confidentiality of County Information pursuant to this agreement, 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's Privacy Program shall, at a minimum, include:

- A Privacy Program framework that identifies and ensures that the Contractor complies with all applicable laws and regulations;
- External Privacy Policies, and internal privacy policies, procedures and controls to support the privacy program;

- Protections against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- A training program that covers Privacy Policies, protocols and awareness;
- A response plan to address privacy Incidents and privacy breaches; and
- Ongoing privacy assessments and audits.

### **3. PROPERTY RIGHTS TO COUNTY INFORMATION**

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

### **4. CONTRACTOR'S USE OF COUNTY INFORMATION**

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor shall collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any applicable law governing the protection of personal Information, (ii) applicable privacy or 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 Department's Contract Manager in consultation with the Department Information Security Officer, Department Counsel, and/or Departmental 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 Manager 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 laws or regulations. 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/Privacy procedures, Risks, Threats, and Incident Response.

## **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 Department's Contract Manager, in consultation with the Department Information Security Officer, Department Counsel, and/or Departmental 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 records 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) return or destroy, at the County's option, all originals and copies of all records 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. The hardware should be physically sealed and returned through a method specified by the County.
- b) **Method of Destruction.** The Contractor shall destroy all originals and copies by (i) cross-cut shredding or other method that ensures that the Information cannot be read or otherwise reconstructed; and (ii) destroying electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media

Sanitization” such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the County’s request.

## **11. PHYSICAL SECURITY**

All Contractor facilities that process County Information will be located in secure areas and protected by perimeter security that provide a physically secure environment from unauthorized access, damage, and interference.

## **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 which meet the requirements outlined below.

### **a) Disaster Recovery and Business Continuity**

Contractor shall maintain a comprehensive, documented Disaster Recovery Plan (DRP) for all systems, infrastructure, and services supporting the DCBA Connect solution provided under this Agreement. The DRP must ensure continuity of service, data integrity, and timely recovery in the event of a disruption, outage, or disaster.

### **b) Required Components of the DRP**

The DRP shall include, at minimum:

- Cloud Architecture Overview: Description of hosting environment (e.g., public/private cloud, multi-region deployment), including redundancy and failover capabilities.
- Recovery Objectives: Defined Recovery Time Objectives (RTOs) and Recovery Point Objectives (RPOs) for all critical services and data.
- Backup Strategy: Frequency, retention period, encryption standards, and geographic distribution of backups.
- System Failover & High Availability: Mechanisms for automatic failover, load balancing, and service continuity.

- Access & Authentication Recovery: Procedures for restoring identity management, access controls, and authentication services.
- Incident Response & Escalation: Roles, responsibilities, and communication protocols during a disaster event.
- Conduct a Risk Assessment to pinpoint and analyze possible threats to our system.
- Provide LA County with an annual Risk Register which shall include thorough descriptions of the identified vulnerabilities and how each of these vulnerabilities has been effectively mitigated.
- Third-Party Dependencies: Identification of critical third-party services (e.g., cloud providers, APIs) and contingency plans for their failure.
- Restoration Procedures: Step-by-step recovery workflows for infrastructure, application services, and customer data.

c) Annual Testing & Validation

Vendor shall perform a full-scale DRP test at least once per calendar year. Testing shall include:

- Simulation of realistic outage scenarios (e.g., data center failure, ransomware attack)
- Validation of recovery timelines and service restoration
- Documentation of test results, identified gaps, and corrective actions

d) Documentation & Reporting

Vendor shall:

- Maintain current DRP documentation and provide it to the County upon execution of this contract and upon request.
- Submit annual attestation of DRP testing no later than March 31st starting with 2nd year of the contract, including summary of outcomes and updates.
- Notify the County within five (5) business days of any material changes to the DRP or hosting environment.
- Provide DCBA with a service level agreement and list of critical contacts in the event the DRP is activated.

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

**13.ACCESS CONTROL**

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

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

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

**14.SECURITY AND PRIVACY INCIDENTS**

Contractor shall develop and maintain a comprehensive Incident Response Procedure that ensures timely identification, containment, mitigation, and reporting of security incidents. The procedure must incorporate a clear RACI (Responsible, Accountable, Consulted, Informed)

matrix to delineate roles and responsibilities across all phases of incident management. This framework shall align with applicable federal, state, and departmental standards, and be reviewed and updated annually or upon significant System changes. The Contractor must also ensure staff are trained on these procedures and provide documentation demonstrating compliance during audits or upon request.

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.

**Departmental Information Security Officer:**

David Cicero

Departmental Information Security Officer

[DCicero@cio.lacounty.gov](mailto:DCicero@cio.lacounty.gov)

**County Chief Information Security Officer and Chief Privacy Officer email**

[CISO-CPO\\_Notify@lacounty.gov](mailto:CISO-CPO_Notify@lacounty.gov)

**Department Chief Information Officer:**

Jose Rivas

Department Chief Information Officer

320 W. Temple St. Room G-10

Los Angeles, CA 90012

[JRivas@dcba.lacounty.gov](mailto:JRivas@dcba.lacounty.gov)

- b) Include the following Information in all notices:
- The date and time of discovery of the Incident,
  - The approximate date and time of the Incident,
  - A description of the type of County Information involved in the reported Incident, and
  - 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.
  - 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.

## **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. If the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract along with demand for payment of all costs related to the audit.

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. 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. INTENTIONALLY OMITTED**

## **18. PRIVACY AND SECURITY INDEMNIFICATION**

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

- The Contractor's violation of any federal and state laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using County Information;
- The Contractor's failure to perform or comply with any terms and conditions of this Contract or related agreements with the County; and/or,



## EXHIBIT K

- Any Information loss, breach of Confidentiality, or Incident involving any County Information that occurs on the Contractor's systems or networks (including all costs and expenses incurred by the County to remedy the effects of such loss, breach of Confidentiality, or Incident, which may include (i) providing appropriate notice to individuals and governmental authorities, (ii) responding to individuals' and governmental authorities' inquiries, (iii) providing credit monitoring to individuals, and (iv) conducting litigation and settlements with individuals and governmental authorities).

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

**ADDENDUM A: SOFTWARE AS A SERVICE (SaaS)**

1. **License:** Subject to the terms and conditions set forth in this Contract, including payment of the license fees by to the Contractor, the Contractor hereby grants to County a non-exclusive, non-transferable worldwide County license to use the SaaS, as well as any documentation and training materials, during the term of this Contract to enable the County to use the full benefits of the SaaS and achieve the purposes stated herein.
2. **Business Continuity:** In the event that the Contractor's infrastructure containing or processing County Information becomes lost, altered, damaged, interrupted, destroyed, or otherwise limited in functionality in a way that affects the County's use of the SaaS, The Contractor shall immediately and within twenty-four (24) hours implement the Contractor's Business Continuity Plan, consistent with Section **Error! Reference source not found.** REF\_Ref40873107 \h \\* MERGEFORMAT **Error! Reference source not found.**, such that the Contractor can continue to provide full functionality of the SaaS as described in the Contract.

The Contractor will indemnify the County for any claims, losses, or damages arising out of the County's inability to use the SaaS consistent with the Contract and Section **Error! Reference source not found.** **Error! Reference source not found.**

The Contractor shall include in its Business Continuity Plan service offering, a means for segmenting and distributing IT infrastructure, disaster recovery and mirrored critical system, among any other measures reasonably necessary to ensure business continuity and provision of the SaaS.

In the event that the SaaS is interrupted, the County Information may be accessed and retrieved within two (2) hours at any point in time. To the extent the Contractor hosts County Information related to the SaaS, the Contractor shall create daily backups of all County Information related to the County's use of the SaaS in a segmented or off-site "hardened" environment in a manner that ensures backups are secure consistent with cybersecurity requirements described in this Contract and available when needed.

3. **Enhancements:** Upgrades, replacements and new versions: The Contractor agrees to provide to County, at no cost, prior to, and during installation and implementation of the SaaS any software/firmware enhancements, upgrades, and replacements which the Contractor initiates or generates that are within the scope of the SaaS and that are made available at no charge to the Contractor's other customers.  
During the term of this Contract, the Contractor shall promptly notify the County of any available updates, enhancements or newer versions of the SaaS and within thirty (30) Days update or provide the new version to the County. The Contractor shall provide any accompanying documentation in the form of new or revised documentation necessary to enable the County to understand and use the enhanced, updated, or replaced SaaS.

During the Contract term, the Contractor shall not delete or disable a feature or functionality of the SaaS unless the Contractor provides sixty (60) Days advance notice and the County provides written consent to delete or disable the feature or functionality. Should there be a

replacement feature or functionality, the County shall have the sole discretion whether to accept such replacement. The replacement shall be at no additional cost to the County. If the Contractor fails to abide by the obligations in this section, the County reserves the right to terminate the Contract for material breach and receive a pro-rated refund.

4. **Location of County Information:** The Contractor warrants and represents that it shall store and process County Information only in the continental United States and that at no time will County Data traverse the borders of the continental United States in an unencrypted manner.
5. **Data Center Audit and Certification:** The Contractor agrees to conduct a SOC 2, Type 2 audit of its internal controls for security, Availability, processing Integrity, Confidentiality, and privacy annually. The Contractor shall have a process for correcting control deficiencies that have been identified in the SOC 2, Type 2 audit, including follow up documentation providing evidence of such corrections. The results of the SOC 2, Type 2 audit and the Contractor's plan for addressing or resolving the audit findings shall be shared with County's Chief Information Security Officer within ten (30) Days of the Contractor's receipt of the audit results. The Contractor agrees to provide County with the current SOC 2, Type 2 audit certification upon request.
6. **Services Provided by a Subcontractor:** Prior to the use of any Subcontractor for the SaaS under this Contract, the Contractor shall notify County of the proposed subcontractor(s) and the purposes for which they may be engaged at least thirty (30) Days prior to engaging the Subcontractor and obtain written consent of the County's Contract Administrator.
7. **Information Import Requirements at Termination:** Within one (1) Day of notification of termination of this Contract, the Contractor shall provide County with a complete, portable, and secure copy of all County Information, including all schema and transformation definitions and/or delimited text files with documented, detailed schema definitions along with attachments in a format to be determined by County upon termination.
8. **Termination Assistance Services:** During the ninety (90) Day period prior to, and/or following the expiration or termination of this Contract, in whole or in part, the Contractor agrees to provide reasonable termination assistance services at no additional cost to County, which may include:
  - Developing a plan for the orderly transition of the terminated or expired SaaS from the Contractor to a successor;
  - Providing reasonable training to County staff or a successor in the performance of the SaaS being performed by the Contractor;
  - Using its best efforts to assist and make available to the County any third-party services then being used by the Contractor in connection with the SaaS; and
  - Such other activities upon which the Parties may reasonably agree.

**ADDENDUM B: GENERATIVE AI SECURITY CONTROLS**

The Contractor shall implement the following additional controls where Generative AI (GenAI) or other machine-learning systems are used in delivering services, processing, or storing County Information. These are in addition to, and not in duplication of, the general Information Security and Privacy Requirements of this Exhibit. The Contractor shall maintain documentation and evidence of compliance with these controls and make such documentation available to the County promptly upon request.

1. **AI Governance & Accountability** - The Contractor must keep a documented AI governance plan that names an executive owner, assigns AI risk owners, and sets clear escalation paths for AI risk decisions. These roles must be reviewed annually.
2. **Inventory & Technical Documentation of AI Components** - The Contractor shall maintain an up-to-date inventory of all AI components that process County Information, including models, datasets, plugins, APIs, and external dependencies. The Contractor shall maintain technical documentation describing data flows, dependencies, Intended Uses, and known limitations. The inventory and documentation shall be updated promptly following material changes.
3. **Intended Use & Autonomy Restrictions** - The Contractor shall configure and operate AI systems solely within documented intended uses and authorized access privileges (collectively, "Intended Uses"). The Contractor shall prevent AI systems from taking autonomous actions beyond their designated function or scope. Changes to Intended Uses require prior written County approval and must be disclosed promptly and reviewed at least annually. For the purposes of this Exhibit K, Addendum B, Intended Uses shall mean that AI systems will only provide responses to questions about the Department's programs and services based on approved questions, answers, and documents provided by the Department. The solution should not search the internet or use sources outside the Department's infrastructure to generate responses.
4. **Data Provenance & Training Integrity** - The Contractor shall ensure that datasets used for training or fine-tuning are accurate, relevant, and traceable to approved sources. County Information shall not be used for training, fine-tuning, or enriching vendor-wide or third-party models without the County's prior written authorization. The Contractor shall maintain record of origin, history, and chain of custody of data, models, or other AI components used in delivering services to the County.
5. **AI Impact Assessments** - The Contractor shall conduct and document AI Impact Assessments before initial deployment and following any material change. Assessments shall cover privacy, bias, explainability, safety, and societal impacts, with identified mitigations. Assessments shall be reviewed at least annually.
6. **Output Quality & Bias Controls** - The Contractor shall implement documented evaluation methods for accuracy, robustness, and bias aligned to Intended Uses, including scheduled testing and corrective actions. Evidence of evaluations and remediation activities shall be maintained.

7. **Error Boundaries & Reliability Indicators** - The Contractor shall define and document error boundaries, reliability indicators, and performance metrics for each Intended Use.
8. **Transparency to Stakeholders** - The Contractor shall disclose to the County the use of AI systems, including the model name and version, Intended Uses, known limitations, and restrictions on outputs. Transparency documentation shall be updated promptly when Intended Uses or system capabilities change, and reviewed at least annually.
9. **Continuous Monitoring & Health Monitoring** - The Contractor shall maintain procedures to monitor AI system behavior, including detection of anomalous or unauthorized activity, prompt-injection attempts, or model drift. Monitoring methods and event types shall be reviewed at least annually, updated promptly following changes.
10. **AI Failure / Hallucination Logging** - The Contractor shall log AI system failures, hallucinations, and misuse events, retain remediation evidence and communicate such events or issues with the Departmental project manager based on the critical nature of the event as outlines in the Service level Agreement.
11. **AI-Specific Incident Handling** - AI-related incidents shall be handled under Section 13 (Security and Privacy Incidents) of this Exhibit. In addition, the Contractor shall maintain AI-specific technical response procedures that include rollback or disablement of affected features, model update processes, and stakeholder communication of changes to Intended Uses or mitigations. The Contractor's plan shall include defined targets for time-to-rollback and time-to-disable affected features. Red-team testing of AI components shall be conducted before deployment.
12. **Fitness for Purpose** - If an AI system is determined to be unfit for a documented Intended Use, the Contractor shall remove that Intended Use from materials, notify the County promptly, remediate the deficiency or discontinue use, and update all relevant documentation.
13. **Demographic Impact Disclosure** - The Contractor shall identify and disclose any demographic groups or operational contexts at higher risk of adverse AI performance. Justifications for observed differences and mitigation measures shall be documented. Reviews shall occur at least annually and following material changes.
14. **Third-Party AI & Plugin Controls** - The Contractor shall vet and manage all third-party AI models, plugins, and integrations for AI-specific risks, including privilege escalation, data leakage, and circumvention of safety measures. Integrations shall be isolated to prevent bypass of controls. Responsibilities for data handling, confidentiality, IP, and liability shall be defined contractually, and relevant terms shall be provided upon request.
15. **Training for AI System Handlers** - The Contractor shall provide annual training for personnel handling County Information within AI systems. Training shall address privacy, security, and AI-specific risks described in this Addendum. Records of training content and participation shall be retained.

# **ATTACHMENT II**





**Peter Loo**  
CHIEF INFORMATION OFFICER

# CIO ANALYSIS

BOARD AGENDA DATE:

12/2/2025

SUBJECT:

## SOLE SOURCE CONTRACT FOR CASE MANAGEMENT SYSTEM

CONTRACT TYPE:

☐ New Contract    ☒ Sole Source    ☐ Amendment to Contract #:

### ***SUMMARY:***

The Los Angeles County Department of Consumer and Business Affairs (DCBA) is requesting delegated authority to execute a sole source contract with 3Di, Inc. for a five-year initial term with an option of two one-year extensions for a potential term of seven years for the continued provision of a Software as a Service (SaaS) case management system and related licensing, maintenance, and support services of 3Di's Engage.

The proposed contract will allow 3Di to continue providing licensing, maintenance, and support services for DCBA's case management system, DCBA Connect. DCBA Connect is customized to support multiple program portals and core case management functions, which align with DCBA's specific business processes, reporting requirements, and service delivery models. The proposed contract will consolidate three separate agreements with 3Di, Inc which will streamline administrative management. In addition to contract consolidation, the new contract includes requirements for new enhancements to current Case Management workflows and integration of Call Center & Chatbot features.

CONTRACT AMOUNT:

**1,697,124.00**

**FINANCIAL ANALYSIS:****Contract costs:****One-Time Costs:**

Call Center & Chatbot Integration .....	\$	33,440.00
OLE Payment Integration.....	\$	37,008.00
Rent Registry .....	\$	15,950.00
<b>Subtotal One-Time Costs:.....</b>	<b>\$</b>	<b>86,398.00</b>

**Ongoing Annual Costs:**

Year 1 SaaS Licensing Fees .....	\$	180,000.00
Year 2 SaaS Licensing Fees .....	\$	185,850.00
Year 3 SaaS Licensing Fees .....	\$	191,890.00
Year 4 SaaS Licensing Fees .....	\$	198,127.00
Year 5 SaaS Licensing Fees .....	\$	204,566.00
<b>Subtotal Ongoing Costs:.....</b>	<b>\$</b>	<b>960,433.00</b>

**Optional Extension Costs:**

Year 6 SaaS Licensing Fees .....	\$	211,214.00
Year 7 SaaS Licensing Fees .....	\$	218,079.00
<b>Subtotal Optional Costs: .....</b>	<b>\$</b>	<b>429,293.00</b>

**Total – Contract Sum.....** \$ **1,476,124.00**

**Contract Pool Dollars .....** \$ **221,000.00**

**Total – Maximum Contract Sum.....** \$ **1,697,124.00**



**Risks:**

1. **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. The contract contains requirements and deliverables for enhancements that are loosely defined so without strong project management and negotiation skills there is a risk that a) desired functionality is not fully realized and/or b) excessive change requests deplete the available Pool Dollars quickly. Additionally, the project manager should focus on holistic process and system documentation through this contract period. The next contract will likely not be a Sole Source, so it is critical that all requirements, integrations, data requirements, and processes are documented for a future contract vehicle.
2. **Contractor Performance Management** – 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. The contract contains Service Level Agreements (SLAs) that include tiered Service Credits if the contractor falls below a range of System availability.
3. **Information Security Review** – The Departmental Information Security Officer of ISD has reviewed the contract and determined that it conforms to the County's Security Privacy Assessment.
4. **Contract Risks** – County Counsel participated in its negotiation and approved the Contract as to form.

PREPARED BY:

\_\_\_\_\_  
JUAN PASTOR, DEPUTY CHIEF INFORMATION OFFICER

\_\_\_\_\_  
DATE

APPROVED:

\_\_\_\_\_  
PETER LOO, CHIEF INFORMATION OFFICER

\_\_\_\_\_  
DATE

# **ATTACHMENT III**



**[dcba.lacounty.gov](http://dcba.lacounty.gov)**  
**[dcba@dcba.lacounty.gov](mailto:dcba@dcba.lacounty.gov)**

320 W. Temple St., Room G-10, Los Angeles CA, 90012-2706  
(213) 974-1452 • (800) 593-8222 • Fax: (213) 687-1137

## SOLE SOURCE CHECKLIST

Department Name: Consumer and Business Affairs



New Sole Source Contract



Sole Source Amendment to Existing Contract

Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS AND AMENDMENTS</b> Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input checked="" type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input type="checkbox"/>	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input checked="" type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs and time to replace an existing system or infrastructure, administrative cost and time savings and excessive learning curve for a new service provider, etc.). In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

## **Justification for Sole Source Contract – 3Di DCBA Connect Case Management System**

The **Los Angeles County Department of Consumer and Business Affairs (DCBA)** has a compelling need to continue utilizing our current case management system through a sole source contract with our existing vendor, 3Di, Inc. (3Di). Transitioning to a new system or vendor at this time would set back the substantial progress we have made in developing and refining the system over the last few years, incur extensive additional costs related to start-up, data migration, system reconfiguration, and training, and could cause operational disruptions due to the new vendor's potential lack of program knowledge and expertise. Details are as follows:

### **1. Extensive Time, Customization, and Resources Invested in Development**

Over the past five years, DCBA has collaborated closely with 3Di to customize and enhance the DCBA Connect system to align with our specific business processes, unique workflows, reporting requirements, and service delivery processes. This extensive development efforts have been a slow process but have resulted in a well-functioning, stable system that is integral to our daily operations. The level of customization implemented by the current vendor goes beyond standard out-of-the-box functionalities offered by most Software as a Service (SaaS) providers. These customizations have been essential for our operations and may not be available or easily replicated by other SaaS vendors. Additionally, we continue to build out new enhancements, such as the Amazon Web Services Call Center integration, payment processing features, payment integration for our Investigations team, and public facing intake forms to further improve service efficiency and responsiveness to the public. A transition to a new system will likely require the Department to invest time and resources to replicate the workflows and processes already in place and will be costly.

### **2. Cost Efficiency**

A transition to a new case management system would require additional financial investment in ramp up costs, data migration, customization, training, and implementation. Maintaining the current system under a sole source contract avoids unnecessary expenditures and allows DCBA to maximize its existing investment.

### **3. Vendor Expertise and Institutional Knowledge**

Our current vendor possesses deep institutional knowledge of DCBA's operations, workflows, and unique system requirements. Engaging a new vendor would require time and resources to introduce and educate them on the programs administered, increasing project timelines and associated customization and ramp up costs. Maintaining continuity with the existing vendor ensures ongoing, seamless system enhancements and support without disruption.

### **Conclusion**

Due to the substantial investment of time, resources, and funding already dedicated to the development and customization of our current case management system over the last five years, coupled with the operational risks associated with transitioning to a new system, we are seeking approval to move forward with a sole source contract with our current vendor. This approach will allow DCBA to maintain operational stability, maximize our five-year investment, continue critical enhancements, and uphold our commitment to delivering high-quality services to the community in LA County.

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	11/5/2025		
<b>BOARD MEETING DATE</b>	12/2/2025		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Chief Executive Office		
<b>SUBJECT</b>	Request for Approval and Award of Strategic Plan and Support Services Master Agreements		
<b>PROGRAM</b>	Strategic Plan and Support Services		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	If Yes, please explain why:		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.		
<b>DEADLINES/TIME CONSTRAINTS</b>	Current Master Agreement expires December 31, 2025.		
<b>COST &amp; FUNDING</b>	Total cost: There is no Net County Cost impact associated with this Master Agreement	Funding source: Individual department will use existing funding to pay for services.	
	TERMS (if applicable): Five years with four one-year optional extensions and one six-month optional extension.		
	Explanation: There is no cost associated with executing the Master Agreements. Cost will be incurred on each work order, under the County department's budget.		
<b>PURPOSE OF REQUEST</b>	Approval of the recommendations will ensure County Departments can continue to obtain consultant services in one or more of the following service categories: Strategic Planning, Performance Measurement, Process Improvement, and Emergency Management		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	This Master Agreement will replace the Strategic Planning and Related Consulting Services Master Agreement Master Agreement which was adopted June 20, 2017 and set to expire December 31, 2025.		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: The recommended actions support the Countywide Strategic Plan Goal Number 3, Realize Tomorrow's Government Today, by consolidating and streamlining the contracting process, and increasing contractor participation opportunities through the Master Agreement process.		
<b>DEPARTMENTAL CONTACTS</b>	Luci Gutierrez, Acting Manager, CEO, (213) 262-7785, <a href="mailto:lgutierrez@ceo.lacounty.gov">lgutierrez@ceo.lacounty.gov</a>		



## Chief Executive Office.

### COUNTY OF LOS ANGELES

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

#### ACTING CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

December 2, 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:

### **REQUEST FOR APPROVAL TO AWARD AND EXECUTE STRATEGIC PLAN AND SUPPORT SERVICES MASTER AGREEMENTS (ALL DISTRICTS) (3 VOTES)**

#### **SUBJECT**

Request delegated authority to award and execute Strategic Plan and Support Services Master Agreements to provide as-needed Strategic Plan and Support Services to County departments.

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

1. Authorize the Chief Executive Officer (CEO), or designee, to execute Strategic Plan and Support Services Master Agreements (Master Agreements) with qualified contractors, including those in **Enclosure I**, in a format substantially similar to the sample agreement in **Enclosure II**. The Master Agreements will become effective upon execution, following the Board of Supervisors' (Board) approval, or on January 1, 2026, whichever is later, for a base term through December 31, 2030, with up to four (4) additional one-year extension options and one (1) six-month extension option, for a total Master Agreement term of nine (9) years and six (6) months.
2. Authorize the CEO, or designee, to: (I) Exercise renewal and extension options; (II) Approve assignment or delegation resulting from acquisitions, mergers, or other entity changes; (III) Modify terms and conditions, as necessary, to comply with Board policies, legal requirements, or business needs; (IV) Add or delete Service Categories, as necessary; (V) Suspend or terminate for convenience; and (VI) Extend Master

Agreements, as necessary, to allow completion of Work Orders, provided such extensions shall not exceed 180 days beyond the term of the Master Agreement.

3. Authorize the CEO, or designee, to: (I) Delegate authority to Department officials to execute, amend, or terminate competitively solicited Work Orders under the Master Agreements; (II) Require County departments to provide advance notification to the Board prior to execution of any Work Order valued at \$300,000 or more; and (III) Report annually on all executed and amended Work Orders valued at \$300,000 or more, including the total and cumulative amounts awarded to each Contractor.
4. Authorize the CEO, or designee, to extend the term of the current Strategic Planning and Related Services Master Agreements, as necessary, through June 30, 2026, solely to allow completion of projects in progress.

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

Upon approval by the Board, this Master Agreement will replace the current Strategic Planning and Related Services Master Agreement adopted by the Board in June 2017 and amended in February 2024.

The new Strategic Plan and Support Services Master Agreement will allow County departments to obtain consulting services in the following Service Categories through competitive Work Order solicitations:

- Strategic Planning
- Performance Measurement
- Process Improvement
- Emergency Management

The Master Agreement streamlines procurement by leveraging a pool of prequalified vendors, enabling County departments to efficiently secure and quickly mobilize consulting expertise as new priorities and urgent needs arise.

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

The recommended actions support the Countywide Strategic Plan: North Star 3, Realize Tomorrow's Government Today, by consolidating and streamlining the contracting process, and increasing contractor participation opportunities through the Master Agreement process.

### **FISCAL IMPACT/FINANCING**

There is no General Fund/Net County Cost impact associated with this Master Agreement. County departments that pursue Work Orders will need to identify funding in their respective budgets to procure Strategic Plan and Support Services through the Master Agreement. The requesting County departments will notify your Board of any Work Orders that exceed \$300,000, prior to execution of the Work Order, or amendment, if applicable.

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

The Board may award contracts for services provided by an independent contractor or private firm, pursuant to Section 44.7 of the Los Angeles County Charter, Los Angeles County Code 2.121.250, and as authorized by Government Code Section 31000.8.

The Master Agreement is not subject to the County's Living Wage Program. County Code Section 2.201 does not apply to the Master Agreement or Work Orders as these agreements are for part-time and intermittent services and the work performed by these firms is extraordinary, professional or technical, and the services are of a temporary nature.

The Master Agreement has been approved as to form by County Counsel and includes all of the Board's required contract provisions.

### **CONTRACTING PROCESS**

On August 13, 2025, the Chief Executive Office (CEO) released a Request for Statement of Qualifications (RFSQs) seeking qualified vendors to enter into Master Agreements to provide Strategic Plan and Support Services to various County departments on an as-needed basis.

The RFSQs was posted on the County's *Doing Business with Los Angeles County website* and also distributed to current Strategic Planning and Related Services contractors. CEO released Addendum One to the RFSQs on September 3, 2025, to answer vendor questions.

CEO received 23 Statement of Qualifications (SOQs) by the initial due date of September 10, 2025. These SOQs, along with subsequent submissions, were reviewed for compliance with the RFSQs requirements. The vendors listed in **Enclosure I**, were found to be fully compliant and accepted all terms and conditions of the Master Agreement. As such, they are recommended for award of a Master Agreement as qualified contractors in one or more Service Categories. CEO will continue to qualify additional vendors to further expand the pool of contractors.

The CEO will execute and manage the Master Agreements. A minimum amount of work is not guaranteed to any qualified contractor based on the award of a Master Agreement. As Strategic Plan and Support Services are required, County departments administer Work Order solicitations by defining specific tasks and deliverables. These solicitations will be issued to prequalified contractors in the applicable Service Categories, with awards made to the highest-



The Honorable Board of Supervisors  
December 2, 2025  
Page 4

rated vendor unless other selection criteria are specified. County departments will be responsible for managing the resulting projects through the term of the Work Order.

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

Approval of the recommendations will ensure County departments can continue to obtain consultant services in one or more of the following service categories: Strategic Planning, Performance Measurement, Process Improvement, and Emergency Management.

Respectfully submitted,

JOSEPH M. NICCHITTA  
Acting Chief Executive Officer

JMN:ADC  
LG:AW: tdb

Enclosures (2)

c: Executive Office, Board of Supervisors  
County Counsel

## **RECOMMENDED VENDORS**

1. ACDC Pacific, LLC
2. ADAPTOVATE LLC
3. Constant and Associates, Inc.
4. Dalberg Consulting US LLC
5. Health Management Associates, Inc.
6. IEM International, Inc.
7. Industrial Economics Inc.
8. Insight Strategies Inc.
9. Integrated Solutions Consulting, Corp.
10. KPMG LLP
11. Sabot Technologies, Inc.
12. The University Corporation

Enclosure II

## **SAMPLE MASTER AGREEMENT**



**MASTER AGREEMENT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**[CONTRACTOR]**

**FOR**

**STRATEGIC PLAN AND SUPPORT SERVICES**

**[MA NUMBER]**

Entered Date: [Date]

Vendor ID: [Vendor ID]

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- C Sample Work Order
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- E Contractor's Administration



**MASTER AGREEMENT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
[CONTRACTOR]  
FOR  
STRATEGIC PLAN AND SUPPORT SERVICES**

This Master Agreement is entered into by and between the County of Los Angeles (hereafter “County”) and [Contractor] (hereafter “Contractor”).

**RECITALS**

WHEREAS, the County may contract with firms for Strategic Plan and Support Services when certain requirements are met; and

WHEREAS, the Contractor is a firm specializing in providing Strategic Plan and Support Services; and

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

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

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

## 1.0 APPLICABLE DOCUMENTS

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

Exhibits:

- A Qualified Service Categories
- B Conditional Terms and Conditions
- C Sample Work Order
- D County's Administration
- E Contractor's Administration

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

## 2.0 DEFINITIONS

### 2.1 Standard Definitions

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

- 2.1.1 Chief Executive Office (CEO):** The County of Los Angeles Chief Executive Office.
- 2.1.2 Chief Executive Officer:** The Chief Executive Officer of the County, or the Chief Executive Officer's designee. Unless otherwise expressly stated, all references to the Chief Executive Officer in this Master Agreement shall be deemed to include the designee.
- 2.1.3 Contractor:** A Contractor with an executed a Master Agreement and is in compliance with all terms.
- 2.1.4 Contractor's Project Manager:** The individual designated by the Contractor to administer the Master Agreement operations after the Master Agreement award.
- 2.1.5 County's Master Agreement Program Director (MAPD):** Person designated by Chief Executive Officer with authority to negotiate and recommend all changes on behalf of County.

- 2.1.6 County's Work Order Director(s):** Responsible for coordinating and monitoring the Work Order.
- 2.1.7 Day(s):** Calendar day(s) unless otherwise specified.
- 2.1.8 Department(s):** County departments utilizing this Master Agreement.
- 2.1.9 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.1.10 Master Agreement:** County's standard agreement executed between County and individual Contractors. It sets forth the terms and conditions for the issuance and performance of, and otherwise governs, subsequent Work Orders.
- 2.1.11 Request for Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of Qualified Vendors to provide services through Master Agreements.
- 2.1.12 Statement of Qualifications (SOQ):** A Contractor's response to an RFSQ.
- 2.1.13 Statement of Work:** A written description of tasks and/or deliverables desired by County for a specific Work Order.
- 2.1.14 Work Order:** A subordinate agreement executed under and subject to this Master Agreement for the performance of tasks or provision of deliverables.

### **3.0 WORK**

- 3.1** Pursuant to the provisions of this Master Agreement, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.2** Work Orders will generally conform to the format of Exhibit C (Sample Work Order). Each Work Order will describe in detail the particular project and the work required for the performance thereof. Payment for all work will be either on a time and materials basis or on a fixed priced per deliverable basis, subject to the Total Maximum Amount specified on each individual Work Order.
- 3.3** Contractor acknowledges that certain Conditional Terms and Conditions set forth in Exhibit B may be made applicable to individual Work Orders, as determined by the County based on applicable laws, regulations, or the nature of the services. Contractor agrees to comply with all such terms as a condition of performing services under the applicable Work Order.
- 3.4** If Contractor provides any task, deliverable, service, or other work to County that utilizes other than approved Contractor Personnel (if applicable), and/or that goes beyond the Work Order expiration date, and/or that exceeds the Total Maximum Amount as specified in the Work Order as originally written or modified in accordance with Paragraph 8.1 (Amendments), these will be gratuitous efforts on the part of Contractor for which Contractor will have no claim whatsoever against County.

### **3.5 Work Order Procedures**

County procedures for issuing and executing Work Orders are as set forth in this paragraph.

- 3.1.1** Upon the County's determination to issue a Work Order solicitation, such solicitation shall be issued only to those Contractors qualified under the applicable Service Category(ies), as set forth in Exhibit A (Qualified Service Categories). The solicitation will describe in detail the particular project and the work required for the performance thereof. Each interested Contractor so contacted shall submit a proposal to the County to the designated Solicitation Contact and within the timeframe specified in the solicitation. Failure of Contractor to provide a proposal within the specified timeframe may disqualify Contractor for that particular Work Order.
- 3.1.2** Each Work Order will be awarded only through a competitive solicitation process, in which proposals are requested from and submitted by Contractors qualified under the applicable Service Category(ies).
- 3.1.3** Upon completion of evaluations, County will execute the Work Order through the Department staff authorized by the Chief Executive Officer. Unless otherwise specified in the Work Order solicitation, award shall be made to the Contractor whose proposal is determined to be the highest rated and most responsive to the requirements of the proposed Work Order.
- 3.1.4** Following selection, all Contractors selected must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion of the County. In the event Contractor defaults three times under this paragraph within a given County fiscal year, then County may terminate this Master Agreement pursuant to Paragraph 8.41 (Termination for Default).
- 3.1.5** Contractor acknowledges if any Work Order solicitation is issued, it may be canceled at any time when County, at its sole discretion, determines that such a cancellation is in the best interest of the County.

### **4.0 TERM OF MASTER AGREEMENT**

- 4.1** The term of this Master Agreement will commence upon execution by the Chief Executive Officer, as authorized by the Board of Supervisors (Board), or January 1, 2026, whichever is later, through December 31, 2030, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2** The County will have the sole option to extend the Master Agreement term for up to four (4) additional one (1)-year periods and one (1) six (6) month period, for a maximum total Master Agreement term of nine (9) years and six (6) months. Each

such option and extension will be exercised at the sole discretion of the Chief Executive Officer, as authorized by the Board.

- 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 Master Agreement term extension option.
- 4.4** Contractor must notify the CEO when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor must send written notification to the CEO at the address herein provided in Exhibit D (County's Administration).
- 4.5** Notwithstanding any other provisions of this Paragraph 4.0, any Work Order issued hereunder prior to the expiration date of this Master Agreement which has a Work Order expiration date later than the Master Agreement expiration date shall automatically extend such Master Agreement expiration date up to one hundred eighty (180) days or to the Work Order expiration date, whichever occurs first. Such extended Master Agreement expiration date shall apply only to such Work Orders and shall not extend such date for any other purpose whatsoever, including issuing new Work Orders and or extending any other Work Order(s).

## **5.0 CONTRACT SUM**

### **5.1 Total Contract Sum**

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

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

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

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

Contractor will have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor

after the expiration or other termination of this Master Agreement. Should Contractor receive any such payment it will immediately notify County and must immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Master Agreement will not constitute a waiver of County's right to recover such payment from Contractor.

#### **5.4 Invoices and Payments**

**5.4.1** For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor must separately invoice County for each Work Order.

**5.4.2** Payment for all work will be established on the Work Order and subject to the **Total Maximum Amount** less any amounts assessed in accordance with Paragraph 8.25 (Liquidated Damages).

**5.4.3** County will not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.

**5.4.4** All work performed by, and all invoices submitted by, Contractor pursuant to Work Orders issued hereunder must receive the written approval of County's Work Order Director identified for each Work Order, who will be responsible for a detailed evaluation of Contractor's performance before approval of work and/or payment of invoices is permitted.

**5.4.5** Invoices under this Master Agreement must be submitted to the contact set forth in the applicable Work Order.

##### **5.4.6 Invoice Content**

Each invoice submitted by Contractor must include:

**5.4.6.1** Work Order number and Contractor's Master Agreement number.

**5.4.6.2** Period of Performance for the services being invoiced

**5.4.6.3** Name(s) of personnel who performed the work, if applicable

**5.4.6.4** Billing details, as applicable:

**a. Time and Materials:** Number of hours billed and the hourly rate as specified in the Work Order; or

**b. Fixed Price per Deliverable:** Description of the deliverable and associated line items, consistent with the pricing and deliverables outlined in the Work Order.

**5.4.6.5** Total amount due for the invoice

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

**5.5.1** The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds

Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

**5.5.2** The Contractor must submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

**5.5.3** Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.

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

## **6.0 ADMINISTRATION OF MASTER AGREEMENT – COUNTY**

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

### **6.1 County's Master Agreement Program Director (MAPD)**

The MAPD has the authority to negotiate, recommend all changes to this Master Agreement, and resolve disputes between County and Contractor.

### **6.2 County's Work Order Director**

A Work Order Director will be identified for each Work Order and is the chief contact person with respect to the day-to-day administration of each Work Order. The responsibilities of the Work Order Director include:

**6.2.1** Ensuring that the technical standards and task requirements articulated in the individual Work Order are satisfactorily complied with, and must provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Contractor to perform Work Orders;

**6.2.2** Coordinating and monitoring the work of Contractor personnel assigned to the Work Order Director's specific projects, and for ensuring that this Master Agreement's objectives are met;

**6.2.3** Monitoring, evaluating and reporting Contractor performance and progress on the Work Order; and

**6.2.4** Providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

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

## **7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR**

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

### **7.1 Contractor's Project Manager**

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

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

### **7.2 Contractor's Authorized Official(s)**

**7.2.1** Contractor's Authorized Official(s) are designated in Exhibit E (Contractor's Administration). Contractor must promptly notify County in writing of any change in the name(s) or address(es) of Contractor's Authorized Official(s).

**7.2.2** Contractor represents and warrants that all requirements of Contractor have been fulfilled to provide actual authority to such officials to execute documents under this Master Agreement on behalf of Contractor.

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

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

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

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

### **7.5 Background and Security Investigations**

**7.5.1** Each of Contractor's staff performing services under this Master Agreement who is in a designated sensitive position, as determined by County in County's sole discretion, must undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Master Agreement. Such



background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but will not be limited to, criminal conviction information. The fees associated with the background investigation will be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

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

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

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

## **7.6 Confidentiality**

**7.6.1** Contractor agrees that all County Information, including but not limited to, data and information in any form such as documents, reports, algorithms, programs, graphics, cartographs, audiovisuals, and all other materials that are in possession of, belong to, or were obtained from the County; or originated, created, or developed by Contractor under the Contract (County Information), is confidential and proprietary to the County regardless of whether such information was disclosed intentionally or unintentionally, or marked as "confidential". Contractor will not disclose any County Information except as described under this Contract.

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

**7.6.3** Contractor may disclose County Information only as necessary to carry out its obligations and to those individuals who have a need to know, 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 Project Manager and Contract Manager. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor must notify the County Project Manager

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.

- 7.6.4** Contractor agrees to immediately report to County any and all violations of these provisions by Contractor and staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder and/or by any other person of whom Contractor becomes aware.
- 7.6.5** If Contractor receives a request for the release of any data or information involving County Information, the Contractor must notify the County within three (3) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request.
- 7.6.6** Contractor must inform all its staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder of the Confidentiality provisions of this Contract and ensure compliance of these provisions.
- 7.6.7** 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 Confidentiality provisions, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Confidentiality provisions 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 County's 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 County's sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.8** 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 these provisions will constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

**7.6.9** Contractor acknowledges that violation of these provisions may subject Contractor and Contractor's staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder to civil and/or criminal action and that the County may seek all possible legal redress.

**7.6.10** Contractor agrees that all materials, documents, software programs and documentation, written designs, plans, diagrams, reports, software development tools and aids, diagnostic aids, computer processable media, source codes, object codes, conversion aids, training documentation and aids, and other information and/or tools of all types, developed or acquired by Contractor and Contractor's Staff in whole or in part pursuant to the above referenced contract, and all works based thereon, incorporated therein, or derived therefrom will be the sole property of the County. In this connection, Contractor and Contractor's Staff hereby assign and transfer to the County in perpetuity for all purposes all my right, title, and interest in and to all such items, including, but not limited to, all unrestricted and exclusive copyrights, patent rights, trade secret rights, and all renewals and extensions thereof. Whenever requested by the County, Contractor and Contractor's Staff agree to promptly execute and deliver to County all papers, instruments, and other documents requested by the County, and to promptly perform all other acts requested by the County to carry out the terms of this agreement, including, but not limited to, executing an assignment and transfer of copyright.

**7.6.11** The County will have the right to register all copyrights in the name of the County of Los Angeles and will have the right to assign, license, or otherwise transfer any and all of the County's right, title, and interest, including, but not limited to, copyrights, in and to the items described above.

**7.6.12** Contractor acknowledges that violation of this agreement may subject them to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments**

**8.1.1** The County's Board or Chief Executive Officer may require the addition and/or change of certain terms and conditions in the Master Agreement during the term of this Master Agreement. The County reserves the right to add and/or change such provisions as required by the County's Board or Chief Executive Officer. To implement such orders, an Amendment to the Master Agreement must be prepared and executed by the Contractor

and by Chief Executive Officer.

- 8.1.2** The Chief Executive Officer may, at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Master Agreement). The Contractor agrees that such extensions of time will not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Master Agreement must be prepared and executed by the Contractor and by Chief Executive Officer.

**8.1.3 Addition/Deletion of Service Categories**

An Amendment to the Master Agreement will be prepared and executed by the Contractor and by Chief Executive Officer to add or delete Service Categories. Such amendments shall reflect updates to the Contractor's qualification status or changes in County requirements, as applicable.

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

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

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

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

### **8.3 Authorization Warranty**

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

### **8.4 Complaints**

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

- 8.4.1** Within ten (10) business days after the Master Agreement effective date, the Contractor must provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.
- 8.4.2** The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.4.3** If the County requests changes in the Contractor's policy, the Contractor must make such changes and resubmit the plan within ten (10) business days for County approval.
- 8.4.4** If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor must submit proposed changes to the County for approval before implementation.
- 8.4.5** The Contractor must preliminarily investigate all complaints and notify the County's MAPD of the status of the investigation within ten (10) business days of receiving the complaint.
- 8.4.6** When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7** Copies of all written responses must be sent to the County's MAPD within ten (10) business days of mailing to the complainant.

### **8.5 Compliance with Applicable Laws**

- 8.5.1** In the performance of this Master Agreement, Contractor must comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Master Agreement are hereby incorporated herein by reference.
- 8.5.2** Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations,

ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this paragraph will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County will be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.6 Compliance with Civil Rights Laws**

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

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

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

### **8.7.1 Jury Service Program**

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

### **8.7.2 Written Employee Jury Service Policy**

- 8.7.2.1** Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as

defined under the [Jury Service Program \(Section 2.203.020 of the County Code\)](#) or that Contractor qualifies for an exception to the [Jury Service Program \(Section 2.203.070 of the County Code\)](#), Contractor must have and adhere to a written policy that provides that its Employees will receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

**8.7.2.2** For purposes of this paragraph, "Contractor" means a person, partnership, corporation or other entity which has a Master Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Master Agreements or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Master Agreement, the subcontractor will also be subject to the provisions of this paragraph. The provisions of this paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the agreement.

**8.7.2.3** If Contractor is not required to comply with the Jury Service Program when the Master Agreement commences, Contractor will have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor must immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Master Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to

remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

- 8.7.2.4** Contractor's violation of this paragraph of the Master Agreement may constitute a material breach of the Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Master Agreement and/or bar Contractor from the award of future County Master Agreements for a period of time consistent with the seriousness of the breach.

## **8.8 Conflict of Interest**

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

- 8.8.2** The Contractor must comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Master Agreement. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it must immediately make full written disclosure of such facts to the County. Full written disclosure must include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Paragraph 8.8 will be a material breach of this Master Agreement.

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

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

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

- 8.10.1** Should the Contractor require additional or replacement personnel after



the effective date of this Master Agreement, the Contractor will give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or Skills and Training to Achieve Readiness for Tomorrow (START) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration will mean that the Contractor will interview qualified candidates. The County will refer GAIN/START participants by job category to the Contractor. Contractors must report all job openings with job requirements to: [gainstart@dpss.lacounty.gov](mailto:gainstart@dpss.lacounty.gov) and [bservices@opportunity.lacounty.gov](mailto:bservices@opportunity.lacounty.gov) and DPSS will refer qualified GAIN/START job candidates.

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

## **8.11 Contractor Responsibility and Debarment**

### **8.11.1 Responsible Contractor**

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

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

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

### **8.11.3 Non-responsible Contractor**

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

indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

#### **8.11.4 Contractor Hearing Board**

- 8.11.4.1** If there is evidence that the Contractor may be subject to debarment, the CEO will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 8.11.4.2** The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the CEO will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 8.11.4.3** After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board will be presented to the Board of Supervisors. The Board of Supervisors will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.11.4.4** If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.
- 8.11.4.5** The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of

the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

#### **8.11.5 Subcontractors of Contractor**

These terms will also apply to Contractor's Subcontractors.

### **8.12 Safely Surrendered Baby Law**

Contractor acknowledges that the County places a high priority on the implementation of 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, a Fact Sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and information on where and how to safely surrender a baby. Additionally, 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 (available in English/Spanish/Chinese/Korean) 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. The Contractor, and its Subcontractor(s), can access posters and other program material at [www.babysafela.org](http://www.babysafela.org).

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

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

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

#### **8.14 County's Quality Assurance Plan**

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

#### **8.15 Damage to County Facilities, Buildings or Grounds**

- 8.15.1** The Contractor will repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs must be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.15.2** 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.

#### **8.16 Employment Eligibility Verification**

- 8.16.1** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Master Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor must obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and

State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor must retain all such documentation for all covered employees for the period prescribed by law.

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

## **8.17 Counterparts and Electronic Signatures and Representations**

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

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

## **8.18 Fair Labor Standards**

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

## **8.19 Force Majeure**

- 8.19.1** Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

- 8.19.2** Notwithstanding the foregoing, a default by a subcontractor of Contractor

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

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

## **8.20 Governing Law, Jurisdiction, and Venue**

This Master Agreement will be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Master Agreement and further agrees and consents that venue of any action brought hereunder will be exclusively in the County of Los Angeles.

## **8.21 Independent Contractor Status**

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

## **8.22 Indemnification**

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

## **8.23 General Provisions for all Insurance Coverage**

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

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

- 8.23.1.1** Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, must be delivered to County at the address shown below and provided prior to commencing services under this Master Agreement.
- 8.23.1.2** Renewal Certificates must be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.
- 8.23.1.3** Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Master Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the Contractor identified as the contracting party in this Master Agreement. Certificates must provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured

retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

**8.23.1.4** Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.

**8.23.1.5** Certificates and copies of any required endorsements must be emailed to County's Work Order Director(s) identified in each Work Order.

**8.23.1.6** Contractor also must promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also must promptly notify County of any third party claim or suit filed against Contractor or any of its Subcontractors which arises from or relates to this Master Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

#### **8.23.2 Additional Insured Status and Scope of Coverage**

The County, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, County and its Agents) must be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status must apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also must apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### **8.23.3 Cancellation of or Changes in Insurance**

Contractor must provide County with, or Contractor's insurance policies must contain a provision that County will receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice must be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance



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

#### **8.23.4 Failure to Maintain Insurance**

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

#### **8.23.5 Insurer Financial Ratings**

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

#### **8.23.6 Contractor's Insurance Must Be Primary**

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

#### **8.23.7 Waivers of Subrogation**

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

#### **8.23.8 Subcontractor Insurance Coverage Requirements**

Contractor must include all Subcontractors as insureds under Contractor's own policies, or must provide County with each Subcontractor's separate evidence of insurance coverage. Contractor will be responsible for verifying each Subcontractor complies with the Required Insurance provisions herein, and must require that each Subcontractor name the County and Contractor as additional insureds on the Subcontractor's General Liability policy. Contractor must obtain

County's prior review and approval of any Subcontractor request for modification of the Required Insurance.

**8.23.9 Deductibles and Self-Insured Retentions (SIRs)**

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

**8.23.10 Claims Made Coverage**

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

**8.23.11 Application of Excess Liability Coverage**

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

**8.23.12 Separation of Insureds**

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

**8.23.13 Alternative Risk Financing Programs**

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

**8.23.14 County Review and Approval of Insurance Requirements**

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

**8.24 Insurance Coverage**

**8.24.1 Commercial General Liability insurance (providing scope of coverage**

equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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

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

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

## **8.25 Liquidated Damages**

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

**8.25.2** If the Chief Executive Officer determines that there are deficiencies in the performance of this Master Agreement that the Chief Executive Officer, deems are correctable by the Contractor over a certain time span, the Chief Executive Officer, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor

fail to correct deficiencies within said time frame, the Chief Executive Officer may:

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

**8.25.3** The action noted in Paragraph 8.25.2 will not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Master Agreement.

**8.25.4** This paragraph will not, in any manner, restrict or limit the County's right to damages for any breach of this Master Agreement provided by law or as specified in the PRS or Paragraph 8.25.2, and will not, in any manner, restrict or limit the County's right to terminate this Master Agreement as agreed to herein.

## **8.26 Most Favored Public Entity**

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

## **8.27 Nondiscrimination and Affirmative Action**

**8.27.1** The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry,

national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

**8.27.2** Contractor certifies to the County each of the following:

**8.27.2.1** That Contractor has a written policy statement prohibiting discrimination in all phases of employment.

**8.27.2.2** That Contractor periodically conducts a self-analysis or utilization analysis of its work force.

**8.27.2.3** That Contractor has a system for determining if its employment practices are discriminatory against protected groups.

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

**8.27.3** The Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

**8.27.4** The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

**8.27.5** The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement.

**8.27.6** The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.27 when so requested by the County.

**8.27.7** If the County finds that any provisions of this Paragraph 8.27 have been violated, such violation will constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master

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

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

## **8.28 Non Exclusivity**

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

## **8.29 Notice of Delays**

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

## **8.30 Notice of Disputes**

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

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

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

## **8.32 Notices**

All notices or demands required or permitted to be given or made under this Master Agreement must be in writing and will be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the

parties as identified in Exhibits E (County's Administration) and Exhibit F (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Chief Executive Officer will have the authority to issue all notices or demands required or permitted by the County under this Master Agreement.

### **8.33 Prohibition Against Inducement or Persuasion**

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

### **8.34 Public Records Act**

**8.34.1** Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.36 (Record Retention and Inspection/Audit Settlement) of this Master Agreement; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this Master Agreement, become the exclusive property of the County. All such documents become a matter of public record and will be regarded as public records. Exceptions will be those elements in the [California Government Code Section 7921 et seq.](#) (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County will not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

### **8.35 Publicity**

**8.35.1** The Contractor must not disclose any details in connection with this Master Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit the Contractor from publishing its role under this Master Agreement within the following conditions:

**8.35.1.1** The Contractor must develop all publicity material in a professional manner; and

**8.35.1.2** During the term of this Master Agreement, the Contractor must not, and will not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the MAPD. The County will not unreasonably withhold written consent.

**8.35.2** The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Paragraph 8.35 (Publicity) will apply.

### **8.36 Record Retention and Inspection-Audit Settlement**

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

**8.36.1** In the event that an audit of the Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor must file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Master Agreement. The County will make a reasonable effort to maintain the confidentiality of such audit report(s).

**8.36.2** Failure on the part of the Contractor to comply with any of the provisions of this paragraph will constitute a material breach of this Master Agreement upon which the County may terminate or suspend this Master



Agreement.

- 8.36.3** If, at any time during the term of this Master Agreement or within five (5) years after the expiration or termination of this Master Agreement, representatives of the County may conduct an audit of the Contractor regarding the work performed under this Master Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference will be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Master Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference will be paid to the Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Master Agreement exceed the funds appropriated by the County for the purpose of this Master Agreement.

### **8.37 Recycled Bond Paper**

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

### **8.38 Subcontracting**

- 8.38.1** The requirements of this Master Agreement may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Master Agreement.
- 8.38.2** If the Contractor desires to subcontract, the Contractor must provide the following information promptly at the County's request:
- 8.38.2.1** A description of the work to be performed by the subcontractor;
  - 8.38.2.2** A draft copy of the proposed subcontract; and
  - 8.38.2.3** Other pertinent information and/or certifications requested by the County.
- 8.38.3** The Contractor must indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.38.4** The Contractor will remain fully responsible for all performances required of it under this Master Agreement, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

- 8.38.5** The County's consent to subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Master Agreement. The Contractor is responsible to notify its subcontractors of this County right.
- 8.38.6** The County's MAPD 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.
- 8.38.7** 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.
- 8.38.8** The Contractor must obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor must ensure delivery of all such documents to County's Work Order Director(s) identified in each Work Order.

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

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 8.13 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), will constitute a default under this Master Agreement. Without limiting the rights and remedies available to the County under any other provision of this Master Agreement, failure of Contractor to cure such default within 90 calendar days of written notice will be grounds upon which the County may terminate this Master Agreement pursuant to Paragraph 8.41 (Termination for Default) and pursue debarment of Contractor, pursuant to [County Code Chapter 2.202](#).

#### **8.40 Termination for Convenience**

- 8.40.1** County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder will be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten (10) days after the notice is sent.
- 8.40.2** Upon receipt of a notice of termination and except as otherwise directed by the County, the Contractor must immediately:
  - 8.40.2.1** Stop work under the Work Order or under this Master Agreement, as identified in such notice;

**8.40.2.2** Transfer title and deliver to County all completed work and work in process; and

**8.40.2.3** Complete performance of such part of the work as would not have been terminated by such notice.

**8.40.3** All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Master Agreement or Work Order must be maintained by the Contractor in accordance with Paragraph 8.36 (Record Retention and Inspection/Audit Settlement).

#### **8.41 Termination for Default**

**8.41.1** The County may, by written notice to the Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of the County's MAPD:

**8.41.1.1** Contractor has materially breached this Master Agreement;

**8.41.1.2** Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Master Agreement or any Work Order issued hereunder; or

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

**8.41.2** In the event that the County terminates this Master Agreement in whole or in part as provided in Paragraph 8.41.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor will continue the performance of this Master Agreement to the extent not terminated under the provisions of this paragraph.

**8.41.3** Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 8.41.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal

or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Paragraph 8.41.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

**8.41.4** If, after the County has given notice of termination under the provisions of this Paragraph 8.41, it is determined by the County that the Contractor was not in default under the provisions of this Paragraph 8.41, or that the default was excusable under the provisions of Paragraph 8.41.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 8.40 (Termination for Convenience).

**8.41.5** The rights and remedies of the County provided in this Paragraph 8.41 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

## **8.42 Termination for Improper Consideration**

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

**8.42.2** The Contractor must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>.

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

## **8.43 Termination for Insolvency**

**8.43.1** The County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:

**8.43.1.1** Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

**8.43.1.2** The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;

**8.43.1.3** The appointment of a Receiver or Trustee for the Contractor; or

**8.43.1.4** The execution by the Contractor of a general assignment for the benefit of creditors.

**8.43.2** The rights and remedies of the County provided in this Paragraph 8.43 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

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

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

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

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

## **8.46 Validity**

If any provision of this Master Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Master Agreement and the

application of such provision to other persons or circumstances will not be affected thereby.

#### **8.47 Waiver**

No waiver by the County of any breach of any provision of this Master Agreement will constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Master Agreement will not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 8.47 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

#### **8.48 Warranty Against Contingent Fees**

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

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

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

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

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

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

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.49 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) will constitute default under this Master Agreement. Without limiting the rights and remedies available to County under any other provision of this Master Agreement, failure of Contractor to cure such default within 10 days of notice will be grounds upon which County may terminate this Master Agreement and/or pursue debarment of Contractor, pursuant to [Los Angeles County Code Chapter 2.206](#).

#### **8.51 Time off For Voting**

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

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

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

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

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

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

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

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

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

### **8.55 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.

### **8.56 Information Security and Privacy Requirements**

Contractor must implement appropriate and reasonable measures to secure and protect Contractor's systems and all County Information against internal and external threats and risks and 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 paragraph 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.

#### **8.56.1 Security and Privacy Program**

**8.56.1.1** Contractor must maintain an information security and privacy program to evaluate risks of confidentiality, integrity, and availability and provide safeguards for County Information. The Contractor will 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 and to ensure compliance with all applicable laws and regulations and addressing new and emergency threats and risk. The Contractor must perform ongoing monitoring and audits of their operations to mitigate privacy and security threats.

**8.56.1.2** Contractor's information security and privacy program must:

- a.** Protect the confidentiality, integrity, and availability of County Information in the Contractor's possession or control against any threats or hazards, unauthorized or unlawful access, use, disclosure, alteration, destruction, loss, or damage.



- b. Safeguard County Information in compliance with any applicable laws and regulations.
- c. Implement, maintain, and use appropriate privacy practices, policies, and protocols to preserve the confidentiality of County Information.
- d. Implement a response plan to address privacy and/or security Incidents, including but not limited to a suspected, attempted, successful, or imminent threat, or event with the potential to adversely impact the County, of unauthorized electronic and/or physical access, use, disclosure, breach, modification, interference, or destruction of information; or significant violation of County policy ("Incidents").

## **8.56.2 Employee Training**

Contractor must 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:

- 8.56.2.1** Secure Authentication: The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.
- 8.56.2.2** Social Engineering Attacks: Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.
- 8.56.2.3** Handling of County Information: The proper identification, storage, transfer, archiving, and destruction of County Information.
- 8.56.2.4** 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.
- 8.56.2.5** Identifying and Reporting Incidents: Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.
- 8.56.2.6** Privacy: The Contractor's privacy policies and procedures as described in Paragraph 8.56.1 (Security and Privacy Program).

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

**8.56.3 Use, Storage, Transmit, Access Control**

**8.56.3.1** Contractor may use County Information only as necessary to carry out its obligations under this Contract. Contractor must 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 any state and federal law governing the protection of personal Information, any state and federal security breach notification laws, and the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

**8.56.3.2** All County Information must 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.

**8.56.3.3** Contractor must not store County Information in the cloud or in any other online storage provider without written authorization from the County. All mobile devices storing County Information must be managed by a Mobile Device Management system. Such system must provide provisions to enforce a password or passcode on enrolled mobile devices. All workstations or 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.

**8.56.3.4** 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.

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

- a. Network access to both internal and external networked services will 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 must record, review and act upon all events in accordance with Incident response policies set forth in the Contract; and

**8.56.3.6** In the event any hardware, storage media, or removable media must be disposed of or sent off-site for servicing, the Contractor must ensure all County Information, has been eradicated from such hardware and/or media using industry best practices and in accordance with the Contract.

#### **8.56.4 Security and Privacy Incident**

**8.56.4.1** In the event of a security and/or privacy Incident, the Contractor must:

- a. Promptly notify the County of any Incidents involving County Information, within twenty-four (24) hours of detection of the Incident. Notification must include: date and time of discovery; approximate date and time of the Incident; description of the type of County Information involved; summary of the facts including measures taken to respond and remediate the Incident and any planned corrective actions; and name and

contract information of the Contractors representative with relevant information.

- b.** 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 must provide all 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.
- c.** 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.
- d.** 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.
- e.** County reserves the right to view, upon request, summary results (i.e., the number of high, medium and low vulnerabilities) and related corrective action schedule for which Contractor has undertaken on its behalf to assess Contractor's own network security. If requested, copies of these summary results and corrective action schedule will be sent to the County.

**8.56.4.2** Notwithstanding any other provisions in this Contract, The Contractor will 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.

## **8.56.5 Return or Destruction**

**8.56.5.1** Upon County's written request or upon expiration or termination of this Contract for any reason, Contractor will promptly: return or destroy, at County's option, all originals and copies of all documents, records, and materials Contractor has received containing County's Information, and all documents, records, and materials prepared by Contractor or prepared under Contractor's direction. If return or destruction is not permissible under applicable law, Contractor will continue to protect such information in accordance with the terms of this Contract. If County does not provide written notice to Contractor regarding County's option to return or destroy documents, records, and materials, Contractor will contact County within five (5) calendar days of expiration or termination of this Contract to confirm County's option.

**8.56.5.2** For all documents, records, and materials described in this section that County requests to be returned, Contractor must provide a written attestation on company letterhead certifying that all documents, records, and materials have been delivered.

**8.56.5.3** For all documents, records, and materials described in this section that County requests to be destroyed, Contractor must cross-cut shred paper, film, or other hard copy media so that the information cannot be read or otherwise reconstructed; and purge, or destroy electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization," such that the County Information cannot be retrieved. Contractor must provide an attestation on company letterhead, 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 must be sent to the County within ten (10) calendar days of termination or expiration of the Contract or at any time upon the County's request.

## **8.56.6 Operational Management, Business Continuity, and Disaster Recovery**

**8.56.6.1** Contractor will: (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with this Contract; (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.

**8.56.6.2** 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 all such backups must be encrypted in compliance with the encryption requirements in the Contract.

#### **8.56.7 Privacy and Security Audits**

**8.56.7.1** Contractor will 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 and as requested by the County. These 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 County will pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Contract, in which case the Contractor must bear all costs of the audit; and if the audit reveals material non-compliance with this Contract, the County may exercise its termination rights underneath the Contract. Additionally, upon the County's request the Contractor must complete a questionnaire regarding Contractor's information security and/or program.

**8.56.7.2** Contractor must have a process for correcting control deficiencies that have been identified in the audit, including follow up documentation providing evidence of such

corrections. The Contractor must 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 must 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 will be provided at no additional charge to the County.

**8.56.7.3** 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.

#### **8.57 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.

#### **8.58 Campaign Contribution Prohibition Following Final Decision in Master Agreement Proceeding**

Pursuant to [Government Code Section 84308](#), Contractor and its Subcontractors, are prohibited from making a contribution of more than \$500 to a County officer for twelve (12) months after the date of the final decision in the proceeding involving this Master Agreement. Failure to comply with the provisions of [Government Code Section 84308](#) and of this paragraph, may be a material breach of this Master Agreement as determined in the sole discretion of the County.

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

The County, at its sole discretion, may include in any Work Order additional HIPAA obligations, including but not limited to requirements applicable to a Business Associate or a Covered Entity. Any such obligations set forth in the Work Order shall supersede the default requirements in this Section solely for the scope and duration of that Work Order.

Contractor acknowledges that the additional possible HIPAA Terms and Conditions are set forth in Exhibit B and may be made applicable to individual Work Orders.

Unless otherwise specified in the applicable Work Order, the following requirements shall apply:

- 8.59.1** Contractor expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Contractor or any of its officers, employees, or agents, to any patient medical records/patient information. Accordingly, Contractor must instruct its officers, employees, and agents that they are not to pursue, or gain access to, patient medical records/patient information for any reason whatsoever.
- 8.59.2** Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Contractor or its officers, employees, and agents, may have inadvertent access to patient medical records/patient information. Contractor understands and agrees that neither it nor its officers, employees, or agents, are to take advantage of such access for any purpose whatsoever.
- 8.59.3** Additionally, in the event of such inadvertent access, Contractor and its officers, employees, and agents, must maintain the confidentiality of any information obtained and must notify the Director that such access has been gained immediately, or upon the first reasonable opportunity to do so. In the event of any access, whether inadvertent or intentional, Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions, claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Contractor's or its officers', employees', or agents', access to patient medical records/patient information. Contractor agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

## **9.0 SURVIVAL**

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

- Paragraph 1.0 (Applicable Documents)
- Paragraph 2.0 (Definitions)
- Paragraph 3.0 (Work)
- Paragraph 5.3 (No Payment for Services Provided Following Expiration/Termination of Agreement)
- Paragraph 7.6 (Confidentiality)
- Paragraph 8.1 (Amendments)
- Paragraph 8.2 (Assignment and Delegation/Mergers or Acquisitions)



Paragraph 8.18	(Fair Labor Standards)
Paragraph 8.19	(Force Majeure)
Paragraph 8.20	(Governing Law, Jurisdiction, and Venue)
Paragraph 8.22	(Indemnification)
Paragraph 8.23	(General Provisions for all Insurance Coverage)
Paragraph 8.24	(Insurance Coverage)
Paragraph 8.25	(Liquidated Damages)
Paragraph 8.32	(Notices)
Paragraph 8.36	(Record Retention and Inspection/Audit Settlement)
Paragraph 8.40	(Termination for Convenience)
Paragraph 8.41	(Termination for Default)
Paragraph 8.46	(Validity)
Paragraph 8.47	(Wavier)
Paragraph 8.55	(Prohibition from Participation in Future Solicitation(s))
Paragraph 8.58	(Campaign Contribution Prohibition Following Final Decision in Master Agreement Proceeding)
Paragraph 9.0	(Survival)

**AUTHORIZATION OF MASTER AGREEMENT FOR  
STRATEGIC PLAN AND SUPPORT SERVICES**

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

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
Chief Executive Officer

**CONTRACTOR**

[\[Name\]](#)

Signed: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM:

DAWYN R. HARRISON

County Counsel

By: \_\_\_\_\_  
Senior Deputy County Counsel

Appendix A  
**Master Agreement Exhibit A**  
**Qualified Service Categories**

Qualified	Service Category	Effective Date
<input type="checkbox"/>	Strategic Planning	[date]
<input type="checkbox"/>	Performance Measurement	[date]
<input type="checkbox"/>	Process Improvement	[date]
<input type="checkbox"/>	Emergency Management	[date]

**Appendix A**  
**Master Agreement Exhibit B**  
**Conditional Terms and Conditions**

## 1.0 **CONDITIONAL TERMS AND CONDITIONS**

The applicability of any Conditional Terms and Conditions shall be determined solely by the County and specified in each Work Order. Contractor shall comply only with those terms and conditions expressly incorporated into the applicable Work Order. It is the Contractor's responsibility to review each Work Order for any such terms.

Inclusion of the Conditional Terms and Conditions in this Master Agreement does not create any obligation unless and until incorporated into a specific Work Order. The County may include such terms on a case-by-case basis, subject to applicable laws, regulations, and funding requirements.

### 1.1 **Health Insurance Portability and Accountability Act of 1996 (HIPAA) – Business Associate Agreement**

As further explained and defined below, this provision serves as the 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. Subsequent references to Business Associate Agreement has the meaning as set forth herein.

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

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.

Therefore, the parties agree as follows:

**1.1.1 Definitions**

- 1.1.1.1** "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.1.1.2** "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.
- 1.1.1.3** "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.
- 1.1.1.4** "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.1.1.5** "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.1.1.6** "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.1.1.7** "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.)
- 1.1.1.8** "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.)
- 1.1.1.9** "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.

- 1.1.1.10** "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.
- 1.1.1.11** "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.1.1.12** "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).
- 1.1.1.13** "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.1.1.14** "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).
- 1.1.1.15** "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.

- 1.1.1.16** "Required by Law" " " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.1.1.17** "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.1.1.18** "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.1.1.19** "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.
- 1.1.1.20** "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.1.1.21** "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.1.1.22** "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.)
- 1.1.1.23** Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

## **1.1.2 Permitted and Required Uses and Disclosures of Protected Health Information**

- 1.1.2.1** 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.
- 1.1.2.2** Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 1.1.2.3** Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 1.1.2.4** Business Associate will make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity's applicable Minimum Necessary policies and procedures.



- 1.1.2.5** 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.
- 1.1.2.6** 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.
- 1.1.2.7** 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.

**1.1.3 Prohibited Uses and Disclosures of Protected Health Information**

- 1.1.3.1** 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.
- 1.1.3.2** 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 1.2.2.5 and 1.2.2.6.
- 1.1.3.3** Business Associate must not Use or Disclose Protected Health Information for de-identification of the information except as set forth in Section 1.2.2.2.

**1.1.4 Obligations to Safeguard Protected Health Information**

- 1.1.4.1** 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.
- 1.1.4.2** 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.

**1.1.5 Reporting Non-Permitted Uses or Disclosures, Security Incidents,**

## **and Breaches of Unsecured Protected Health Information**

**1.1.5.1** 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 1.2.5.1 a, b, and c.

- a.** 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.
- b.** Business Associate must report to Covered Entity any Security Incident of which Business Associate becomes aware.
- c.** 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.

**1.1.5.2** Except as provided in Section 1.2.5.3, for any reporting required by Section 1.2.5.1, Business Associate must provide, to the extent available, all information required by, and within the times frames specified in, Sections 1.2.5.2 a and b.

- a.** 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 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;

- The number of Individuals whose Protected Health Information is involved;
- 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);
- The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

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

- A 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;
- The number of Individuals whose Protected Health Information is involved;
- 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);
- 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;
  - 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;
  - 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
  - The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.
- c. If Business Associate is not able to provide the information specified in Sections 1.2.5.2 a and b at the time of the required report, Business Associate must provide such information promptly thereafter as such information becomes available.

**1.1.5.3** Business Associate may delay the notification required by Section 1.2.5.1 c, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

- a. 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.
- b. 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 1.2.5.3 a is submitted during that time.

## **1.1.6 Written Assurances of Subcontractors**

- 1.1.6.1** 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.
- 1.1.6.2** Business Associate must take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 1.2.6.1.
- 1.1.6.3** If the steps required by Section 1.2.6.2 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.
- 1.1.6.4** If neither cure nor termination as set forth in Sections 1.2.6.2 and 1.2.6.3 is feasible, Business Associate must immediately notify County.
- 1.1.6.5** Without limiting the requirements of Section 1.2.6.1, the agreement required by Section 1.2.6.1 (Subcontractor Business Associate Agreement) must require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 1.1.6.6** Without limiting the requirements of Section 1.2.6.1, agreement required by Section 1.2.6.1 (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 1.2.18.4.
- 1.1.6.7** 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 1.2.6.1.
- 1.1.6.8** Sections 1.2.6.1 and 1.2.6.7 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.

### **1.1.7 Access to Protected Health Information**

- 1.1.7.1** 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 (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and 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.
- 1.1.7.2** 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 (2) days of the receipt of the request. Whether access will be provided or denied will be determined by Covered Entity.
- 1.1.7.3** 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.

### **1.1.8 Amendment of Protected Health Information**

- 1.1.8.1** 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 (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 1.1.8.2** 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 (5) days of the receipt of the request. Whether an amendment will be granted or denied will be determined by Covered Entity.

### **1.1.9 Accounting of Disclosures of Protected Health Information**

**1.1.9.1** 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.

**a.** Any accounting of disclosures provided by Business Associate under Section 1.2.9.1 must include:

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

**b.** For each Disclosure that could require an accounting under Section 1.2.9.1, Business Associate must document the information specified in Section 1.2.9.1 a, and must maintain the information for six (6) years from the date of the Disclosure.

**1.1.9.2** Business Associate must provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 1.2.9.1 a 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

**1.1.9.3** 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 (5) 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.

#### **1.1.10 Compliance with Applicable HIPAA Rules**

**1.1.10.1** 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).

**1.1.10.2** Business Associate must comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

**1.1.11 Availability of Records**

**1.1.11.1** 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.

**1.1.11.2** 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.

**1.1.12 Mitigation of Harmful Effects**

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.

**1.1.13 Breach Notification to Individuals**

**1.1.13.1** 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.

- a.** 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.
- b.** 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 brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
  - 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);

- Any steps the Individual should take to protect themselves from potential harm resulting from the Breach;
- 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
- 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.

**1.1.13.2** Covered Entity, in its sole discretion, may elect to provide the notification required by Section 1.2.13.1 and/or to establish the contact procedures described in Section 1.2.13.1 b.

**1.1.13.3** 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 Section 1.2.13.1 or in establishing the contact procedures required by Section 1.2.13.1 b.

#### **1.1.14 Indemnification**

**1.1.14.1** 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.

**1.1.14.2** Section 1.2.14.1 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.

#### **1.1.15 Obligations of Covered Entity**

**1.1.15.1** 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.

**1.1.15.2** 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 1.2.2.3, 1.2.2.5, and 1.2.2.6.

#### **1.1.16 Term**

**1.1.16.1** Unless sooner terminated as set forth in Section 1.2.17, 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.

**1.1.16.2** Notwithstanding Section 1.2.16.1, Business Associate's obligations under Sections 1.2.11, 1.2.14, and 1.2.18 will survive the termination or expiration of this Business Associate Agreement.

#### **1.1.17 Termination for Cause**

**1.1.17.1** 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.

**1.1.17.2** In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract,

Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

**1.1.18 Disposition of Protected Health Information upon Termination or Expiration**

- 1.1.18.1** 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.
- 1.1.18.2** Destruction for purposes of Section 18.2 and Section 6.6 will 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.
- 1.1.18.3** Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and must return or destroy all other Protected Health Information.
- a.** 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.

- b. 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.

**1.1.18.4** 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.

#### **1.1.19 Audit, Inspection, and Examination**

**1.1.19.1** Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in Section 17.

**1.1.19.2** Covered Entity and Business Associate will mutually agree in advance upon the scope, timing, and location of any such inspection.

**1.1.19.3** 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.

**1.1.19.4** 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.

- 1.1.19.5** 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.
- 1.1.19.6** 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.

**1.1.20 Miscellaneous Provisions**

- 1.1.20.1** Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 1.1.20.2** HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 1.1.20.3** No Third Party Beneficiaries. Nothing in this Business Associate Agreement will confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 1.1.20.4** Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement will control. Otherwise, this Business Associate Agreement will 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.

- 1.1.20.5** Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 1.1.20.6** Interpretation. 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.
- 1.1.20.7** Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

## **1.2 Local Small Business Enterprise (LSBE) Preference Program**

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

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

### **1.3 Preference Program Enterprises – Prompt Payment Program**

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

### **1.4 Social Enterprise (SE) Preference Program**

**1.4.1** This Master Agreement is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in [Chapter 2.205 of the Los Angeles County Code](#).

**1.4.2** Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.

**1.4.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.

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

**1.4.4.1** Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;

**1.4.4.2** In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the Master Agreement; and

**1.4.4.3** Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties will also apply to any 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 County of this information prior to responding to a solicitation or accepting a Master Agreement award.

## **1.5 Disabled Veteran Business Enterprise (DVBE) Preference Program**

**1.5.1** This Master Agreement is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in [Chapter 2.211 of the Los Angeles County Code](#).

**1.5.2** Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.

**1.5.3** Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

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

**1.5.4.1** Pay to the County any difference between the Master Agreement amount and what the County's costs would have been if the Master Agreement had been properly awarded;

**1.5.4.2** In addition to the amount described in subdivision (1) above, the Contractor will be assessed a penalty in an amount of not more than 10 percent of the amount of the Master Agreement; and

**1.5.4.3** Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

Notwithstanding any other remedies in this Master Agreement, the above penalties will also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State and the County of this information prior to responding to a solicitation or accepting a Master Agreement award.



## **1.6 Compliance with County's Women in Technology Hiring Initiative**

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](mailto:WITProgram@isd.lacounty.gov).

## **1.7 Unique Insurance Coverage**

### **1.7.1 Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Master Agreement, with limits of not less than **\$5 million** per claim and \$5 million aggregate. Further, Contractor understands and agrees it must maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

### **1.7.2 Technology Errors & Omissions Insurance**

Insurance for liabilities arising from errors, omissions, or negligent acts in rendering or failing 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 computer hardware or software; (10) 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 \$ \_\_\_\_\_ **[insert applicable limit]**.

### **1.7.3 Cyber Liability Insurance**

The Contractor must secure and maintain cyber liability insurance coverage with limits of \$ \_\_\_\_\_ **[insert applicable limit]** 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.

**Appendix A**  
**Master Agreement Exhibit C**  
**Sample Work Order**

<b>Work Order Number</b> <b>[WO #]</b>	<b>Master Agreement Number</b> <b>[MA #]</b>
<b>Master Agreement Title</b> [MA Full Title]	
<b>Project Title</b> [WO Project Title]	
<b>Category(ies)</b> [Category]	

This Work Order is entered into by and between the County of Los Angeles ("County") and the Contractor identified below, by the Issuing Department named herein.

<b>Contractor</b>	[Contractor]
<b>Issuing Department</b>	[Issuing Department]

<b>Total Maximum Amount</b>	[\$]
<b>Period of Performance</b>	[Period of Performance]
<b>Invoice Submission Contact</b>	[Contact] [Email]

Contractor shall comply with the terms and conditions set forth herein and, in the documents listed below, which are incorporated by reference and made part of this Work Order.

Attachment	Title	Contractor Responsibilities
<b>A</b>	<b>Statement of Work</b>	Contractor must satisfactorily perform all Services as detailed in this Attachment.
<b>B</b>	<b>Pricing Schedule</b>	Contractor must invoice only in accordance with the rates and pricing specified in this Attachment.
<b>C</b>	<b>Applicable Conditional Terms and Conditions</b>	Contractor agrees to comply with all such terms as a condition of performing services under this Work Order.

## 1.0 INVOICES AND PAYMENTS

### 1.1 Invoicing Requirements

- a. Contractor must invoice the County only for tasks, deliverables, or services performed as specified in the attachment titled **(Statement of Work)** and elsewhere under this Work Order. Contractor's fees must include all

applicable taxes; any additional taxes not included remain the responsibility of the Contractor.

- b. Contractor must prepare invoices reflecting charges owed under the terms of this Work Order and submit it to the **Invoice Submission Contact** identified above by the 15th calendar day of the month following the month in which the services were provided, or a deliverable was submitted for acceptance, as applicable.

## 1.2 Invoice Approval

All invoices must receive written approval in accordance with **Master Agreement, Paragraph 5.4 (Invoices and Payments)** prior to payment. The County shall not be liable for any payment without such approval. Approval shall not be unreasonably withheld.

## 1.3 Payment Terms

- a. Payment shall be made in arrears, based on the County's approval and acceptance of the tasks, deliverables, or services performed as set forth in the attachment titled **(Statement of Work)**, and in accordance with **Master Agreement Paragraph 5.4 (Invoices and Payments)** and the attachment titled **(Pricing Schedule)**, subject to the **Total Maximum Amount** specified. Payment is further conditioned upon the Contractor not being in default under any provision of this Contract and submitting a complete and accurate invoice.
- b. County acceptance of services and/or deliverables shall not be unreasonably withheld.

## 2.0 AMENDMENTS TO WORK ORDER

For any change which affects the scope of work, term, pricing schedule, payments, or any term or condition included under this Work Order, an Amendment to the Work Order must be prepared and executed by the Contractor and by County.

**ALL TERMS OF THE MASTER AGREEMENT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE MASTER AGREEMENT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER.**

**CONTRACTOR**  
**[CONTRACTOR]**

**COUNTY OF LOS ANGELES**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Work Order**  
**ATTACHMENT A**

(Not Attached)

SAMPLE

**Work Order  
ATTACHMENT B**

SAMPLE

## PRICING SCHEDULE

This Pricing Schedule sets forth the Contractor's prices for this Work Order, in accordance with the Master Agreement.

Total Maximum Amount
\$

### Fixed Price per Deliverable

Service Description (Fully burdened including all costs to provide the services)	Amount Due
	\$
	\$
	\$
	\$

**-OR-**

### Time and Material

List of staff working on the project, their respective hourly rates, and the number of hours allocated to each role. **OR**

Detailed breakdown of the fully burdened rate above, including a list of staff working on the project, their respective hourly rates, and the number of hours allocated to each role. If requested, these rates will be used for **Additional Services**.

Name/Job Classification	Projected Hours	Hourly Rate
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$



**Work Order  
ATTACHMENT C**

SAMPLE

## **APPLICABLE CONDITIONAL TERMS AND CONDITIONS**

Certain provisions set forth in Master Agreement, Exhibit C (Conditional Terms and Conditions) are designated as conditional and shall apply only when expressly incorporated into a Work Order. The applicable provisions are set forth in full below and are hereby incorporated into this Work Order.

[insert applicable T&Cs here]

SAMPLE

Appendix A  
**Master Agreement Exhibit D**  
**County's Administration**

**Master Agreement #:** \_\_\_\_\_

**County's Master Agreement Program Director (MAPD)**

Name	Luci Gutierrez
Address	500 W Temple St, Los Angeles CA 90012
Email	<a href="mailto:LGutierrez@ceo.lacounty.gov">LGutierrez@ceo.lacounty.gov</a>

**Notices to CEO**

Email	TBD
-------	-----

**Appendix A**  
**Master Agreement Exhibit E**  
**Contractor's Administration**

**Contractor:** \_\_\_\_\_

**Master Agreement #:** \_\_\_\_\_

**Contractor's Project Manager**

Name \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

**Contractor's Authorized Official**

Name \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

**Notices to Contractor**

Name \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

CLUSTER AGENDA REVIEW DATE	11/5/2025	
BOARD MEETING DATE	12/2/2025	
SUPERVISORIAL DISTRICT AFFECTED	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>	
DEPARTMENT(S)	CEO	
SUBJECT	Increasing the Lifetime Maximum Benefit for the Anthem Blue Cross Plans	
PROGRAM		
AUTHORIZES DELEGATED AUTHORITY TO DEPT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
SOLE SOURCE CONTRACT	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>	
DEADLINES/ TIME CONSTRAINTS	Implement new limit to increase the cap on the payment of benefits to go into effect July 1, 2026.	
COST & FUNDING	Total cost: \$976,000	Funding source: Net County Cost/Revenue Offset
	TERMS (if applicable)	
	Explanation: Increasing the lifetime maximum benefit from \$1.5 million to \$2.25 million will result in premium increases for Anthem Blue Cross I, II, and Prudent Buyer Plans. The estimated premium will be 0.4% higher than the premiums in effect for Fiscal Year 2025-6 with the \$1.5 million cap. The Fiscal Year 2026-27 Budget will have a gross increase of \$976K, NCC \$370K to account for the increased costs that the County will pay towards the Retiree Healthcare Program.	
PURPOSE OF REQUEST	To implement an increased cap for the payment of benefits for members enrolled in the Anthem Blue Cross Plans.	
BACKGROUND (include internal/external issues that may exist including any related motions)		
EQUITY INDEX OR LENS WAS UTILIZED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state which one(s) and explain how: The increased cap for the payment of benefits provided for in these recommendations are directly responsive to the County of Los Angeles' Strategic Plan North Star 1: Make Investments that Transform Lives, Focus Area Goal A: Healthy Individuals and Families.	
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Thu Pham, Principal Analyst, CEO; 213-974-2388; tpham@ceo.lacounty.gov Leslie Rooney, Principal Analyst, CEO; 213-974-5951; lrooney@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 Administration  
500 West Temple Street, Room 713, Los Angeles, CA 90012  
(213) 973-1101 [ceo.lacounty.gov](http://ceo.lacounty.gov)

### ACTING CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

December 02, 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:

## **INCREASING THE LIFETIME MAXIMUM BENEFIT FOR THE ANTHEM BLUE CROSS PLANS PROVIDED BY THE LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION ALL DISTRICTS (3-VOTES)**

### **SUBJECT**

This letter is to request your approval to allow the Los Angeles County Employees Retirement Association to negotiate with Anthem Blue Cross to increase the lifetime maximum benefit for Anthem Blue Cross I, II, and Prudent Buyer Plans.

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

Authorize the Chief Executive Office to allow the Los Angeles County Employees Retirement Association (LACERA) to begin negotiating with Anthem Blue Cross of California to increase the lifetime maximum benefit from \$1.5 million to \$2.25 million effective July 1, 2026, for the LACERA-administered Anthem Blue Cross I, II, and Prudent Buyer Plans.

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

#### Background

The LACERA Board of Retirement (BOR) created the Retiree Healthcare Program in 1971. The BOR controlled the program's benefit structure and administration and was responsible for funding the retiree health plans' premium subsidies.

In 1982, the Los Angeles County (County) and LACERA entered into an agreement, where LACERA relinquished control over the Retiree Healthcare Program structure and reduced the County's 1982

retirement benefit contribution. In return the County agreed to fund the retiree health plans' premium subsidies, up to the benchmark plans' premiums. LACERA continued administering the Retiree Healthcare Program and was responsible for selecting insurance carriers and negotiating coverage terms and premium rates.

#### LACERA-Administered Health Plans and Lifetime Maximum Benefit

LACERA administers different healthcare plans for retired LACERA-eligible County employees. Retirees have the option of choosing between Health Maintenance Organizations (HMOs) plans and Indemnity Medical (also known as Preferred Provider Organization) plans.

The HMO plans do not have a lifetime benefit limit. There is one Medicare supplemental plan offered by LACERA, which is the Anthem Blue Cross III, which also has no lifetime maximum benefit.

The Indemnity Medical Plans that currently have a lifetime maximum benefit cap of \$1.5 million per member, are as follows:

- Anthem Blue Cross I,
- Anthem Blue Cross II, and
- Anthem Blue Cross Prudent Buyer

Once a LACERA member reaches the lifetime cap under these plans, the member has three options for continued healthcare coverage: 1) move to a LACERA-administered HMO plan; 2) move to Anthem Blue Cross III, the Medicare supplemental plan; or 3) purchase a health plan not offered by LACERA.

Historically, the lifetime maximum benefit cap has increased incrementally and until recently held steady at \$1 million since 1992. Because the lifetime maximum benefit was not increased since then, we went before the Board of Supervisors (Board) on November 26, 2024, to increase the lifetime maximum benefit for the Anthem Indemnity plans to \$1.5 million, which was approved and went into effect July 1, 2025.

On July 11, 2025, LACERA requested that the County eliminate the lifetime maximum benefit, or in the alternative, increase the lifetime maximum benefit to \$3 million or \$5 million. Given the County's financial pressures, a prudent approach to addressing concerns over the lifetime maximum benefit includes a graduated increase, followed by a period of tracking and assessing costs. Therefore, we recommend that the lifetime maximum benefit be incrementally increased to \$3 million in order to account for medical inflation.

We request your Board's approval to increase the lifetime maximum benefit from \$1.5 million to \$2.25 million for the Anthem Blue Cross I, II and Prudent Buyer plans effective July 1, 2026.

We will return to your Board with another request for approval to increase the lifetime maximum benefit from \$2.25 million to \$3 million to be effective July 1, 2027, subject to the following conditions:

- Retirees' healthcare claims continue to approach and exceed the new lifetime maximum benefit cap, and
- Migration trend remains low.

**Implementation of Strategic Plan Goals**

The recommended action in this Board letter supports the County of Los Angeles' Strategic Plan: North Star 1: Make investments that Transform Lives, Focus Area Goal A: Healthy Individuals and Families.

**FISCAL IMPACT/FINANCING**

Increasing the lifetime maximum benefit from \$1.5 million to \$2.25 million will result in premium increases for Anthem Blue Cross I, II, and Prudent Buyer Plans. The estimated premium increase will be 0.4%. The Fiscal Year 2026-27 Budget will increase to \$976,000, NCC \$370,000, to account for the increased costs that the County will pay towards the Retiree Healthcare Program.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Once your Board approves the request to increase the lifetime maximum benefit, our office will request LACERA to begin negotiating with Anthem Blue Cross during their rate renewal process for the fiscal year 2026-27. The lifetime maximum benefit will increase from \$1.5 million to \$2.25 million, effective July 1, 2026, when LACERA's new healthcare plan year begins.

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

None.

Respectfully submitted,

JMN:JG:KLW  
SRM:LR:TTP:rfm

c: Executive Office, Board of Supervisors  
County Counsel  
Los Angeles County Employees Retirement  
Association



## BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	11/5/2025		
<b>BOARD MEETING DATE</b>	12/2/2025		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Office of the Assessor (Assessor)		
<b>SUBJECT</b>	Authorization for the Assessor to Amend Sole Source Agreement with Oracle America, Inc. (Oracle) to Provide Continuous Support for Phase V of the Assessor Modernization Project (AMP)		
<b>PROGRAM</b>	N/A		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If Yes, please explain why: The Amendment is an extension of current Sole Source Agreement for AMP Phase V. Maintaining the same vendor is critical for the project to remain on track. Introducing a new vendor to the ongoing AMP project would introduce new risk, significantly disrupt the project process, create major delays, and increase costs.		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>		
<b>DEADLINES/ TIME CONSTRAINTS</b>	AMP Phase V is scheduled to end November 2025.		
<b>COST &amp; FUNDING</b>	Total cost: \$ 6,429,880.00		Funding source: Funding is included in FY 2025-26 Final Adopted Budget
	TERMS (if applicable):		
	Explanation: The Amendment will add operations and maintenance support for AMP as initially intended in Phase V and allow for continued knowledge transfer, maintenance and support services to stabilize and improve AMP functionality and performance.		
<b>PURPOSE OF REQUEST</b>	Due to the 2025 California wildfires, significant project scope was redirected. The Amendment is necessary to reestablish operational and maintenance stabilization of AMP as initially intended in Phase V. The Amendment will add operations and maintenance support for Phase V, include additional scope with increase in Maximum Contract Sum, and make changes as operationally necessary.		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	AMP is a five-phase agile development project that began in 2015 using Oracle as the sole contractor. Four (4) of the phases have been successfully completed. Phase V is scheduled to end November 2025.		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: • Kevin Lechner, DCIO II, 213-407-2075, <a href="mailto:KLechner@assessor.lacounty.gov">KLechner@assessor.lacounty.gov</a>		



**JEFFREY PRANG**  
ASSESSOR  
**COUNTY OF LOS ANGELES**  
500 WEST TEMPLE STREET, ROOM 320  
LOS ANGELES, CALIFORNIA 90012-2770  
assessor.lacounty.gov  
(213) 974-3101



December 2, 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:

**AUTHORIZATION FOR THE ASSESSOR TO AMEND SOLE SOURCE  
AGREEMENT WITH ORACLE AMERICA, INC. (ORACLE) TO PROVIDE  
CONTINUOUS SUPPORT FOR PHASE V OF THE  
ASSESSOR MODERNIZATION PROJECT (AMP)  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X)**

**SUBJECT:**

Request to delegate authority to the Assessor, or his designee, to execute Amendment One (1) to Sole Source Agreement with Oracle America, Inc. (Oracle) to (i) add operations and maintenance support services, (ii) include additional scope to address operations and maintenance support services with an increase in Maximum Contract Sum, and (iii) make changes as operationally necessary to provide continuous support for Phase V of the Assessor Modernization Project (AMP).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Assessor, or designee, to execute an Amendment (substantially similar to Enclosure A) to its AMP Phase V Agreement with Oracle, effective upon execution, to: (i) add operations and maintenance support services, (ii) include additional scope to address operations and maintenance support services for Phase V from December 2, 2025 until July 31, 2026 for an additional cost not to exceed \$6,429,880.00, for a new total agreement sum of \$19,629,800.00, and (iii) make changes to the Statement of Work as operationally necessary.

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

### **BACKGROUND**

Over the last several years, the Assessor executed modernization efforts aimed at replacing its legacy system environment via the development of an integrated property assessment replacement system known as AMP. AMP is a five (5) phase agile software development project being co-developed with Oracle.

On June 16, 2015, your Board authorized the first Work Order for AMP under the Master Service Agreement with Oracle to develop Phase I, which produced the overall enterprise architecture and foundation for AMP. On November 9, 2016, your Board authorized Phase II of AMP, which built on the groundwork developed in Phase I and provided additional functional components. On May 29, 2018, your Board authorized Phase III of AMP, which continued the development of key processes designed to intake, manage and initiate data and documents to support new AMP business processes, and further laid the architectural and technical foundation for Phase IV. On October 29, 2019, your Board authorized Phase IV of AMP, which involved the development of new business functionalities and system processes to decommission the Assessor's mainframe known as the Property Database. Your Board approved subsequent Amendments to Phase IV extending the development and testing schedule and increasing scope to provide extended operational support and stabilization services for AMP. On August 5, 2024, the Assessor decommissioned its mainframe and cut over to AMP.

In November 2024, the Assessor completed Phase IV of AMP, and your Board approved Phase V, the final phase of AMP which extended operational support and stabilization services for AMP through November 2025. The intended scope of Phase V was to provide software development, knowledge transfer and operational support to stabilize AMP while providing design and architecture to the Assessor team to replace remaining legacy systems.

### **JUSTIFICATION**

During Phase V of AMP, and due to the 2025 California wildfires, significant project scope from both teams was redirected from stabilization services to the development of new AMP functionality resulting in the automation and enrollment of more than 17,000 reductions in assessed value. This saved the Assessor nearly 45,000 hours in roll production, allowing appraisal staff to perform assessments on transfers and new construction that otherwise would have gone unworked.

The sole source Amendment is necessary to reestablish operational stabilization of AMP as initially intended in Phase V. The Amendment will allow for continued knowledge transfer, development and support services to stabilize and improve AMP functionality and performance.

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

The recommended action supports the County's Strategic Plan, Goal North Star 3 A. Communication and Public Access by providing increased transparency and accessibility to government services, communication and driving efficient public services and Goal North Star 3 F. Flexible and Efficient Infrastructure by evaluating our current Information Technology (IT) infrastructure and capital projects, and address identified needs to replace or modernize legacy/obsolete infrastructure and to lavage technological advancements that increase visibility, accessibility, and ease of use for residents.

### **FISCAL IMPACT/FINANCING**

The total maximum amount for AMP Phase V Sole Source Amendment One is \$6,429,880.00. The funding is included in the Assessor's FY 2025-26 Final Adopted Budget.

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

In accordance with Board Policy 5.100, Sole Source Contracts, the Assessor provided notification to the Board on August 29, 2025 with a shortened two-week waiting period prior to initiating negotiations for the Sole Source Amendment with Oracle.

County Counsel approves the Sole Source Amendment as to form and all previously negotiated terms and conditions of the existing Sole Source Agreement will remain in full effect.

In compliance with Board Policy 6.020 "Chief Information Office Board Letter," the Office of the Chief Information Officer (OCIO) reviewed the IT components of this request and recommends approval. The OCIO determined that this recommended action does not include any new IT items that would necessitate a formal written CIO Analysis.

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

Approval of the recommended actions will have no negative impact on current public services or projects, nor will it affect the Assessor's production of the tax roll. Approval of the recommendation will ensure the Assessor continues to

Honorable Board of Supervisors

December 2, 2025

Page 4

develop a modern assessment system to enhance its business operations and improve service delivery.

Respectfully submitted,

Reviewed by:

JEFFREY PRANG

Assessor

PETER LOO

Chief Information Officer

JP:DS:kl:st

Enclosures

c:     Chief Executive Office  
          Chief Information Office  
          Executive Office, Board of Supervisors  
          County Counsel  
          Auditor-Controller  
          Internal Services Department  
          Treasurer and Tax Collector  
          Registrar-Recorder/County Clerk

**AMENDMENT ONE  
TO THE  
AGREEMENT  
BETWEEN  
THE COUNTY OF LOS ANGELES  
AND  
ORACLE AMERICA, INC.  
FOR  
ASSESSOR MODERNIZATION PROJECT (PHASE V)**

**THIS AMENDMENT ONE** (hereafter, this “Amendment”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2025, by and between the COUNTY OF LOS ANGELES (hereafter “County”) and ORACLE AMERICA, INC. (hereafter “Contractor”).

Reference is made to the document entitled “Agreement By and Between County of Los Angeles and Oracle America, Inc. – Assessor Modernization Project (Phase V),” dated November 19, 2024 (the “Agreement”).

**WHEREAS**, the purpose of this Amendment is to add operations and maintenance support services for AMP Phase V; and

**WHEREAS**, for the administrative convenience of the parties, the parties desire to include additional scope in Exhibit A (Statement of Work) as described in Attachment I hereto, to address operations and maintenance support services for Phase V from December 2, 2025 until July 31, 2026 for an additional cost not to exceed \$6,429,880.00; and

**WHEREAS**, any further changes to Exhibit A (Statement of Work) may be incorporated as operationally necessary via a Change Order between the parties; and

**WHEREAS**, this Amendment is prepared according to the provisions set forth in Paragraph 13.0 Changes to Agreement, Subparagraph 13.1.2 in the Agreement.

**NOW THEREFORE**, effective upon the signature of all parties hereto, the Agreement is amended as set forth below.

1. Effective Date. This Amendment shall be effective upon full execution.
2. Defined Terms Incorporated. Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

3. Amendment. The Agreement is hereby amended as follows:

(i) Amendment to Title. The title of the Agreement is hereby changed to “Agreement By and Between County of Los Angeles and Oracle America, Inc. – Assessor Modernization Project (Phase V) and Operations and Management Support Services.”

(ii) Amendment to Sub-Paragraph 2.30, Solution, of the Agreement. Sub-Paragraph 2.30 of the Agreement is hereby amended and restated in its entirety to read as follows:

2.30 Solution

The aggregate Deliverables and Services provided and/or rendered by Contractor as set forth in Sections III through VI of Exhibit A (Statement of Work) of this Agreement, and as evidenced by Final Acceptance by the County. To be clear, as such term is used in this Agreement, Solution is limited to Phase V of AMP and excludes the Operations and Maintenance Services described in Section VIII of Exhibit A, Statement of Work.

(iii) Amendment to Sub-Paragraph 7.3 of the Agreement. Sub-Paragraph 7.3 of this Agreement is hereby amended and restated in its entirety to read as follows:

7.3 The Maximum Agreement Sum under this Agreement will be the total monetary amount payable by County to Contractor for supplying all the tasks, subtasks, Deliverables, Services under and during the term of this Agreement (the “Maximum Agreement Sum”). Until County has Accepted the provision of Services (including by deemed Acceptance in accordance with Sub-paragraph 5.1 (Acceptance Criteria)), no payment will be due Contractor for such Services. The Maximum Agreement Sum, including all applicable taxes and Pool Dollars for Optional Work, authorized by County hereunder will not exceed Nineteen Million Six Hundred and Twenty-Nine Thousand Eight Hundred Dollars (\$19,629,800.00) as further detailed in Exhibit A (Statement of Work), unless such Maximum Agreement Sum is modified pursuant to a duly approved amendment to this Agreement by County’s and Contractor’s authorized representative(s) pursuant to Paragraph 13.0 (Changes to Agreement). The Maximum Agreement Sum under this Agreement will cover the authorized payments for the Services, Deliverables, and any Optional Work. Unless otherwise agreed in writing, the Maximum Agreement Sum will not be adjusted for any costs or expenses whatsoever of Contractor. Contractor will maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the applicable Maximum Agreement Sum under this Agreement available for non-Fixed Price options described in Exhibit A (Statement of Work). Upon occurrence of this event, Contractor will promptly send written notification to County’s Project Director at the address herein provided in Exhibit C (County’s Administration).

(iv) Amendment to Sub-Paragraph 8.3 of the Agreement. The second sentence of Sub-Paragraph 8.3 of this Agreement is hereby amended and restated in its entirety to read as follows:

For the purposes of this Sub-Paragraph 8.3, the warranty period for any Deliverables provided, and Services performed, by Contractor pursuant to this Agreement (the "Warranty Period") will be thirty (30) days from the provision of such Deliverable or performance of such Service for the Operations and Maintenance Services described in Section VIII of Exhibit A, Statement of Work, and one hundred eighty days from the provision of such Deliverable or performance of such Service for all other Services.

(v) Amendment to Exhibit A (Statement of Work). Exhibit A (Statement of Work) is amended to include additional operations and maintenance support services as set forth in Attachment I hereto, which attachment is incorporated herein.

EXCEPT AS SET FORTH HEREIN, ALL TERMS AND CONDITIONS OF THE AGREEMENT REMAIN IN FULL FORCE AND EFFECT. NOTWITHSTANDING ANY OTHER PROVISION OF THE AGREEMENT, THE TERMS OF THIS AMENDMENT CONTROL AS ITS SPECIFIC CONTENT.



**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment:

COUNTY OF LOS ANGELES

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

Jeffrey Prang  
Assessor

CONTRACTOR  
ORACLE AMERICA, INC.

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

Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

APPROVED AS TO FORM:  
DAWYN HARRISON  
County Counsel

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

Michael Owens  
Senior Deputy County Counsel

## **Attachment I**

### **Amendments to Exhibit A, Statement of Work**

**A. Section I (Statement of Work (SOW) – Management Summary and Business Objective) of the Statement of Work is amended by deleting the following text:**

“Exhibit A includes the following sections:

- Definitions;
- AMP **Phase V** Fixed Price Overview;
- AMP **Phase V** Activities;
- Your Responsibilities;
- **Phase V** Assumptions, Change Order Process and Acceptance Criteria; and
- Fees, Expenses, and Taxes.”

**And replacing with:**

“Exhibit A includes the following sections:

- Definitions;
- AMP **Phase V** Fixed Price Overview;
- AMP **Phase V** Activities;
- Your Responsibilities;
- **Phase V** Assumptions, Change Order Process and Acceptance Criteria;
- Fees, Expenses, and Taxes; and
- O&M Services

**B. Section II (Definitions) of the Statement of Work is amended by inserting the following at the end of subsection A:**

“13. “O&M Services” means the services described in Section VIII.A of the Statement of Work.”

**C. Section III (AMP Phase V Fixed Price Overview) of the Statement of Work is amended by deleting the first sentence of such section and replacing it with the following:**

“This section describes the fixed price services and deliverables (other than the O&M Services and associated deliverables, which are described in Section VIII) to be provided by Oracle in support of AMP Phase V. For the avoidance of doubt, nothing contained in this Section III, including the descriptions of project overviews, timelines, and program organization and approach, reflects or applies to the provision of the O&M Services.”

**D. Section IV (AMP Phase V Activities) is amended by deleting the first sentence and replacing it with the following:**

"This section sets out Phase V activities and the supporting tasks that will be executed by Oracle (other than the O&M Services). For the avoidance of doubt, nothing contained in this Section III, including the descriptions of project overviews, timelines, and program organization and approach, reflects or applies to the provision of the O&M Services."

**E. Section V (Your Responsibilities) is amended by deleting the sentence fragment immediately above Section V.A.1 and replace with the following:**

"You acknowledge that Oracle's ability to perform the services (other than the O&M Services, which are subject to the assumptions listed in Section VIII) depends upon Your reasonable fulfillment of the following responsibilities and the following project assumptions:"

**F. Section VI (Phase V Assumptions, Change Order Process and Statement of Work Acceptance Procedure) is amended by deleting the introductory sentence and replacing it with the following:**

"The following project assumptions, change order process and a Statement of Work Acceptance procedure will be used by both LACA and Oracle in the execution of AMP **Phase V** (other than the execution of the O&M Services, which will be subject instead to the provisions for such O&M Services set forth in Section VIII).

**G. Section VII is amended by inserting the following new subsection header above the existing text of Section VII:**

**"A. Fees, Expenses and Taxes for Phase V Services (other than O&M Services)"**

**And by inserting the following as a new subsection B of Section VII:**

**B. Fees, Expenses and Taxes for O&M Services**

You agree to pay Oracle a fee of Six Million Four Hundred and Twenty-Nine Thousand Eight Hundred and Eighty dollars (\$6,429,880.00) for Services and Deliverables described in Section VIII of this SOW. This fee includes travel and out of pocket expenses. This fee does not include taxes. The provisions of Section 7.5, Holdbacks, of the Agreement shall not apply to the O&M Services. Upon completion of a Deliverable, the corresponding Deliverable fee specified below becomes due and payable and Oracle shall thereafter invoice, and You shall pay, such Deliverable fee; this payment obligation shall become non-cancelable and the sum paid nonrefundable on Your acceptance date.

As of the Effective Date of Amendment 1 to the Agreement, the below delivery dates are estimated dates and are intended for planning purposes only. As such Oracle does not guarantee that these dates will be met and failure to meet such estimated dates shall not, in

and of itself, constitute a breach of contract. Oracle will, however, use commercially reasonable efforts to meet the estimated dates.

Table 19: O&M Deliverables Fee Table

#	Deliverable Name	Deliverable Description	Expected Delivery Month	Deliverable value
OM1	O&M Summary Report Month 1	The report covers O&M activities provided in that month	Month 1	\$803,735.00
OM2	O&M Summary Report Month 2	The report covers O&M activities provided in that month	Month 2	\$803,735.00
OM3	O&M Summary Report Month 3	The report covers O&M activities provided in that month	Month 3	\$803,735.00
OM4	O&M Summary Report Month 4	The report covers O&M activities provided in that month	Month 4	\$803,735.00
OM5	O&M Summary Report Month 5	The report covers O&M activities provided in that month	Month 5	\$803,735.00
OM6	O&M Summary Report Month 6	The report covers O&M activities provided in that month	Month 6	\$803,735.00
OM7	O&M Summary Report Month 7	The report covers O&M activities provided in that month	Month 7	\$803,735.00
OM8	O&M Summary Report Month 8	The report covers O&M activities provided in that month	Month 8	\$803,735.00

H. Insert a new Section VIII of the Statement of Work as follows:

## I. OPERATIONS AND MAINTENANCE (“O&M”)

Oracle’s scope of services under this Statement of Work will also include the Services and deliverables described in this Section VII.

## A. Oracle Delivery Scope

Oracle will provide up to four thousand eight hundred and twenty (4,820) Person Days to assist with providing support for AMP. Support may include project management, architecture, security upgrades, OPA replacement, development, database management, issue remediation and testing, as mutually agreed by You and Oracle.

Oracle will provide a monthly status report regarding activities performed under O&M.

Table 20: Deliverables for O&M Activities

Deliverable#	Deliverable Name	Deliverable Description	Estimated Month
OM1 - 8	Monthly O&M Summary Report	Covers O&M activities for the above services	Monthly

## B. Your Responsibilities for O&M Services

You acknowledge that Your timely provision of, and reasonable access to, office accommodations, facilities, equipment, assistance, cooperation, complete and materially accurate information and data from Your officers, agents, and employees, and suitably configured computer products (collectively, "cooperation") are essential to the performance of any services as set forth in this Statement of Work.

Oracle will not be responsible for any deficiency in performing services to the extent such deficiency results from Your failure to provide reasonable cooperation; provided however, that Oracle acknowledges its duty to endeavor reasonably to mitigate the effects of any such failures so as to avoid deficiencies.

You acknowledge that Oracle's ability to perform the O&M Services depends upon Your reasonable fulfillment of the following responsibilities and the following project assumptions:

### 1. General Responsibilities

- Maintain the properly configured hardware / operating system platform to support the services.
- Obtain licenses, under separate contract, for any necessary Oracle software and hardware programs before the commencement of services.
- Maintain annual technical support for the Oracle software and hardware, under separate contract, throughout the term of the services.
- Obtain Cloud Services, including but not limited to OCI services, under a separate contract prior to the commencement of Services under this exhibit and maintain such Cloud Services for the duration of the Services provided under this exhibit.
- Provide Oracle with full and timely access to relevant functional, technical, and business resources with adequate skills and knowledge to support the performance of services.
- Provide, for all Oracle resources performing services at Your site, a workspace that complies with applicable state and federal standards.
- Provide any notices, and obtain any consents, required for Oracle to perform on-site services.

- h. Limit Oracle's access to any production environments or shared development environments to the extent necessary for Oracle to perform services.
- i. If, while performing services, Oracle requires access to other vendor's products that are part of Your system, You will be responsible at Your expense for acquiring all such products and the appropriate license rights necessary for Oracle to access such products on Your behalf.
- j. You are responsible for acquiring and maintaining any equipment and performing any labor and / or activities necessary to set-up and maintain network connectivity at and to Your Oracle software environment.
- k. You will provide and maintain user accounts for, and access to, a VPN for the Oracle team members, including but not limited to, Oracle's onsite and remote resources for Oracle team member support of Your project. VPN access will be granted to Oracle resources based on mutual agreement.
- l. You will provide 24-hour remote VPN access to all environments, as mutually agreed, associated with the services, with no outage longer than 12 hours during business hours.

## **2. Project Responsibilities**

- a. Identify, schedule, and facilitate the necessary requirements gathering, analysis, acceptance criteria, test cases, test data, design, and implementation planning sessions with Your business user representatives and project team members as necessary for any O&M Services tasks
- b. Provide any necessary and appropriate data (e.g., test data, configuration data, etc.) required by Oracle to support the performance of services.
- c. Be responsible for defining business requirements and identifying a member of Your staff who will serve as the LACA subject matter expert (the "Business Owner"). LACA will be responsible for coordinating the collection of business requirements, prioritizing them, and ensuring the active participation of subject matter experts from Your staff as required for delivery of Services.
- d. Understand the applicable architecture and implementation approach and provide guidance to Oracle when requested.
- e. Be solely responsible for the design and development of any changes or modifications to existing systems, excluding AMP, as required for Services.
- f. Procure, install, setup/configure, and validate all hardware including, but not limited to, storage and servers, network infrastructure and operating system platforms required to support the performance any services.
- g. Be responsible for installing patches or upgrading environment to meet minimum standards.
- h. Be responsible for the legacy touch-points portion of any interface, e.g., the actual extract from and/or feed into the legacy applications.
- i. Database and servers planning, architecting, installation, management and support will be performed by You in all legacy environments.
- j. Provide any required functional environments (including environments for development, integration, user acceptance, staging or production) as needed for performance of the O&M Services.

- k. Provide access to any libraries necessary to perform the services (e.g., code), including merging of the libraries (e.g., code path changes), and migrating of libraries (e.g., code path) between all environments.
- l. Be responsible for maintaining, administering, and supporting the relevant libraries.
- m. Ensure that the system and its environments comply with Your security guidelines, and all applicable governmental regulations.
- n. Be responsible for reconstruction / restoration of any lost or altered files, data, and programs.
- o. Provide a backup of each mutually agreed environment on a schedule agreed to by You and Oracle.
- p. Be responsible for the installation, configuration, maintenance, and management of any and all third-party products.
- q. Provide the following support and response times for infrastructure-related issues:
  - o Normal business hours support with response time within four (4) hours of the time the issue arises.
- r. Provide access to Your production employee Microsoft Active Directory.
- s. Designate a project manager who shall (i) oversee and ensure Your performance of the obligations You are tasked with during the performance of services, and (ii) work directly with the Oracle project manager on a daily basis to support the performance of services.
- t. Provide an escalation process for management of O&M Services tasks
- u. Be responsible for the contractual relationships with third party contractors and for directing such third parties to fully cooperate with Oracle, and the project team, as and when required by Oracle.
- v. Assign an Architect, business rules and subject matter expert to work on any OPA replacement support tasks.

## C. O&M Services Assumptions

The following project assumptions will be used by both LACA and Oracle in the execution of the O&M Services.

### 1. Project Assumptions

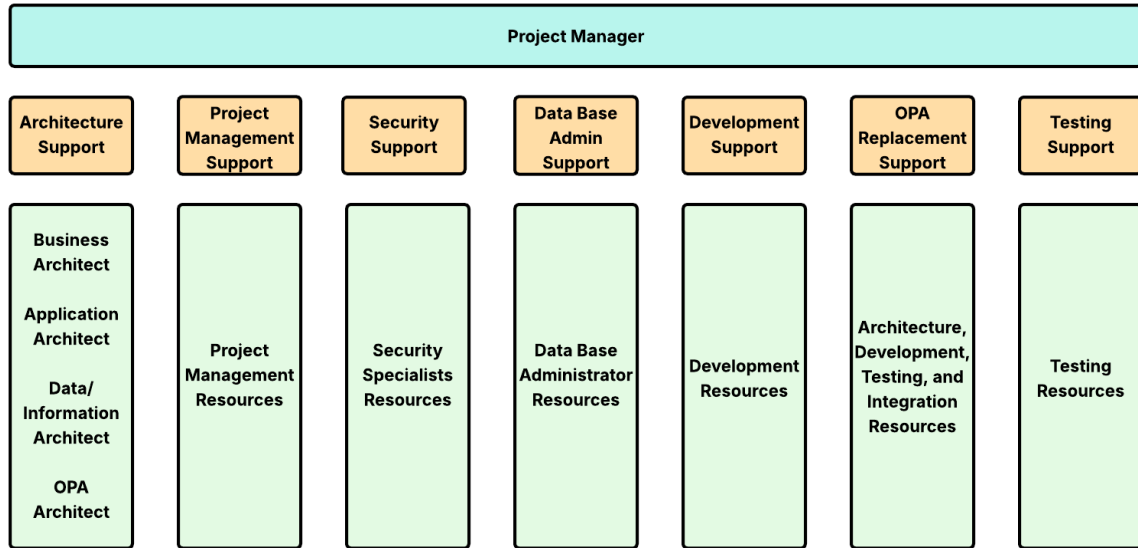
- a. A Person Day is defined as eight (8) hours.
- b. As part of the monthly deliverable, Oracle will include details on the Person Days worked.
- c. The timing and manner of execution of the services will be based upon:
  - o The location of the Oracle resource(s) performing the service.
  - o The need of the Oracle resource to interact with LACA or offshore resources.
- d. Each assigned Oracle resource will generally perform Services for a total of forty (40) hours per business week (i.e. per 5 business days), generally consisting of one (1) Person Day per business day, unless time off is approved and documented by the Oracle Project Manager.

- e. Oracle offshore resources will not be required to work during standard LACA working hours, unless a pre-planned meeting is agreed to by the PMs.
- f. There is no expectation that either staff will adhere to the holiday schedule of the other party.
- g. The LACA and Oracle Project Manager will define a window for meetings on Monday through Thursday where all the team members, LACA and Oracle, can participate.
- h. The Oracle onshore Project Manager, and architecture, security and database administration support, will be available for up to 4 hours per LACA work day (excluding Oracle local holidays and personal leave days) on a mutually agreed schedule. Deviations will be mutually agreed between PM's.
- i. The expected duration of the O&M Services will be November 19, 2025 to July 31, 2026.
- j. Oracle support services will be performed offsite outside of the LA area and outside of County facilities.
- k. Any functionality will be created using U.S. English only.
- l. All monetary values will use US dollars.
- m. You may record meetings not containing material subject to copyright for internal LA County use only.
- n. You have procured appropriate licenses for and provided Oracle with the following open-source software to use in the performance of this SOW: JIRA, Gitlab, Jenkins, Archiva, and AngularJS.

## **2. Project Management Assumptions:**

- a. Oracle may assign or release a specific project resource, or may assign different resources, at different times, to a task.
- b. If You assign resources to a task with which Oracle assists, those resources will represent You and will be empowered to make decisions on Your behalf.
- c. Your and Oracle's project managers will establish project reviews to monitor the usage of the services.
- d. In the event Oracle is unable to provide the resources necessary to provide the O&M Services the Project Managers shall execute a Change Order adjustment to reconcile the variance in the last invoice period.
- e. Based on the expectations of the parties as of the date of Amendment 1 to the Agreement as to the nature of O&M Services You will request, the anticipated structure of support organization is as follows. Organization for O&M Services delivery is subject to change based on the nature of the O&M Services provided.





### 3. Documentation Assumptions:

- a. All written documentation and communication will be done in U.S. English.
- b. A document deliverable is a document in Microsoft Office 365 format and consists of one (1) electronic copy.

You acknowledge that any change or alternation of the assumptions in this **Section VIII.C** may alter the approach, resources, staffing levels, schedule for delivery of the O&M Services and shall be subject to the Change Order Process as outlined below.

## SOLE SOURCE CHECKLIST

Department Name: OFFICE OF THE ASSESSOR

- ☐ New Sole Source Contract
- ☐ Sole Source Amendment to Existing Contract
- Date Existing Contract First Approved: \_\_\_\_\_

Check (✓)	<b>JUSTIFICATION FOR SOLE SOURCE CONTRACTS</b> Identify applicable justification and provide documentation for each checked item.
<input type="checkbox"/>	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available. A monopoly is an <i>“Exclusive control of the supply of any service in a given market. If more than one source in a given market exists, a monopoly does not exist.”</i>
<input type="checkbox"/>	➤ Compliance with applicable statutory and/or regulatory provisions.
<input type="checkbox"/>	➤ Compliance with State and/or federal programmatic requirements.
<input type="checkbox"/>	➤ Services provided by other public or County-related entities.
<input checked="" type="checkbox"/>	➤ Services are needed to address an emergent or related time-sensitive need.
<input type="checkbox"/>	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
<input checked="" type="checkbox"/>	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
<input type="checkbox"/>	➤ Services are needed during the time period required to complete a solicitation for replacement services; provided services are needed for no more than 12 months from the expiration of an existing contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance and support services are needed for an existing solution/system during the time to complete a solicitation for a new replacement solution/ system; provided the services are needed for no more than 24 months from the expiration of an existing maintenance and support contract which has no available option periods.
<input type="checkbox"/>	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
<input type="checkbox"/>	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
<input type="checkbox"/>	➤ It is in the best economic interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.

\_\_\_\_\_  
Chief Executive Office

\_\_\_\_\_  
Date

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	11/5/2025		
<b>BOARD MEETING DATE</b>	12/2/2025		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Chief Executive Office		
<b>SUBJECT</b>	REQUEST APPROVAL TO EXECUTE A CONTRACT AMENDMENT WITH GEORGE HILLS COMPANY, INC. – CAALMSS		
<b>PROGRAM</b>	Claims Administration and Litigation Management Support Services (CAALMSS)		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why:		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No – Not Applicable  <b>If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.</b>		
<b>DEADLINES/ TIME CONSTRAINTS</b>	The Chief Executive Office (CEO) is requesting that this amendment be made retroactively effective as of January 28, 2025, through June 30, 2029.		
<b>COST &amp; FUNDING</b>	Total cost: \$13,200,000.00		Funding source: Insurance Operating Budget
	TERMS (if applicable): N/A		
	Explanation: N/A		
<b>PURPOSE OF REQUEST</b>	The amendment ensures the CEO – Risk Management Branch has sufficient flexibility to address unanticipated claims surge, and regulatory compliance obligations, without interruption to critical claims administration services.		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	<p>As of September 25, 2025, the Executive Office of the Board has received approximately 22,000 claims for damages from individuals seeking recovery related to the January 2025 wildfires. Since statute of limitations for property damage does not expire until January 2026, this number is expected to increase substantively.</p> <p>Following the 2021 Dominguez Hills Channel event, a Third-Party Administrator contract amendment allowed for emergency claims services at \$275 per claim. Using that model while adjusting for inflation, the CEO has reached a tentative agreement with the Third-Party Administrator to process wildfire claims at \$330 per claim.</p>		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Anthony Taras, Manager, CEO, (213) 351-6405, <a href="mailto:ataras@ceo.lacounty.gov">ataras@ceo.lacounty.gov</a> Kashari S. Jones, ASM III, (213) 974-2459, <a href="mailto:kjones@ceo.lacounty.gov">kjones@ceo.lacounty.gov</a>		



## Chief Executive Office.

### COUNTY OF LOS ANGELES

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

#### ACTING CHIEF EXECUTIVE OFFICER

Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

December 2, 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:

**REQUEST APPROVAL TO EXECUTE A CONTRACT AMENDMENT WITH  
GEORGE HILLS COMPANY, INC., FOR CLAIMS ADMINISTRATION AND  
LITIGATION MANAGEMENT SUPPORT SERVICES  
(ALL DISTRICTS) (3-VOTES)**

**SUBJECT**

The Chief Executive Office (CEO), Risk Management Branch requests delegated authority to execute an amendment to the current contract AO-24-404 with George Hills Company, Inc. (George Hills), for claims administration and litigation management support services (CAALMSS).

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Acting Chief Executive Officer, or his designee to execute an amendment to contract number AO-24-404, substantially similar to the Enclosure, with third-party administrator (TPA) George Hills, to provide claims administration services for up to 40,000 new claims arising from the January 2025 wildfires, at a rate of \$330 per claim. The amendment will retroactively cover the costs of administrative services rendered for these wildfire claims from January 28, 2025, through June 30, 2026, the end of the current contract term, for a total amount not to exceed \$13,200,000.00, thereby increasing the maximum Contract Sum to \$25,845,406.33.
2. Delegate authority to the Acting Chief Executive Officer, or his designee to execute future amendments to contract number AO-24-404 to increase the annual

Contract Sum by no more than 15 percent in each applicable annual contract term, based on the revised maximum Contract Sum of \$33,852,125.83, through June 30, 2029, the end of the contract term if all option years are exercised, to address unanticipated or emergency workload increases, subject to approval as to form by County Counsel.

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

### Background

The Palisades and Eaton Fires, which ignited on January 7, 2025, burned combined total of 37,469 acres, making this dual wildfire event one of the most destructive in Los Angeles County's history. According to the recent After-Action Review report prepared by the McChrystal Group, the Palisades Fire affected more than 20,000 individuals and destroyed approximately 6,837 structures. The Eaton Fire impacted nearly 23,000 residents, demolished approximately 9,400 structures, and damaged more than 1,000 additional buildings. The unprecedented scale of devastation has resulted in a substantial increase in claims for damages filed against the County of Los Angeles (County).

This extraordinary and unanticipated surge in claim volume could not have been foreseen at the time the County executed its contract with George Hills. Consequently, the TPA is experiencing staffing shortages that are impeding the timely and efficient processing of claims. Given the magnitude of this catastrophic event, additional personnel are required to manage the increased workload and ensure each claim is processed promptly, accurately, and in compliance with all statutory deadlines.

### Recommendations

Approval of Recommendation One will authorize the Acting Chief Executive Officer, or his designee, to amend the County's existing contract with George Hills to provide the necessary CAALMSS. This amendment will address the immediate need to administer approximately 17,000 pending claims and provide retroactive coverage for approximately 5,000 claims arising from the January 2025 Southern California wildfires.

Approval of Recommendation Two, delegate authority to the Acting Chief Executive Officer or his designee, to increase the maximum annual Contract Sum by up to 15 percent for each successive contract term through June 30, 2029. This delegated authority will ensure that the County retains the flexibility necessary to respond to any future surge in claims and maintain compliance with statutory and regulatory obligations—without interruption to critical claims administration services.

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

The recommended actions support the Countywide Strategic Plan: North Star 3 – Realize Tomorrow's Government Today, by enhancing the County's operational effectiveness through timely, efficient and responsive third-party claims administration services. These actions will enable the County to manage liability costs more effectively under emergency and high-volume claim conditions, ensuring fiscal responsibility and continuity of service delivery during disaster recovery efforts.

### **FISCAL IMPACT/FINANCING**

The recommended amendment will increase the Contract Sum by \$13,200,000.00, resulting in a revised maximum Contract Sum of \$25,845,406.33. Funding for this amendment is included within the CEO's Insurance Operating Budget, which is financed through cost allocations to County departments that utilize these services.

To ensure adequate funding for future needs, the CEO will allocate up to \$33,852,125.83 over the remaining contract term, contingent upon the exercise of all option years. This allocation will provide sufficient budgetary flexibility to address any unanticipated contract expenditures associated with emergency events or increased claim volumes.

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

Pursuant to Government Code Section 31000.8, the County is authorized to contract with TPAs for the management of workers' compensation, public liability, and employee health and welfare claims. Proposition A does not apply to this contract; therefore, George Hills is not subject to the Living Wage Program (County Code Chapter 2.201).

The services provided under this contract are of a specialized and technical nature. Accordingly, the CEO has determined that the contract does not impact Board Policy No. 5.030, "Low-Cost Labor Resources Program."

The enclosed amendment includes all required Board provisions, contractual safeguards, and terms and conditions necessary to protect the County's interests. County Counsel has reviewed and approved the contract amendment as to form.

### **CONTRACTING PROCESS**

On January 23, 2024, the Board of Supervisors authorized CEO to enter into a contract with George Hills to provide CAALMSS for the County. The Board of Supervisors also delegated authority to the CEO to execute contract amendments increasing the annual Contract Sum by no more than 15 percent to address unanticipated or emergency

workload increases. On March 19, 2024, the CEO exercised this delegated authority and executed the contract.

Subsequently, on June 24, 2024, Amendment Number one was executed to address unanticipated workload increases associated with claims arising under the California Child Victims Act (Assembly Bill 218).

The proposed amendment results from direct negotiations with George Hills necessitated by extraordinary and unforeseen workload increases stemming from the January 2025 firestorms. These catastrophic wildfires caused widespread destruction to homes, businesses, and communities throughout Los Angeles County. Nearly one year later, tens of thousands of residents remain displaced, further straining the County's housing market and generating an unprecedented number of claims requiring immediate and effective administration.

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

Approval of the recommended actions will ensure continuity of service and enable the CEO Risk Management Branch, in collaboration with County Counsel and George Hills, to effectively mitigate County liability exposure through the timely resolution of claims and litigation. These actions will strengthen the County's capacity to respond to large-scale emergencies by ensuring adequate administrative resources are in place to manage unanticipated surges in claim volume, thereby safeguarding County operations and maintaining essential public services.

Respectfully submitted,

JOSEPH M. NICCHITTA  
Acting Chief Executive Officer

JMN:JG:DC  
RUC:KSJ:AT:OS:JT:er

Enclosure

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

**COUNTY OF LOS ANGELES**  
**CLAIMS ADMINISTRATION AND LITIGATION SUPPORT SERVICES**  
**CONTRACT NO. AO-24-404**  
**AMENDMENT THREE**

THIS AMENDMENT is made and entered into by and between

and

COUNTY OF LOS ANGELES  
(hereinafter "COUNTY"),

GEORGE HILLS  
(hereafter "CONTRACTOR")

Business Address:  
30401 Agoura Road, Suite 120  
Agoura Hills California 91301

**Recitals**

**WHEREAS**, on January 23, 2024, the Board of Supervisors (Board) authorized the Chief Executive Officer (CEO) to enter into contract No. AO-24-404 "Contract" with Contractor to provide claims administration and litigation management support services for the County, for an initial term of five years from July 1, 2024 through June 30, 2029 with a Maximum Contract Sum of \$10,966,005.50, and the Board delegated authority to the CEO, or her designee, to execute amendments to increase the annual Contract Sum by no more than 15 percent to address unanticipated and emergency workload increases; and

**WHEREAS**, on March 19, 2024, the CEO exercised this delegated authority to execute the Contract; and

**WHEREAS**, pursuant to Paragraphs 8.1.1 and 8.1.2 of the Contract, the CEO is authorized to: 1) execute amendments and change notices; and 2) add and/or change provisions required by the County's Board; and

**WHEREAS**, on June 24, 2024, Amendment One was executed due to unanticipated workload increases resulting from California Child Victims Act (AB 218) claims, and the County added 2 claims specialists to the current staffing model of 11 claims specialists to further administer and provide incident, claims, and litigation management and support services. The CEO exercised its delegated authority to both increase the maximum contract sum by up to fifteen percent (15%), an increase of \$1,649,400.83, for a maximum contract sum of \$12,645,406.33, and also add and/or change applicable Board provisions; and

**WHEREAS**, on June 25, 2025, Amendment Two was executed to 1) memorialize the Contractor as solely responsible for Contract, and 2) update technical exhibits, and update approval Board provisions as required; and



**WHEREAS**, County and Contractor agree that it is to their mutual benefit to amend the contract to provide additional As-Needed Claims Services for the greatly increased volume of claims resulting from the January 2025 Wildfires at a rate of \$330 per claim, retroactively from January 28, 2025 through June 30, 2026; and

**NOW THEREFORE**, in consideration of the mutual benefits derived therefrom, it is agreed between the County and Contractor that Contract No. AO-24-404 is amended as follows:

1. This Amendment Three shall be effective upon execution.
2. Section 5.0, Contract Sum, Paragraph 5.1, Total Contract Sum, Subparagraph 5.1.2, is revised to read as follows:

“5.1.2 The Maximum Contract Sum of this Contract shall be \$25,845,406.33 for the Term of this Contract, with any costs incurred to complete this project, in excess of the Maximum Contract Sum, to be borne by Contractor. If County does not accept work under and in accordance with this Contract, no payment shall be due to Contractor for such work.”
3. SOW Technical Exhibits cover page is updated to add Exhibit A-11, Claims and Caseload Data Report for the Wildfires of January 2025.
4. Exhibit A-11, Technical Exhibit to the Statement of Work (Claims Administration – January 2025 Wildfire), is attached hereto and incorporated herein by reference.
5. Exhibit B-1, Pricing Schedule, is deleted in its entirety and is replaced by Exhibit B-2 (Pricing Schedule), attached hereto, and incorporated herein by reference. All references to Exhibit B-1 will hereafter refer to Exhibit B-2.
6. Exhibit C-1, County’s Administration, is deleted in its entirety and is replaced by Exhibit C-2 (County’s Administration), attached hereto, and incorporated herein by reference. All references to Exhibit C1- will hereafter refer to Exhibit C-2.
7. Except as expressly provided in this Amendment, all other mutual promises, covenants, terms and conditions of the Contract will remain the same and in full force and effect.

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**IN WITNESS WHEREOF**, the parties hereto have authorized this Amendment to be executed on its behalf by its duly authorized officials:

**COUNTY OF LOS ANGELES:**

**CONTRACTOR:**

GEORGE HILLS COMPANY, INC.

By \_\_\_\_\_  
JOSEPH M. NICCHITTA  
Acting Chief Executive Officer

By \_\_\_\_\_  
JOHN CHAQUICA  
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON  
County Counsel

By *Jason C Carnevale*  
JASON C. CARNEVALE  
Deputy County Counsel

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## **CLAIMS ADMINISTRATION – JANUARY 2025 WILDFIRE**

### **A. DEFINITION**

January 2025 Wildfire Claims are defined as claims categorized under Catastrophe Code: Fires Windstorms and Sub-Catastrophe Code: Palisades Fire or Eaton Fire.

### **B. CLAIMS ADMINISTRATION**

Claims shall be administered per contract terms, with the exception that claims shall not be sent to Departments for investigation. Departments will receive reports internally in lieu of individual notices from the contractor.

Claims administration services are separate from litigation management support services. The former applies to submissions that are in the claim state, while the latter applies to lawsuits.

## PRICING SCHEDULE

TERM	ANNUAL FIXED FEE	15% INCREASE EXERCISED VIA AMENDMENT ONE*	MAXIMUM ANNUAL FEE (INCLUDING OPTIONAL 15% INCREASE)
07/01/2024 - 06/30/2025	\$1,990,000.00	\$298,500.00	\$2,288,500.00
07/01/2025 - 06/30/2026	\$2,089,500.00	\$313,425.00	\$4,691,425.00
07/01/2026 - 06/30/2027	\$2,193,975.00	\$329,096.25	\$7,214,496.25
07/01/2027 - 06/30/2028	\$2,303,673.00	\$345,550.95	\$9,863,720.20
07/01/2028 - 06/30/2029	\$2,418,857.50	\$362,828.63	\$12,645,406.33
<b>Maximum Contract Sum for Base (Initial) Term</b>	<b>\$10,996,005.50</b>	<b>\$1,649,400.825</b>	<b>\$12,645,406.33</b>
<b>OPTIONAL EXTENSION TERM</b>	<b>ANNUAL FIXED FEE</b>	<b>-</b>	<b>TOTAL CONTRACT SUM</b>
07/01/2029 - 06/30/2030	\$2,539,800.00	-	\$15,185,206.33
07/01/2030 - 06/30/2031	\$2,666,790.00	-	\$17,851,996.33
07/01/2031 - 06/30/2032	\$2,800,129.50	-	\$20,652,125.83
<b>Maximum Contract Sum for all Optional Extensions</b>	<b>\$8,006,719.50</b>	<b>-</b>	

### \*AB 218 Claims Administration

The County Program Monitor will review and verify service fees related to additional staffing required to administer AB 218 claims. The "additional staffing" shall mean two (2) additional claims specialists above the currently staffed eleven (11). Such charges shall be billed in arrears and subject to proof of actual additional staffing for the applicable service month.

\*\*\*\*\*

### January 2025 Wildfire Claims Service Period: July 1, 2025, through June 30, 2026

SERVICE TYPE	SERVICE RATE	# OF CLAIMS	TOTAL AMOUNT
As-Needed Claims Services**	\$330 per claim	Approximately 40,000	\$13,200,000

\*\*County Project Manager will review and verify as-needed claim(s) before approving invoice(s) for payment. Services are for claims resulting from the January 2025 wildfires.

## COUNTY'S ADMINISTRATION

**CONTRACT NO. AO-24-404**

**COUNTY CONTRACT ADMINISTRATOR (CCA):**

Name: DESTINY CASTRO  
Title: BRANCH MANAGER, CHIEF EXECUTIVE OFFICE - RISK MANAGEMENT  
BRANCH  
Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013  
Telephone: (213) 351 – 5346  
E-Mail Address: [dcastro@ceo.lacounty.gov](mailto:dcastro@ceo.lacounty.gov)

**COUNTY PROJECT DIRECTOR:**

Name: ANTHONY TARAS  
Title: MANAGER, CEO  
Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013  
Telephone: (213) 351 – 6405  
E-Mail Address: [ataras@ceo.lacounty.gov](mailto:ataras@ceo.lacounty.gov)

**COUNTY PROJECT MANAGER:**

Name: OLGA SVITLYNETS  
Title: CHIEF PROGRAM SPECIALIST  
Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013  
Telephone: (213) 351 – 6628  
E-Mail Address: [osvitlynets@ceo.lacounty.gov](mailto:osvitlynets@ceo.lacounty.gov)

**COUNTY CONTRACT PROJECT MONITOR:**

Name: JUNE TAI  
Title: PROGRAM SPECIALIST IV  
Address: COUNTY OF LOS ANGELES – THE GAS COMPANY TOWER  
555 WEST 5<sup>TH</sup> STREET, 36TH FLOOR, LOS ANGELES, CALIFORNIA 90013  
Telephone: (213) 639 – 6368  
E-Mail Address: [jtai@ceo.lacounty.gov](mailto:jtai@ceo.lacounty.gov)

# BOARD LETTER/MEMO CLUSTER FACT SHEET

☒ Board Letter

☐ Board Memo

☐ Other

<b>CLUSTER AGENDA REVIEW DATE</b>	11/5/2025		
<b>BOARD MEETING DATE</b>	12/2/2025		
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	<input checked="" type="checkbox"/> All <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 2 <sup>nd</sup> <input type="checkbox"/> 3 <sup>rd</sup> <input type="checkbox"/> 4 <sup>th</sup> <input type="checkbox"/> 5 <sup>th</sup>		
<b>DEPARTMENT(S)</b>	Internal Services Department (ISD)		
<b>SUBJECT</b>	Request to purchase computer equipment at a cost greater than \$250,000 to meet the technology needs of the County Departments.		
<b>PROGRAM</b>	N/A		
<b>AUTHORIZES DELEGATED AUTHORITY TO DEPT</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain why: N/A		
<b>SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Not Applicable If unsure whether a matter is subject to the Levine Act, email your packet to <a href="mailto:EOLevineAct@bos.lacounty.gov">EOLevineAct@bos.lacounty.gov</a> to avoid delays in scheduling your Board Letter.		
<b>DEADLINES/ TIME CONSTRAINTS</b>	The purchase is required to replace aged equipment passed its five-year useful life with increased extended support and maintenance costs currently being paid. Extended support will end on December 31, 2025.		
<b>COST &amp; FUNDING</b>	Total cost: \$1,763,000	Funding source: Sufficient appropriation for the recommended purchases is included in ISD's FY 2025-26 Adopted budget. There will be no changes in the current billing or costs to customer departments. No additional NCC is required for these acquisitions.	
	TERMS (if applicable):		
	Explanation:		
<b>PURPOSE OF REQUEST</b>	This purchase is required to 1) Replace end of support tape system (TS7760C) with a new system (TS7780C); and 2) Expand and replace two enterprise storage arrays (250TB each) at DC1 and LRC to support and protect mission-critical County applications managed by ISD.		
<b>BACKGROUND (include internal/external issues that may exist including any related motions)</b>	The existing tape system (TS7760T) has passed its five-year useful life. The cost of the equipment maintenance has increased significantly, and IBM has withdrawn support for the current system from the market; extended support is currently being paid with the end of service on December 31, 2025. The storage expansion/replacement will replace older PURE and XtremIO storage arrays. The aging equipment is increasingly expensive to maintain. ISD recommends expanding the IBM tape system and the Dell Enterprise Storage Array systems as a cost-effective solution.		
<b>EQUITY INDEX OR LENS WAS UTILIZED</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please explain how:		
<b>SUPPORTS ONE OF THE NINE BOARD PRIORITIES</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, please state which one(s) and explain how:		
<b>DEPARTMENTAL CONTACTS</b>	Name, Title, Phone # & Email: Rumi Salihue, Division Manager, (562) 940-3969, MSalihue@isd.lacounty.gov		



County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

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**MICHAEL OWH**  
Director

*Speed. Reliability. Value.*

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December 2, 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:

**ACQUISITION OF COMPUTER EQUIPMENT (IBM VIRTUAL TAPE SYSTEM AND  
ENTERPRISE STORAGE ARRAY EXPANSION) HOSTING COUNTYWIDE  
APPLICATIONS IN DATA CENTER 1 AND LOCAL RECOVERY CENTER**

**(ALL SUPERVISORIAL DISTRICTS - 3 VOTES)**

**SUBJECT**

This is a request for approval to purchase computer equipment at a cost greater than \$250,000 to meet the technology needs of the County Departments.

**IT IS RECOMMENDED THAT YOUR BOARD:**

Authorize the Director of the Internal Services Department (ISD), as the County of Los Angeles' (County) Purchasing Agent, to purchase an IBM Virtual Tape System for Data Center 1 (DC1) and Dell PowerMax Storage Expansion for both DC1 and the Local Recovery Center (LRC). This total capital asset expenditure is not to exceed \$1,763,000, including hardware, software and sales tax, to support mission-critical County applications.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This request is for approval to procure one IBM Virtual Tape System (TS7780C) to replace the current (TS7760T) version for DC1. The current system, part of the County's Mainframe maintenance program, has exceeded its five-year life span. Maintenance costs have risen, and IBM has ceased support for the current version. Mainframe applications used by County Departments, including critical systems like County Warrant System, Automated Jail Information System, Adult Probation System, and Trial Courts Information System. The new equipment cost will not exceed \$520,000.

Additionally, approval is requested to procure two Dell PowerMax 8500 Storage Expansions for DC1 and LRC, each with 250TB capacity. Increased storage is needed



for Countywide and law enforcement systems. This includes applications such as the Auditor-Controller's eHR and eCAPS systems, CCHRS, and PIX. The expansion will enhance performance and provide savings by consolidating and decommissioning legacy systems, eliminating future extended maintenance costs for the next five years. The total cost will not exceed \$1,243,000.

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

This action aligns with the County Strategic Plan, North Star 3: Flexible and Efficient Infrastructure, to improve infrastructure by implementing technological enhancements. It aims to replace outdated systems, increase efficiency, and leverage new technologies for better visibility and accessibility. Acquiring this computer equipment is essential to meet the IT needs of County departments that serve residents.

### **FISCAL IMPACT/FINANCING**

ISD has budgeted for the total equipment cost in the Fiscal Year 2025-26 Adopted Budget. There will be no change in the current billing or cost to customer departments. All related costs have been planned, budgeted, and approved. No additional net County cost is required for these acquisitions.

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

On October 16, 2001, the Board approved new classification categories for capital assets. It also mandated that County departments must obtain Board approval before purchasing ordinance equipment costing \$250,000 or more.

### **CONTRACTING PROCESS**

This procurement falls under the statutory authority of the County's Purchasing Agent and will be accomplished in accordance with the County's Purchasing Policies and Procedures. This brand specific solicitation will be competitively solicited among authorized IBM and Dell resellers and awarded to the lowest responsible and responsive bidder.

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

The vendor has withdrawn the current tape system from the market, and the maintenance costs for legacy servers have risen significantly. Replacing the tape system is crucial to support nine County Departments: Sheriff's, Probation, Superior Court, Public Works, District Attorney, Health Services, Treasurer and Tax Collector, Auditor-Controller, and Office of the Assessor. These departments run sixteen critical applications on the Mainframe. Critical systems, such as the County Warrant System (CWS), Automated Jail

Information system (AJIS), Adult Probation System (APS), and others, would suffer greatly from data loss due to hardware failure.

The annual maintenance cost for legacy storage systems has risen significantly. Approval of the recommended purchase is essential to ensure performance and continuous access to critical applications like the Auditor-Controller's eHR system, eCAPS, and law enforcement applications such as CCHRS.

Approval of the recommended purchases will enable ISD to continue providing hosting services for critical applications to County Departments without interruption.

### **CONCLUSION**

Upon your Board's approval, it is requested that the Executive Office, Board of Supervisors, return one stamped copy of the approved Board Letter to the Director of ISD.

Respectfully submitted,

MICHAEL OWH  
Director

MO:QH:MA:BC:RS:ef

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