Board of Supervisors

Operations Cluster Agenda Review Meeting

DATE: July 15, 2026
TIME: 2:00 p.m. – 4:00 p.m.
MEETING CHAIR: Tami Omoto-Frias, 1st 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 359163428# or Click here to join the meeting

Teams Meeting ID: 296 429 091 989 41
Passcode: jZ9Ch2sJ

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

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

1. CALL TO ORDER

2. INFORMATIONAL ITEM(S):
[Any informational item is subject to discussion and/or presentation at the request of two or more Board offices with advance notification]

None.

3. BOARD MOTION ITEM(S):

None.

4. DISCUSSION/PRESENTATION ITEM(S):

A) **Board Letter:**
RECOMMENDATION TO AWARD A CONTRACT FOR TITLE INVESTIGATION AND REPORTING SERVICES TO FIRST CORPORATE SOLUTIONS, INC.
TTC - Vibiana Navarro, Administrative Deputy

B) **Board Letter:**
MEMORDANDUM OF UNDERSTANDING WITH LOS ANGELES COUNTY FAIR ASSOCIATION TO COLLABORATE ON THE FAIRPLEX SPECIFIC PLAN AND POTENTIAL REDEVELOPMENT OF THE FAIRPLEX PROPERTY
CEO/RE - Michael Rodriguez, Section Chief

C) **Board Letter:**
CONTRACT FOR MICROSOFT ENTERPRISE VOLUME LICENSING SERVICES
LACDA/CIO - Cesar Delgado, IT Director

D) **Board Letter:**
APPROVE THE USE OF INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR THE COUNTY'S COMMUNITY INFORMATION EXCHANGE AND AN APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2026-27
CEO/CIO - Peter Loo, Chief Information Officer

5. PUBLIC COMMENT

6. ADJOURNMENT

UPCOMING ITEMS FOR JULY 22, 2026:

A) **Board Letter:**
REQUEST FOR APPROVAL TO AWARD AND EXECUTE A CONTRACT WITH LITTLEJOHN COMMUNICATIONS INC. FOR PAY PHONE SERVICES
ISD - Christie Carr, Contracting Division Manager

B) **Board Letter:**
COUNTYWIDE CLASSIFICATION/COMPENSATION ACTIONS
CEO/CLASS - Jennifer Revuelta, Principal Analyst

C) **Board Letter:**
APPROVAL OF AMENDMENT TO THE SOLE SOURCE AGREEMENT FOR WEB-BASED eCONSULT SYSTEM AND RELATED SERVICES WITH SAFETY NET CONNECT, INC.
DHS/CIO - Julio Alvarado, Director of Contracts Administration and Monitoring and Kevin Lynch, Chief Information Officer

D) **Board Letter:**
APPROVE SOLE SOURCE AMENDMENT NUMBER FIVE TO EXTEND CONTRACT NUMBER 78636 WITH LEGACY COMPUTER SERVICE FOR HEWLETT PACKARD TANDEM NONSTOP COMPUTER HARDWARE MAINTENANCE SERVICES
LASD/CIO - Tony Liu, Administrative Services Manager II and
Marshall Yelveton, Captain

E) **Board Letter:**
APPROVAL TO UTILIZE FUNDS FROM THE COUNTY'S INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR THE DEVELOPMENT AND IMPLEMENTATION OF ONLINE ADOPTION PARTNER APPLICATION AND APPROVAL OF AN APPROPRIATION ADJUSTMENT FISCAL YEAR 2026-27
DACC/CIO - Kenny Huang, Principal Information Systems Analyst

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

OPS_CLUSTER_COMMENTS@CEO.LACOUNTY.GOV

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☒ Board Letter ☐ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	07/15/2026	
BOARD MEETING DATE	08/11/2026	
SUPERVISORIAL DISTRICT AFFECTED	☒ All ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th	
DEPARTMENT(S)	Treasurer and Tax Collector (TTC)	
SUBJECT	Recommendation to award a contract for Title Investigation and Reporting Services to First Corporate Solutions, Inc.	
PROGRAM	N/A	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☒ Yes ☐ No	
SOLE SOURCE CONTRACT	☐ Yes ☒ No	
	If Yes, please explain why:	
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXECUTIVE OFFICE	☒ Yes ☐ No – Not Applicable **If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.**	
DEADLINES/ TIME CONSTRAINTS	Current Contract expires on 08/31/2026	
COST AND FUNDING	Total cost: Not to exceed $900,000 first year of the Contract	Funding source: Departmental Budget
	TERMS (if applicable): Three years, plus two additional one-year and six month-to-month optional periods.	
	Explanation: N/A	
PURPOSE OF REQUEST	Request for approval to award and execute a contract for Title Investigation and Reporting Services to First Corporate Solutions, Inc.	
BACKGROUND (include internal/external issues that may exist including any related motions)	TTC is required to notify all Parties of Interest of a proposed tax sale pursuant to Sections 3701 and 3799 of the Revenue and Tax Code. TTC contracts to obtain Title Investigation and Reporting Services for tax-defaulted properties Subject to the Tax Collector's Power to Sell pursuant to Division 1, Part 6, Chapter 7 of the Revenue and Tax Code. TTC utilizes Title Investigation and Reporting Services to identify all lien holders of record and any persons with Title of Record to all or any portion of the property, and to obtain copies of all recorded documents affecting the property in the form of Parties of Interest and Date Down Reports. TTC has contracted for Title Investigation and Reporting Services since 1985.	
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:	
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ☒ No If Yes, please state which one(s) and explain how:	
DEPARTMENTAL CONTACTS	• Lisa Proft, Chief Deputy, Treasurer and Tax Collector, (213) 974-0418, lproft@ttc.lacounty.gov • Deondria Barajas, Assistant Treasurer and Tax Collector, (213) 974-2077, dbarajas@ttc.lacounty.gov • Nichole Alcaraz, Operations Chief, (213) 974-0070, nalcaraz@ttc.lacounty.gov	

COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

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

ELIZABETH BUENROSTRO GINSBERG
TREASURER AND TAX COLLECTOR

August 11, 2026

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:

TREASURER AND TAX COLLECTOR
RECOMMENDATION TO AWARD A CONTRACT FOR
TITLE INVESTIGATION AND REPORTING SERVICES TO
FIRST CORPORATE SOLUTIONS, INC.
(ALL DISTRICTS) (3 VOTES)

<u>SUBJECT</u>

The recommended action is to approve a contract award to First Corporate Solutions, Inc. (First Corp.) for the provision of Title Investigation and Reporting Services (TIRS).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Award and instruct the Chair of the Board of Supervisors (Board) to sign the attached Contract, with First Corp., to provide TIRS to the County of Los Angeles Treasurer and Tax Collector (TTC) at a rate of $225 per parcel for Parties of Interest Reports, and $45 per parcel for Date Down Reports commencing upon Board approval, or September 1, 2026, whichever is later, for a three-year Contract Term, with an annual maximum Contract Sum not to exceed $900,000 for the first year of this Contract.

2. Delegate authority to the Treasurer and Tax Collector, or designee, to execute amendments to the Contract to: (1) exercise the optional two one-year and six month-to-month extensions; (2) add, delete, and/or revise certain terms and conditions as mandated by federal, state, or local law or regulation, or as required by the Board, and/or Chief Executive Office; (3) approve assignment and delegation of the Contract resulting from acquisitions, mergers, or other changes in ownership; and (4) revise the contract sum, fees, or payments and/or the Statement of Work as

operationally necessary, including an increase of no more than 10 percent annually based on unanticipated workload increases or reporting requirements, with all actions subject to prior approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

TTC is required to notify all Parties of Interest of a proposed tax sale pursuant to Sections 3701 and 3799 of the Revenue and Taxation Code (R&TC). TTC has contracted for TIRS since 1985 for tax-defaulted properties Subject to the Tax Collector's Power to Sell pursuant to Division 1, Part 6, Chapter 7 of the R&TC to identify all lien holders of record and any persons with Title of Record to all or any portion of the property, and to obtain copies of all recorded documents affecting the property in the form of Parties of Interest and Date Down Reports.

Implementation of Strategic Plan Goals

The approval of this Contract is consistent with the County's Strategic Plan North Star 3 – Realize Tomorrow's Government Today, Focus Area F – Flexible and Efficient Infrastructure, Strategy 2 – Modernize Infrastructure.

FISCAL IMPACT/FINANCING

The maximum Contract Sum for the first year is $900,000. Funding is included in TTC's Fiscal Year 2026-27 adopted budget, and funds required for subsequent years will be included in each year's budget request.

The cost for notification of Parties of Interest consists of two components: (1) cost of title search; and (2) cost for providing notice by mail to any Parties of Interest entitled to receive a notice of auction pursuant to R&TC 3701 and as required by County Code Section 4.64.150. TTC recovers these costs through fees imposed on tax-defaulted property redeemed by property owners prior to a tax sale or from tax sale proceeds of sold property. On September 27, 2022, your Board approved the existing fees per ordinance 2022-0045. TTC will bring a recommendation before your Board to update the fees for title search, Party of Interest Notification, and Date Down Reports, which will incorporate revised title search and Date Down Report fees resulting from this recommended Contract award.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code Section 31000, your Board is authorized to contract for special services. The recommended Contract contains all Board required provisions applicable to the Contract.

CONTRACTING PROCESS

On March 17, 2026, TTC released the Request for Proposal for the provision of TIRS on the County's open bids website of registered vendors under the following Commodity Code, which included approximately 47 registered vendors (Attachment A):

- 94646 Escrow and Title Services

The Request for Proposal (RFP) was also posted on TTC's website and provided to the Department of Economic Opportunity, Office of Small Business.

A Mandatory Proposers' Conference was held on March 24, 2026, with two firms attending. TTC subsequently issued one RFP addendum to provide written responses to Proposers' questions and extend the RFP due date.

The proposal submission deadline was April 7, 2026, at 5:00 p.m. Pacific Time. TTC received two proposals: First Corp. and MORE Title Services, LLC.

TTC evaluated the proposals using the County's Informed Averaging scoring methodology. The proposal submitted by First Corp. was the highest ranked, most responsive and responsible proposal, demonstrating First Corp.'s understanding of the Contract requirements. Additionally, First Corp. has over 30 years of experience providing TIRS.

TTC worked closely with County Counsel on the exceptions submitted by First Corp. in preparation of negotiations which concluded on June 10, 2026.

County Counsel approved the Contract as to form. The County's Information Security Officer reviewed the contract and confirmed that it contains the County's currently approved information security requirements language. TTC determined that the recommended Contract is exempt from Proposition A (County Code Chapter 2.121), and the Living Wage Program (County Code Chapter 2.201) does not apply.

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

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The current Contract for TIRS expires on August 31, 2026. The recommended Contract with First Corp. will commence upon your Board's approval and will provide TIRS to continue with no lapse in service.

Respectfully submitted,

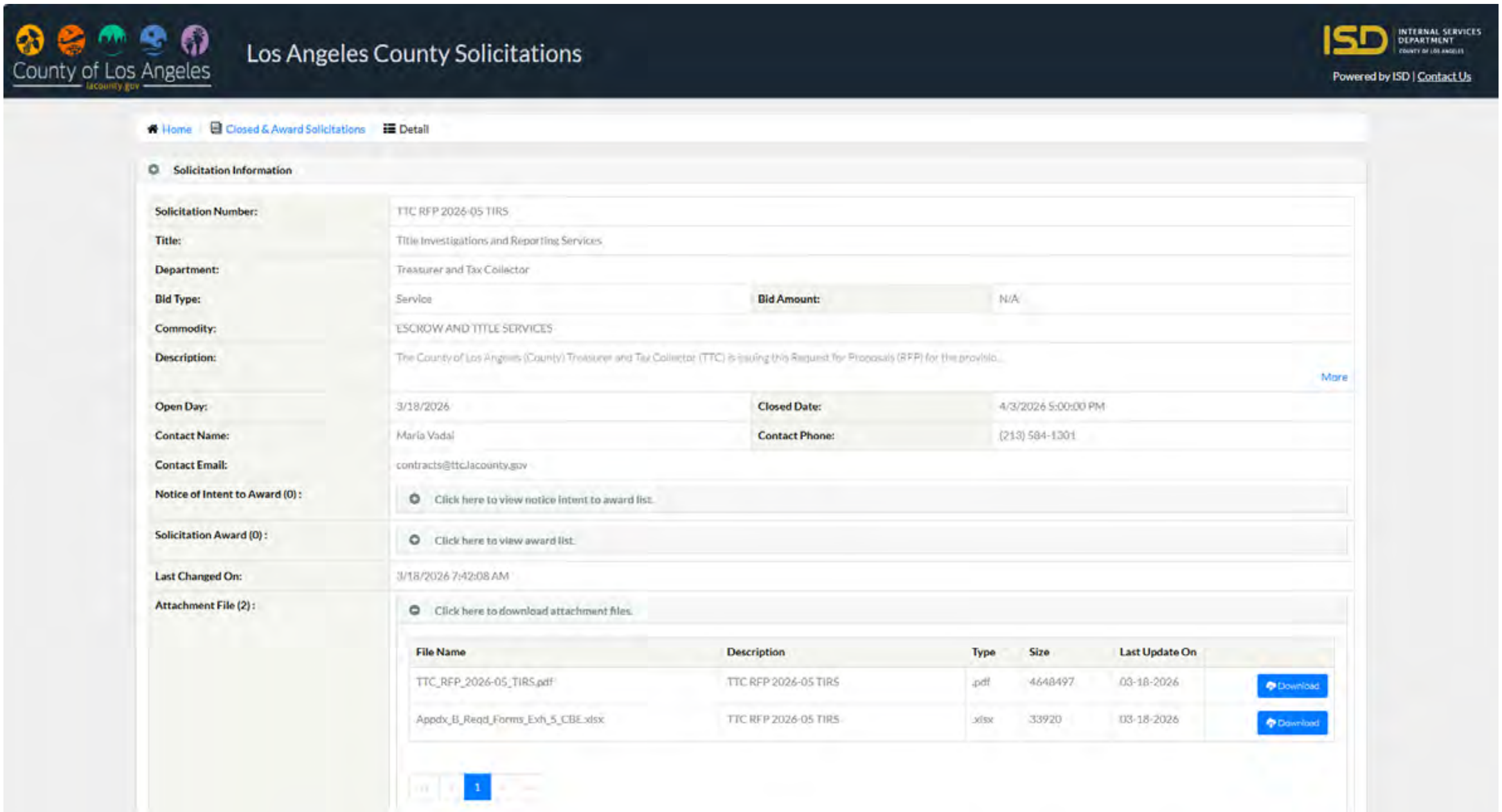
ELIZABETH BUENROSTRO GINSBERG
Treasurer and Tax Collector

EBG:LP:VN:DS:MV:ms

Enclosure

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

Attachment A


County of Los Angeles

lacounty.gov

Los Angeles County Solicitations

ISD INTERNAL SERVICES DEPARTMENT

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Solicitation Information

Solicitation Number:	TTC RFP 2026-05 TIRS
Title:	Title Investigations and Reporting Services
Department:	Treasurer and Tax Collector
Bid Type:	Service
Bid Amount:	N/A
Commodity:	ESCROW AND TITLE SERVICES
Description:	The County of Los Angeles (County) Treasurer and Tax Collector (TTC) is issuing this Request for Proposals (RFP) for the provisio... More
Open Day:	3/18/2026
Closed Date:	4/3/2026 5:00:00 PM
Contact Name:	Maria Vadai
Contact Phone:	(213) 584-1301
Contact Email:	contracts@ttc.lacounty.gov
Notice of Intent to Award (0) :	Click here to view notice intent to award list.
Solicitation Award (0) :	Click here to view award list.
Last Changed On:	3/18/2026 7:42:08 AM
Attachment File (2) :	Click here to download attachment files.

File Name	Description	Type	Size	Last Update On	
TTC_RFP_2026-05_TIRS.pdf	TTC RFP 2026-05 TIRS	.pdf	4648497	03-18-2026	Download
Appdx_B_Reqd_Forms_Exh_5_CBE.xlsx	TTC RFP 2026-05 TIRS	.xlsx	33920	03-18-2026	Download

1

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

TITLE	REFERENCE
1 FIRM/ORGANIZATION INFORMATION	The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.
Total Number of Employees in California:	64
Total Number of Employees (including owners)**:**	86

Race/Ethnic Composition of Firm. Enter the make-up of Owners/Partners/Associate Partners into the following categories:

Race/Ethnic Composition	Owners/Partners/ Associate Partners		Percentage of how ownership of the firm is distributed	
	Male	Female	Male	Female
Black/African American			%	%
Hispanic/Latino			%	%
Asian or Pacific Islander	1		25%	%
Native Americans			%	%
Subcontinent Asian			%	%
White	1		75%	%

TITLE	REFERENCE
2 CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, DISABLED VETERAN, AND LESBIAN, GAY, BISEXUAL, TRANSGENDER, QUEER, AND QUESTIONING-OWNED (LGBTQQ) BUSINESS ENTERPRISE	If your firm is currently certified as a minority, women, disadvantaged, disabled veteran or lesbian, gay, bisexual, transgender, queer, and questioning-owned business enterprise by a public agency, complete the following. ☑ **Check if not applicable**

Agency Name	Minority	Women	Disadvantaged	Disabled Veteran	LGBTQQ

CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

FIRST CORPORATE SOLUTIONS, INC.

FOR

TITLE INVESTIGATION AND REPORTING SERVICES

TABLE OF CONTENTS

TABLE OF CONTENTS

PARAGRAPH **PAGE**

TABLE OF CONTENTS

PARAGRAPH **PAGE**

TABLE OF CONTENTS

PARAGRAPH **PAGE**

STANDARD EXHIBITS

CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
FIRST CORPORATE SOLUTIONS, INC.
FOR
TITLE INVESTIGATION AND REPORTING SERVICES

This Contract ("Contract") is made and entered into on Enter Date ("Execution Date"), by and between the County of Los Angeles, hereinafter referred to as "County," and First Corporate Solutions, Inc., hereinafter referred to as "Contractor" and is located at 914 S Street, Sacramento, CA 95811.

RECITALS

WHEREAS, pursuant to Government Code Section 31000 which authorizes the Board of Supervisors (Board) to contract for special services; and

WHEREAS, the County desires to contract with a private business for Title Investigation and Reporting Services and the County has determined that the Title Investigation and Reporting Services to be provided under this Contract are extraordinary and necessary; and

WHEREAS, the Contractor is a private firm specializing in providing Title Investigation and Reporting Services, herein after referred to as "Services;" 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 H 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	Intentionally Omitted
Exhibit D	County's Administration
Exhibit E	Contractor's Administration

Exhibit F	Forms Required at the Time of Contract Execution
Exhibit G	Defaulted Property Tax Reduction Program
Exhibit H	Information Security and Privacy Requirements

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

2.0 DEFINITIONS

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

2.1 **Assigned Parcel Schedule:** A Treasurer and Tax Collector (TTC) formulated matrix that divides a large pool of parcels into several smaller groups. Each smaller group contains between 200 and 700 parcels that are arranged in Assessor Identification Number sequential order (Refer to SOW, Attachment 4 (2020A Assigned Parcels Schedule)).

2.2 **Assessor's Map:** A map showing the Office of the Assessor (Assessor) assigned parcel number for each parcel of land in the County.

2.3 **Assessor's Identification Number (AIN):** A ten-digit number assigned by the Assessor to each piece of real property in the County. The AIN is used on tax bills and correspondence to identify real property.

2.4 **Board of Supervisors (Board):** The Board of Supervisors of the County acting as governing body.

2.5 **Business Days:** Monday through Friday, excluding County Observed Holidays, unless otherwise stated.

2.6 **Calendar Days:** Monday through Sunday, including County Observed Holidays, unless otherwise stated.

2.7 **Chain of Title:** A chronological list of documents comprised of recorded history of title to a specific parcel of real property.

2.8 **Chapter 8 Agreement Sale:** A sale of tax-defaulted properties to the state, county, eligible taxing agency, revenue district, city, redevelopment agency, special district, or nonprofit organization pursuant to Chapter 8, Part 6, Division 1 of the California Revenue and Taxation Code.

2.9 **Contract:** This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work, including Exhibit A (Statement of Work (SOW)).

2.10 **Contract Discrepancy Report:** A document utilized by the County of Los Angeles TTC to document discrepancies or deficiencies with Contractor's performance and record explanations of unsatisfactory performance.

2.11 **Contract Term:** The period of the Contract, commencing upon the Effective Date, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

2.12 **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.

2.13 **Contractor's Authorized Official(s):** The individual(s) authorized by the Contractor, that the Contractor represents and warrants such individual has actual authority to execute documents under this Contract on behalf of the Contractor.

2.14 **Contractor's Financial Manager:** The individual authorized by the Contractor to have full authority to act on behalf of the Contractor in all matters related to invoicing under this Contract.

2.15 **Contractor's Project Director:** The individual authorized by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Project Manager. Additionally, Contractor's Project Director must oversee all projects and serve as a point of escalation, as needed.

2.16 **Contractor's Project Manager:** The individual authorized by the Contractor to administer the Contract operations under this Contract.

2.17 **County Contract's Section – Contract Monitor:** The individual designated by the County to manage and facilitate the administrative functions of the Contract.

2.18 **County's Project Director:** The individual authorized by the TTC with authority for the County to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager. Additionally, County's Project Director must oversee all projects and serve as point of escalation, as needed.

2.19 **County's Project Manager:** The individual authorized by the County's Project Director to manage the operations under this Contract.

2.20 **County Observed Holidays:** Days on which County departments are closed for business in observance of significant events. Contractor is not required to provide services on County Observed Holidays unless otherwise stated in the SOW or Contract. A list of County Observed Holidays may be found on the County's website https://lacounty.gov/government/about-la-county/about/.

2.21 **Date Down:** Updated information reflecting any changes in ownership and/or Parties of Interest of a property, either added or deleted, usually six months or less after the date of the last Title Report.

2.22 **Day(s):** Calendar-day(s) unless otherwise specified.

2.23 **Department:** The County of Los Angeles Treasurer and Tax Collector, which is entering into this Contract on behalf of the County of Los Angeles.

2.24 **Easement:** A real property interest that provides a restricted right to specific, limited definable use or activity upon another's property, which except for legal title to the property, the right must be less than the right of ownership. An easement may provide a right-of-way, right-of-use, or in case of land, an easement may provide for land preservation, conservation or recreation.

2.25 **Effective Date:** The date of approval of this Contract by the County's Board of Supervisors or as indicated in Paragraph 4.0 (Term of Contract).

2.26 **Fiscal Year:** The 12-month period beginning July 1st and ending the following June 30th.

2.27 **Improvement District Bond Foreclosure:** Foreclosure of a property on which the assessee failed to pay the assessment on a bond issued for an improvement (e.g., streets, curb, lighting, etc.).

2.28 **Lien:** Any official claim or charge against property or funds for payment of a debt or an amount owed for services rendered. A lien is usually a formal document signed by the party to whom money is owed and sometimes by the debtor who agrees to the amount due. A lien carries with it the right to sell property, if necessary, to obtain the money. A mortgage or a deed of trust is a form of lien, and any lien against real property must be recorded with the County Recorder to be enforceable, including an abstract of judgment which turns a judgment into a lien against the judgment debtor's property.

2.29 **Lienholder/Lienholder of Record:** An individual or entity that holds a Lien on a particular property.

2.30 **Mello-Roos Special Tax:** The Mello-Roos Community Facilities District Act allows any county, city, special district, school district, or joint powers of authority to establish a community facilities district which allows for the financing of public services and facilities. A Mello-Roos District is an area where a special property tax on real property is imposed on real property owners within a community facilities district.

2.31 Parties of Interest: Lienholders of record, including Easement holders of record and any persons with Title of Record to all or any portion of the property prior to the recordation of the tax deed to the purchaser, as described in Section 4675, of the California Revenue and Taxation Code.

2.32 Performance Requirements Summary (PRS) Chart: Identifies the key performance indicators of the Contract and SOW that TTC will evaluate to ensure the Contractor meets performance standards, as specified in this Contract and SOW.

2.33 Quality Control Plan: All necessary measures taken by the Contractor to ensure that the quality of service will meet the Contract requirements regarding timelines, security, accuracy, appearance, completeness, consistency, and conformity to the requirements set forth in this Exhibit A (SOW).

2.34 Recorded Documents: Any documents incorporated into the public records of the County Recorder imparting constructive notice of title to claims or interest in real property including easements.

2.35 Report Submission: The act of transferring specified data. Report Submissions may be requested on paper, electronic, or both.

2.36 Statement of Work (SOW): A written description of tasks, deliverables, and/or work required by the County pursuant to this Contract.

2.37 Subcontract: An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.

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

2.39 Tax Deed to the Purchaser: An instrument (deed) that is issued to the purchaser of a parcel that was sold at a Tax Sale of real property.

2.40 Tax-Defaulted Property Subject to the Tax Collector’s Power to Sell: Property that has been on the defaulted tax roll for three years or more for non-residential commercial property and vacant land and five years or more for residential or agricultural property that is by law subject to the tax collector’s power to sell pursuant to Section 3691 of the California Revenue and Taxation Code.

2.41 **Tax Sale:** The sale of Tax-Defaulted Property Subject to the Tax Collector’s Power to Sell by public auction, sealed bid auction, or Chapter 8 Agreement Sale.

2.42 **Title Investigation and Reporting Services:** For the purposes of a Tax Sale, the act of determining Parties of Interest related to a parcel including all owners of record, Lienholders of record, Easement holders of record and any other individuals or entities that have a lien or ownership interest in said parcel.

2.43 **Title of Record:** The ownership of real property as evidenced by a deed, judgment of distribution from an estate, or other appropriate document, recorded in the public records of the County Recorder.

2.44 **Title Report:** Title Investigation report comprised of an assembly of all Lienholders of Record, Easement holders of record, and any persons with Title of Record to all or any portion of the properties and all recorded documents affecting said property.

2.45 **Tract Map:** A map used to record the subdivision of real property into five or more separate lots or parcels. It's a detailed, official document filed with a county or city after approval, providing legal descriptions of the new parcels, property boundaries, and the location of streets and easements required by the state's Subdivision Map Act and local ordinances.

2.46 **Treasurer and Tax Collector:** The officer appointed as the County Treasurer and Tax Collector.

2.47 **TTC:** The County of Los Angeles Treasurer and Tax Collector.

3.0 WORK

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

3.2 The Contractor agrees that the performance of work and services pursuant to the requirements of this Contract will conform to high professional standards as exist in the Contractor’s profession or field of practice.

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

4.0 TERM OF CONTRACT

4.1 The term of this Contract will be three years commencing after execution by County’s Board, or September 1, 2026, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County will have the sole option to extend this Contract term for up to two additional one-year periods and six month-to-month extensions, for a maximum total Contract term of five years and six months. Each such extension option may be exercised at the sole discretion of the Treasurer and Tax Collector, or designee.

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

5.0 CONTRACT SUM

5.1 Total Contract Sum

5.1.1 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. Contractor will provide services at the rates identified in Exhibit B (Pricing Schedule) and will not exceed $900,000 for the first year of this Contract.

5.1.2 Contract rates specified in Exhibit B (Pricing Schedule), will remain firm and fixed for the Contract Term including all option extensions.

5.1.3 The Department may increase the total contract amount by up to 10%, as approved by the Board. The County does not warranty or represent that all, or any portion, of the not-to-exceed contract amount will be authorized, allocated, or expended by the County; nor does the County warranty or represent that it will authorize the selected contractor(s) to perform any work or services of any monetary amount.

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 75% of the total contract sum under this Contract. Upon occurrence of this event, the Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).

5.4 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 (SOW) 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. If the County does not approve work in writing no payment will be due to the Contractor for that work.

5.5.2 The Contractor's invoices must be priced in accordance with Exhibit B (Pricing Schedule). Failure to comply with prices as established in Exhibit B (Pricing Schedule), may result in assessed liquidated damages. The assessment of liquidated damages does not relieve the Contractor from the responsibility of correcting invoices. 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 TTC will pay all invoices via Electronic Funds Transfer (EFT) (Refer to Subparagraph 5.7 (Default Method of Payment: Direct Deposit or Electronic Funds Transfer)). The Contractor is responsible for updating banking information timely if there are any changes and notifying Fiscal Services Section at ttcbudget@ttc.lacounty.gov.

5.5.4 The Contractor must submit the monthly invoices to the County by the 15th Calendar Day of the month following the month of service.

5.5.5 All invoices and supporting documentation under this Contract must be submitted via email to: ttcbudget@ttc.lacounty.gov.

5.5.6 The Contractor's invoices must be legible and include the information set forth in Exhibit A (SOW), describing the tasks, deliverables, goods, services, and/or other work for which payment is claimed. Each monthly invoice must include the following information:

- Contractor's name and address.
- TTC's name and address.
- Contractor's Vendor Identification Number that the County assigns.
- Contractor's Tax Identification Number and remittance address.
- Invoice date, unique invoice number, and the month and year when the service(s) was delivered.
- Enumerate the item number, parcel number, the cost per report completed, service type, tax year and auction type, target name, parcel number, and quantity.
- The invoice must group like services (e.g. Parties of Interest Reports, Date Downs Reports) and auction types (e.g. 2014A, 2014B) together providing subtotals for each, as well as to an invoice total.
- Each line item on the invoice should be numbered sequentially.

5.5.7 The County's Contract Manager may request Contractor to provide a revised, annotated invoice based on an identified discrepancy. Revised or corrected invoices must be properly marked. Revised invoices must indicate "Revised" if using the same invoice number, or "Cancel/ Supersede" and reference the original invoice number, if using a new invoice number.

5.5.8 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.

5.5.9 Disputed Fees

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

5.5.10 Overpayment of Invoices

Any overpayment received by the Contractor will be returned to County within 30 Days of discovery by the Contractor or notification by County Project Manager, whichever occurs first.

5.5.11 Preference Program Enterprises - Prompt Payment Program

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

5.6 Intentionally Omitted

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

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

5.7.2 The Contractor must complete the Vendor Direct Deposit Registration via the website portal at 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 Contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

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.

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

6.1 County's Project Director

6.1.1 The County's Project Director is responsible for ensuring the Contractor meets the objectives of the Contract and determines the Contractor's compliance with this Contract. This includes inspecting all tasks, deliverables, goods, services or other work provided by or on behalf of the Contractor.

6.1.2 The County's Project Director is responsible for providing, among other things, overall direction to the Contractor in the areas relating to County and TTC policy, information requirements, and serve as a point of escalation, as needed.

6.1.3 The County's Project Director is not authorized to make any changes in any of the terms and conditions of this Contract, except as permitted in accordance with Subparagraph 8.1 (Change Notices and Amendments), of this Contract, and is not authorized to further obligate the County in any respect whatsoever.

6.2 County's Project Manager

6.2.1 The County's Project Manager is responsible for managing all operational matters under the Contract; requesting meetings as needed with the Contractor's Project Manager; and inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

6.2.2 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.

6.3 County's Contracts' Section – Contract Monitor

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

6.4 County's Departmental Chief Information Officer (DCIO)

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

6.5 County's Departmental Information Security Officer (DISO)

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

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

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

A listing of all of Contractor's Administration referenced in the following Subparagraphs is designated in Exhibit E (Contractor's Administration). The Contractor will notify the County's Project Director and County's Project Manager in writing of any changes no later than five Business Days after a change occurs and must include a current résumé for the Contractor's Project Director, Contractor's Project Manager and Contractor's Financial Manager. The County will have the right to approve the assignment or replacement of any personnel by the Contractor.

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

7.1 Contractor's Project Director

7.1.1 The Contractor's Project Director must be a full-time employee of the Contractor. The Contractor's Project Director must be a principal officer in the Contractor's office to service this Contract and to act as a liaison for the Contractor in coordinating the performance of services under the Contract.

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

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

7.2 Contractor's Project Manager

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

7.2.2 The Contractor's Project Manager must be available on Business Days during regular business hours from 8:00 a.m. to 5:00 p.m. PT, Monday through Friday, for telephone and email contact and to meet as needed with the County's Project Manager to discuss the Contract.

7.3 Contractor Financial Manager

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

7.4 Contractor's Authorized Official

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

7.5 Contractor's Employees

7.5.1 The Contractor must provide its employees with a standard photo identification badge acceptable to TTC, which includes a recent picture of the employee, the employee's name, and the name of the Contractor.

7.5.2 The Contractor is responsible for providing training and supervising employees assigned to perform services under this Contract. All employees the Contractor assigns to perform these services shall at all times be employees of the Contractor; and, the Contractor shall have the sole right to hire, suspend, discipline, or discharge them. However, any employee, who in the opinion of the County is performing unsatisfactory work, shall be removed from the performance of services related to this Contract immediately upon the written request of the County's Contract Manager.

7.5.3 The Contractor must ensure a high standard of conduct of the Contractor's employees, including compliance at all times with all applicable local, state, and federal laws and regulations related to title investigation and reporting services, and the specific requirements of this Contract.

7.5.4 For any work, in which the Contractor requires a Subcontractor to perform services under this Contract, the Contractor must first notify and receive the County's Project Director's written approval.

7.5.5 The Contractor's employees assigned to provide services under this Contract must:

a. Communicate effectively using good judgment and discretion;

b. Be trained sufficiently in performing the services; and

c. Comply with the requirements of this Contract.

7.6 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.

7.7 Contractor's Staff Identification

7.7.1 The Contractor must provide adequate staff to complete the Title Investigation and Reporting services.

7.7.2 The Contractor must provide all staff assigned to this Contract with a photo identification badge in accordance with the County specifications. Specifications may change at the discretion of the County and the Contractor will be provided new specifications as required. The format and content of the badge is subject to TTC's approval prior to the Contractor implementing the use of the badge. The Contractor's staff, while on duty or when entering a County facility or its grounds, must prominently display the photo identification badge on the upper part of the body.

7.7.3 The Contractor must notify TTC within one Business Day when staff is terminated from working under this Contract. The Contractor must retrieve and immediately destroy the staff's County photo ID badge at the time of removal from the County Contract.

7.7.4 If TTC requests the removal of the Contractor's staff, the Contractor is responsible to retrieve and immediately destroy the Contractor's staff's County photo Identification badge at the time of removal from working on the Contract.

7.8 Background and Security Investigations

7.8.1 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.

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

7.8.3 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be 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.

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

7.8.5 These terms will also apply to Subcontractors of County contractors.

7.8.6 The Contractor must provide to the County's Project Manager the legal name of each person in a designated sensitive position and the dates on which said persons submitted fingerprints to the California DOJ. The Contractor must provide such information in writing within five Business Days from the date on which fingerprinting occurred.

7.8.7 A member of Contractor's staff must not begin to perform services under the Contract until they have successfully passed a background investigation to the satisfaction of the County.

7.8.8 During the Contract Term, if the County identifies a subsequent disqualifying factor for a member of the Contractor's staff, the County will request that the member of the Contractor's staff be immediately removed from performing services under the Contract. Contractor must promptly comply with the County's request.

7.8.9 The County will notify the Contractor when Contractor's staff member does not pass the background investigation or who received a subsequent disqualifying factor.

7.8.10 Disqualification of any member of Contractor's staff pursuant to this Subparagraph 7.8 will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.9 Confidentiality

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

7.9.2 Contractor must indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to:

- Any failure by Contractor, its officers, employees, agents, or Subcontractors, to comply with this Subparagraph, as determined by County in its sole judgment.
- Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 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.

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

7.9.4 Contractor must sign and adhere to the provisions of Exhibit F1 (Contractor Acknowledgement and Confidentiality Agreement).

8.0 STANDARD TERMS AND CONDITIONS

8.1 Change Notices and Amendments

The County reserves the right to initiate Change Notices that do not affect the scope of work, Contract Term, Contract Sum, fees or payments. All such changes will be accomplished with an executed

Change Notice signed by the Contractor and by the County's Project Director.

8.1.1 For any change which affects the scope of work, SOW, Contract Term, contract sum, fees or 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 Treasurer and Tax Collector, or designee, provided County Counsel approval is obtained prior to such execution of such Amendment.

8.1.2 The County's Board or Chief Executive Officer (CEO), or designee, may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board or CEO. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by the Treasurer and Tax Collector, or designee, provided County Counsel approval is obtained prior to such execution of such Amendment.

8.1.3 The Treasurer and Tax Collector, or designee, may at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Contract). The Contractor agrees that such extensions of time will not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract must be prepared and executed by the Contractor and by the Treasurer and Tax Collector, or designee, provided County Counsel approval is obtained prior to such execution of such Amendment.

8.2 Assignment and Delegation/Mergers or Acquisitions

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

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

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

8.3 Authorization Warranty

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

8.5 Complaints

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

8.5.1 Complaint Procedures

- Within ten Business Days after the Contract Effective Date, the Contractor must provide the County with the Contractor's procedures for receiving, investigating and responding to user complaints.
- The County will review the Contractor's procedures and provide the Contractor with approval of said procedures or with requested changes.
- If the County requests changes in the Contractor's procedures, the Contractor must make such changes and resubmit the procedures within ten Business Days for County approval.

- If, at any time, the Contractor wishes to change the Contractor's procedures, the Contractor must submit proposed changes to the County for approval before implementation.
- The Contractor must preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five Business Days of receiving the complaint.
- When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.
- Copies of all written responses must be sent to the County's Project Manager within three Business Days of mailing to the complainant.

8.6 Compliance with Applicable Laws

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

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

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

- For purposes of this paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of $50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 Days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor will also be subject to the provisions of this paragraph. The provisions of this paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the Contract.

- If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor will have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor must immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor 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.
- 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 Subparagraph 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 and BServices@opportunity.lacounty.gov and DPSS will refer qualified GAIN/START job candidates.

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

8.12 Contractor Responsibility and Debarment

8.12.1 Responsible Contractor

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

8.12.2 Chapter 2.202 of the County Code

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

8.12.3 Non-responsible Contractor

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

8.12.4 Contractor Hearing Board

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

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

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

8.12.5 Subcontractors of Contractor

These terms will also apply to Subcontractors of County Contractors.

8.13 Contractor's Acknowledgement 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) 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 babysafela.org.

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

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

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

8.15 County's Quality Assurance Plan

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

8.16 Damage to County Facilities, Buildings or Grounds

8.16.1 The Contractor will repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs must be made immediately after the Contractor has become aware of such damage, but in no event later than 30 Days after the occurrence.

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

8.17 Employment Eligibility Verification

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

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

8.18 Counterparts and Electronic Signatures and Representations

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

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

8.19 Fair Labor Standards

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

8.20 Force Majeure

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

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

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

8.21 Governing Law, Jurisdiction, and Venue

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

8.22 Independent Contractor Status

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

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

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

8.22.4 The Contractor must adhere to the provisions stated in Subparagraph 7.9 (Confidentiality).

8.23 Indemnification

Subject to the limits of $2 million per occurrence and $5 million aggregate annually, the Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

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

8.24.2 Evidence of Coverage and Notice to County

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

- Renewal Certificates must be provided to County not less than ten Days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required contractor and/or sub-contractor insurance policies at any time.
- Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the contractor identified as the contracting party in this Contract. Certificates must provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding $50,000, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.
- Certificates and copies of any required endorsements must be sent to:

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

8.24.3 Additional Insured Status and Scope of Coverage

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

8.24.4 Cancellation of or Changes in Insurance

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

8.24.5 Failure to Maintain Insurance

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

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Must Be Primary

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

8.24.8 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the

Required Insurance for any loss arising from or relating to this Contract. The Contractor must require its insurers to execute any waiver of subrogation endorsements which may be necessary to effectuate such waiver.

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

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

8.24.11 Claims Made Coverage

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

8.24.12 Application of Excess Liability Coverage

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

8.24.13 Separation of Insureds

All liability policies must provide cross-liability coverage as would be afforded by the standard 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** provides scope of coverage equivalent to ISO policy form CA 00 07 and CA 00 08 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 the Contractor's use of autos pursuant to this Contract, including hired, and/or non-owned autos, as each may be applicable. Contractor verifies that there are no company owned vehicles for use under this Contract. Contractor agrees to notify the County if any company owned vehicles are acquired for use under this Contract by any means including but not limited to owned, or leased, autos, as each may be applicable, and obtain insurance coverage equivalent to ISO policy form CA 00 01 commercial auto coverage with limits of not less than $1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident for any company acquired vehicles. In the event that Contractor fails to inform the County of any company owned acquired vehicles used, and provision of the requisite insurance coverage, Contractor will be solely responsible for any bodily injury and property damage for each and every incident and must indemnify the County of Los Angeles for any claims asserted as a result of each incident.

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

Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer. The written notice must be provided to County at least ten Days in advance of cancellation for non-payment of premium and 30 Days in advance for any other cancellation or policy change. If applicable to Contractor's operations, coverage also must be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 Professional Liability-Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than $2 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 years following this Contract's expiration, termination or cancellation.

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

8.26.2 If the Treasurer and Tax Collector, or designee, determines that there are deficiencies in the performance of this Contract that the Treasurer and Tax Collector, or designee, deems are correctable by the Contractor over a certain time span, the Treasurer and Tax Collector, or designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Treasurer and Tax Collector, or designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is **$100.00** per day per infraction, or as specified in Exhibit 2 (Performance Requirements Summary (PRS)) Chart of Exhibit A (SOW) hereunder, and that the Contractor will be liable to the County for liquidated damages in said amount. Said amount will be deducted from the County's payment to the Contractor; and/or (c) Upon giving five Days' notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

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

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

8.27 Most Favored Public Entity

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

8.28 Nondiscrimination and Affirmative Action

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

8.28.2 Contractor certifies to the County each of the following:

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

8.28.3 The Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.28.4 The Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable Federal and State laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

8.28.6 The Contractor will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Subparagraph 8.28

(Nondiscrimination and Affirmative Action) when so requested by the County.

8.28.7 If the County finds that any provisions of this Subparagraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Civil Rights Department or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

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

8.29 Non-Exclusivity

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

8.30 Notice of Delays

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

8.31 Notice of Disputes

The Contractor must bring to the attention of the County's 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 Treasurer and Tax Collector, or designee, will resolve it.

8.32 Dispute Resolution Procedure

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

8.32.1 Contractor and County agree to act with urgency to mutually resolve any disputes which may arise with respect to this Master Agreement. All such disputes will be subject to the provisions of this Subparagraph 8.32 (Dispute Resolution Procedure), (such provisions will be collectively referred to as the “Dispute Resolution Procedure”). Time is of the essence in the resolution of disputes.

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

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

8.32.4 If County fails to continue without delay to perform its responsibilities under this Master Agreement, which County determines should not be delayed as a result of such dispute, then any additional costs incurred by Contractor or County as a result of County’s failure to continue to so perform will be borne by County, and County will make no claim whatsoever against the Contractor for such costs. County will promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by the County.

8.32.5 In the event of any dispute between the parties with respect to this Master Agreement, Contractor and County will submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.

8.32.6 In the event that the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter must be immediately submitted to the parties’ respective Project Directors for further consideration and discussion to attempt to resolve the dispute.

8.32.7 In the event that the Project Directors are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter must be immediately submitted to Contractor's president or equivalent and the Treasurer and Tax Collector, or designee. These persons will have ten Days to attempt to resolve the dispute.

8.32.8 In the event that at these levels there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Master Agreement and/or its rights and remedies as provided by law.

8.32.9 All disputes utilizing this dispute resolution procedure must be documented in writing by each party and must state the specifics of each alleged dispute and all actions taken. The parties must act in good faith to resolve all disputes. At all three levels described in this Subparagraph 8.31 (Dispute Resolution Procedure), the efforts to resolve a dispute will be undertaken by conference between the parties' respective representatives, either orally, by face-to-face meeting or by telephone, or in writing by exchange of correspondence.

8.32.10 Notwithstanding any other provision of this Master Agreement, County's right to terminate this Contract or to seek injunctive relief to enforce the provisions of Subparagraph 7.9 (Confidentiality), will not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights and must not be deemed to impair any claims that County may have against the Contractor or County's rights to assert such claims after any such termination, or such injunctive relief has been obtained.

8.32.11 Contractor must bring to the attention of the County's Project Manager and/or County's Project Director any dispute between County and Contractor regarding the performance of services as stated in this Master Agreement.

8.33 Notice to Employees Regarding the Federal Earned Income Credit

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

8.34 Notices

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

8.35 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 California 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 Subparagraph 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 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 except for those documents determined to be non-disclosable or exempt pursuant to California Government Code sections 7921.000 et seq. 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:

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

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

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 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 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 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.

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

8.38.6 **Pending Litigation:** Contractor must submit an annual statement regarding any pending or threatened litigation since the Contractor last reported same to the County, and as soon as an incident occurs, to the County's Contracts' Section – Contract Monitor, as indicated on Exhibit D (County's Administration).

8.39 Recycled Bond Paper

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

8.40 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:

- A description of the work to be performed by the Subcontractor.
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.40.3 The Contractor 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:

Email: contracts@ttc.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 Subparagraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) will constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within 90 Calendar Days of written notice will be grounds upon which the County may terminate this Contract pursuant to Subparagraph 8.43 (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 effectuated by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten Days after the notice is sent.

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

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

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

8.43 Termination for Default

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

- Contractor has materially breached this Contract; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five Business 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 Subparagraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor will continue the performance of this Contract to the extent not terminated under the provisions of this Subparagraph.

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 Subparagraph 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 Subparagraph, 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 Subparagraph 8.43 (Termination for Default) it is determined by the County that the Contractor was not in default under the provisions of Subparagraph 8.43 (Termination for Default) or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of the County provided in this Subparagraph 8.43 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this 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 the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, the County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.44.2 The Contractor must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or https://fraud.lacounty.gov/.

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

8.45 Termination for Insolvency

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least 60 Days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this Subparagraph 8.45 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this 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 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 Subparagraph 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 Subparagraph 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 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 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 Subparagraph will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

8.55 Use of County Seal and/or TTC Logos

The County claims right, title and interest in and to certain intellectual property, including, but not limited to, the current and former County Seals and TTC logos (collectively, County Seals). Except as expressly authorized herein, the Contractor will not reproduce, copy, distribute, republish, download, display, post, transmit or make any other use of any kind whatsoever of the County Seals, in any format or by any means whatsoever. At no time will the Contractor in any manner (i) modify the County Seals or (ii) create derivative works of the County Seals. The Contractor will not in any manner sublicense, transfer or assign its rights, or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent will be null and void.

8.56 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 and Chapter 8.300 of the Los Angeles County Code (Fair Chance Ordinance for Employers). Contractor's violation of this Subparagraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract.

8.57 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 320 3 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 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 Subparagraph, may be a material breach of this Contract as determined in the sole discretion of the County.

8.61 Green Initiatives

The Contractor must use reasonable efforts to initiate "green" practices for environmental and energy conservation benefits. The Contractor must notify County's Project Manager of Contractor's new green initiatives prior to the Contract's commencement.

8.62 Licenses, Permits, Registrations, and Professional Certifications

The Contractor must maintain all licenses, permits, registrations, and/or professional certifications required by law, applicable to its legal business structure, and necessary to perform services under the Contract. The Contractor must ensure the same of all of its officers, employees, and agents who perform services under this Contract and must maintain all such licenses, permits, registrations, and professional certifications throughout the Contract Term and any term extensions and/or option periods exercised by the County. The Contractor must provide evidence of such to the County within five Calendar Days of written request.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Contractor Business Requirements

The Contractor must be qualified to do business in the State of California.

9.2 Patent, Copyright and Trade Secret Indemnification

9.2.1 The Contractor must 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 will inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and will support the Contractor's defense and settlement thereof.

9.2.2 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, must either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.2.3 The Contractor will 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.

9.3 Information Security and Privacy Requirements

Contractor must comply with the requirements set forth in Exhibit H (Information Security and Privacy Requirements).

10.0 Survival

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

Paragraph 1.0	Applicable Documents
Paragraph 2.0	Definitions
Paragraph 3.0	Work
Paragraph 5.4	No Payment for Services Provided Following Expiration-Termination of Contract
Paragraph 7.9	Confidentiality
Paragraph 8.1	Change Notices and 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 9.2	Patent, Copyright and Trade Secret Indemnification
Paragraph 9.3	Information Security and Privacy Requirements
Paragraph 10.0	Survival

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR

FIRST CORPORATE SOLUTIONS, INC.

By Christian J Hay

Christian Hay
Name

Chief Operating Officer
Title

COUNTY OF LOS ANGELES

By ______________________________
Chair, Board of Supervisors

ATTEST:

EDWARD YEN

Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By ______________________________

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By ______________________________
Deputy County Counsel

CONTRACT FOR

TITLE INVESTIGATION AND REPORTING SERVICES

TABLE OF CONTENTS OF EXHIBITS

STANDARD EXHIBITS

EXHIBIT A

STATEMENT OF WORK

TITLE INVESTIGATION AND REPORTING SERVICES

STATEMENT OF WORK
TITLE INVESTIGATION AND REPORTING SERVICES

STATEMENT OF WORK
TITLE INVESTIGATION AND REPORTING SERVICES

ATTACHMENTS AND EXHIBITS

STATEMENT OF WORK ATTACHMENTS

Attachment 1 – Parties of Interest Report Cover Letter

Attachment 2 – Date Down

Attachment 3 – Annual Title Investigation Workload (FY 2015-2020)

Attachment 4 – 2020A Assigned Parcels Schedule

STATEMENT OF WORK EXHIBITS

Exhibit 1 – Contract Discrepancy Report

Exhibit 2 – Performance Requirements Summary (PRS) Chart

1.0 INTRODUCTION

The County of Los Angeles (County) Treasurer and Tax Collector (TTC) is the Tax Collector for the County. The California Revenue and Taxation Code (R&TC) mandates the tax collector to collect secured property taxes and auction properties that are Tax-Defaulted Property Subject to the Tax Collector’s Power to Sell due to defaulted property taxes exceeding five years or more for residential or agricultural property and three years or more for non-residential commercial and vacant land (Tax-Defaulted Properties).

The TTC sells Tax-Defaulted Property Subject to the Tax Collector’s Power to Sell via online public auction, sealed bid auction, and Chapter 8 Agreement Sale (collectively “Tax Sale”). TTC is also responsible for administering Improvement District Bond Foreclosure proceedings for property on which the County has a lien. These types of proceedings rarely occur.

TTC may conduct multiple Tax Sales in each Fiscal Year (FY). The annual number of title investigation reports (Title Reports) needed for the 2015-2020 FY’s Tax Sales, including updated reports (Date Downs), was between 3,000 and 5,000 identified in SOW Attachment 3 (Annual Title Investigation Workload 2015-2020).

2.0 SCOPE OF WORK – SPECIFIC WORK REQUIREMENTS FOR TAX-DEFAULTED PROPERTIES

TTC uses Title Investigation and Reporting Services in the form of either (1) a Title Report to identify all recorded documents affecting said property including, all Lienholders of Record, all Easement holders of record, and any persons with Title of Record; or (2) a Date Down (SOW Attachment 2) to identify any documents that have been recorded subsequent to the date of the Title Report.

The Contractor must provide all personnel, supervision, materials, facilities, equipment, services, and other items necessary to provide Title Investigation and Reporting Services for all types of properties, which will identify, at a minimum, all persons or entities with Title of Record, Lienholders of Record, Easement holders of record, Bankruptcies, Chain of Title, and whether the real property uses a legal description shown as being on a recorded subdivision tract map. Title Investigation and Reporting Services will be required for the following types/categories of properties, but are not limited to:

- Tax-Defaulted Property Subject to the Tax Collector’s Power to Sell;
- Property protected under bankruptcy automatic stay;
- Property reported on California Department of Toxic Substances Control’s EnviroStor database;
- Property subject to a County lien;

- Property subject to an Internal Revenue Service lien;
- Property subject to Improvement District Bond foreclosure proceedings;
- Property subject to Mello-Roos Bond foreclosure proceedings;
- Property subject to a Property Tax Postponement (PTP) Lien;
- Property subject to a Property Assessed Clean Energy Program (PACE) Lien;
- Property subject to a Preservation, Conservation, or Recreation Easement;
- Property subject to a Right-of-Way or Right-of-Use Easement; and
- Property subject to a recorded lis pendens.

2.1 Title Investigation

A title investigation for each type/category of property must include all relevant documentation recorded against the property in the format described in Subparagraph 2.3 (Title Report Media). The following elements listed in this Subparagraph will constitute a Title Report.

2.1.1 Parcel Information

TTC's assigned item number, Assessor Identification Number (AIN), and property address, if applicable.

2.1.2 Property Vesting

- One hundred percent current ownership for each property includes the following:
  - Name(s) and mailing address(es) of the owner(s) of record of the property in question and the recording reference of the vesting document or documents.
  - Manner of holding title and any fractional interest the owner may hold (e.g., "as community property" and "as to an undivided one-third interest").
  - Legible addresses on previously recorded documents. For any address that is illegible, the Contractor must prepare, as best as possible, a clean copy of the existing document.
- In the event there is a difference between the owner(s) shown on the source documents identified by TTC and the title investigation for a particular property, the Contractor must, immediately contact the County's Project Monitor identified in Contract Exhibit D (County's Administration), by telephone or email, to report and receive direction to resolve the discrepancy and indicate the discrepancy in the "Assessor Title Difference" section of the Title Report.

- In the event there is a difference between the legal description(s) shown on the source documents identified by TTC and the title investigation for a particular property, the contractor must immediately contact the County's Project Monitor identified in Contract Exhibit D (County's Administration), by telephone or email, to report and receive direction to resolve the discrepancy and indicate the discrepancy in the "Assessor Legal Description Difference" section of the Title Report.

- If oil, gas, or mineral rights are included in the County Assessor's description, or legal description of the property to be offered at a Tax Sale, the contractor must include the recorded names and addresses of any holders of these interests, as well as any fractional interest that might be held. If there are no mineral rights included in the Assessor's description, no search is required.

- If there are recorded Easements, including all Easement holders that are included in the legal description or are discovered through a reasonable search, the Contractor must include the names and recorded addresses of any holders of these interests, as well as any fractional interest that might be held. If after a reasonable search, there are no such recorded easements and the easements are not included in the legal description, no further search is required.

2.1.3 Lienholder of Record

- If applicable, a listing of the Lienholders of Record, including the name(s) and mailing address(es), recorded date of lien, type of document, date recorded, instrument number, loan number, or case number, must be furnished in order of priority.

- The recording reference for the lien documents and the dollar amounts.

- Name(s) and address(es) of entities that have recorded notices of default.

2.1.4 Leased Properties

If applicable, provide a listing of the name(s) and recorded address(es) of lessee(s) (i.e., a person acquiring an estate for years on a lease) together with recording references.

2.1.5 Judgment and/or other Lien Documents

- Name(s), recorded address(es), and other relevant facts about any person(s) disclosed by the record to have a claim of title to, or possession of, the subject property (junior Lienholders, federal and state liens, and notice of action and judgments). Recording references must also be provided.

- Name(s), recorded address(es), date of filing, case number, type, and jurisdiction (i.e., District Court) of any bankruptcies.

- Identify if property is in a Mello-Roos Community Facilities District and any recorded Mello-Roos Lien.

- Identify if property has a PTP Lien.

- Identify if property is listed on the California Department of Toxic Substances Control's EnviroStor website database.

- Identify if property has a Property Assessed Clean Energy (PACE) Lien.

- Identify if property uses a legal description shown as being on a recorded subdivision tract map.

2.1.6 Assessor's Map and Aerial and Street Views

2.1.7 Additional Documents

Occasionally, the County may request additional documentation, including, but not limited to, copies of reconveyance deeds, rescissions or cancellations of trustee sales, assignments of trust, appointments of paying agents or loan servicer, or establishment of rights to levy or collect secured debts including special tax (Mello-Roos) or local improvement assessment liens.

2.2 Order of Items in the Title Report

The Title Report must be assembled in the prescribed order as follows:

a. Parties of Interest Report Cover Letter (See SOW Attachment 1).

b. Grant deed(s) that established current ownership must identify/demonstrate 100% ownership.

c. Deeds of trusts, Liens, bankruptcy, judgments, probate, etc., by recording date, latest to current.

d. Oil, gas, or mineral rights by recording date, latest to current.

e. Easement(s) by recording date, latest to current.

f. The notice of power to sell recording.

g. Assessor's Map and Aerial and Street Views.

2.3 Title Report Media

Title Report(s) must be provided to the County's Project Manager identified on Contract Exhibit D (County's Administration) and must be downloadable electronically for 30 Days from a secured cloud storage location in a format approved by the County containing all Parties of Interest data and all Easement holders for each parcel, as described in Subparagraph 2.1 (Title Investigation).

Any electronic file submission will require a secured transmission. For details regarding security requirements, refer to Contract Exhibit H (Information Security and Privacy Requirements).

2.4 Workload and Processing Schedule

2.4.1 Initial Title Investigation

TTC will provide the following items to the Contractor: (1) a list of Tax-Defaulted Properties Subject to the Tax Collector's Power to Sell (property list) approximately three to nine months prior to the date of the Tax Sale, and (2) an Assigned Parcel Schedule. TTC will notify the Contractor at least 30 Calendar Days prior to providing the property list. The Contractor must deliver Title Reports to TTC on a weekly basis (seven Calendar Days). The first delivery of Title Reports must be within two weeks (14 Calendar Days) of initial receipt of the property list and must consist of at least 200 Title Reports. Thereafter, on a weekly basis, at least 200 Reports, or eight percent of the total sum of Title Reports, whichever is greater, must be completed and submitted to TTC. Each delivery of Title Reports must consist of an equal proportion of parcels from all the groups listed in SOW Attachment 4 (2020A Assigned Parcels Schedule). The total sum of Title Reports must be completed according to the number of properties submitted to the Contractor as follows:

- 1 – 1,000 Title Reports: within 45 Calendar Days from the Contractor's receipt of the list of Tax-Defaulted Properties.

- 1,001 – 2,000 Title Reports: within 60 Calendar Days from the Contractor's receipt of the list of Tax-Defaulted Properties.

- 2,001 – 3,000 Title Reports: within 90 Calendar Days from the Contractor's receipt of the property list.

- 3,001 – 3,500 Title Reports: within 110 Calendar Days from the Contractor's receipt of the property list.

- 3,501 or more Title Reports: The Contractor must consult with TTC for a specific delivery timeframe.

Submission due dates and delivery quantities may be adjusted at the discretion of TTC. For each Tax Sale, all Title Reports must be completed in accordance with Subparagraph 2.2 (Order of Items in the Title Report); formatted in accordance with Subparagraph 2.3 (Title Report Media); and submitted as defined in this Subparagraph.

In the event of bankruptcy, Internal Revenue Service lien, probate, recorded Easement, recorded lis pendens, or other situations that may prevent or affect the sale of said property, a notation must be placed on the front of the Title Report stating the status. Contractor must ensure that 100% of the ownership interest is accounted for, identified, and annotated in the Title Report, as well as any Assessor title and legal description differences.

2.4.2 Pre-Sale Date Down

Within 30 Days of a Tax Sale, TTC may request a Date Down of any number of parcels (one to all) from the remaining list of parcels scheduled for the current Tax Sale or from a previous Tax Sale that have not been redeemed. Typically, TTC will request Date Downs of parcels prior to a Tax Sale to determine if there are any new recorded documents that may affect the property for the purposes of selling the property at a Tax Sale, (e.g., recent bankruptcy filings or other new interests). For those properties with any documents recorded after those identified in the previous corresponding Title Report, the findings must be submitted in a similar format as the Title Report, less any documents or information from the corresponding previous Title Report. For those properties with no additional Parties of Interest, or Easement holders, the Contractor must indicate that those AINs were researched and there were no findings. The total sum of pre-sale Date Downs must be completed according to the number of properties submitted to the Contractor as follows:

- 1 - 1,000 Date Downs: within 12 Calendar Days from Contractor's receipt of the list of Tax-Defaulted Properties.

- 1,001 - 2,000 Date Downs: within 25 Calendar Days from Contractor's receipt of the list of Tax-Defaulted Properties.

The Date Down of each property will be considered a separate fee from the Title Report of each property.

2.4.3 Post-Sale Date Down

Upon conclusion of the Tax Sale, TTC may request a Date Down of any number of parcels (one to all) that were offered or sold in a Tax Sale. Typically, TTC will request post-sale Date Downs for properties that were not sold in one Tax Sale and scheduled to be reoffered within 90 Days in another Tax Sale or to validate a claim that there is a new Party of Interest or Easement holder. For those properties with any documents recorded after those identified in the previous corresponding Title Report, the findings must be submitted in similar format as the Title Report, less any documents or information from the corresponding previous Title Report. For those properties with no additional Parties of Interest, the Contractor must indicate that those AINs were researched and there were no findings. The total sum of post-sale Date Downs must be completed according to the number of properties that were submitted to the Contractor as follows:

- 1 - 500 Title Reports: within seven Calendar Days from Contractor's receipt of the list of properties sold at the Tax Sale.

- 501 - 1,000 Title Reports: within 12 Calendar Days from Contractor's receipt of the list of properties sold at the Tax Sale.

The Date Down update of each property will be considered a separate fee from the Title Report of each property.

2.4.4 Single or Small Numbers of Property Tax Sales

Chapter 8 Agreement Sale, (and in some cases Sealed Bid Auction) property lists will be provided by TTC to the

Contractor on an as-needed basis and the Contractor must complete the Title Reports and submit them to TTC within ten Calendar Days of referral for 100 or less parcels in accordance with Subparagraph 2.2 (Order of Items in the Title Report), and Subparagraph 2.3 (Title Report Media).

2.4.5 Additional Title Reports

TTC may request a Title Report for any number of parcels at any time, including a Title Report with a litigation guaranty, which will be considered a separate fee from a Title Report.

2.5 Tax Sale Schedules

TTC typically conducts Tax Sales each FY. This may include Tax Sales pursuant to Chapter 7, Part 6, Division 1 of the California Revenue and Taxation Code (i.e., In-Person Public Auction, Internet Public Auction, and Sealed Bid Auction), as well as Chapter 8 Agreement Sales, pursuant to Chapter 8, Part 6, Division 1 of the California Revenue and Taxation Code. During the course of the FY, TTC may also require additional Title Reports that are not related to Tax Sales. The total number of properties that require Title Investigation and Reporting Services will vary. TTC does not guarantee any specific level of work to the Contractor.

2.6 Property Lists

TTC will provide the property lists to the Contractor in an electronic file format (e.g. Microsoft Excel, Microsoft Word, etc.). In the event the property list specifications change, Contractor will be notified in advance.

2.7 Title Reports Related to Bond Foreclosures and Liens

TTC may request Title Reports related to bond foreclosures and Liens that may occur throughout the Contract Term. The volume is generally minimal. Title Reports on these requests must be completed and submitted to TTC within 12 Calendar Days of referral to the Contractor and must adhere to Subparagraph 2.2 (Order of Items in the Title Report), and Subparagraph 2.3 (Title Report Media).

2.8 Discrepancies

In the event there is a difference between the owner(s) shown on the source documents identified by TTC and the title investigation for a particular property, Contractor must immediately contact the County's Project Monitor identified in Contract Exhibit D (County's Administration), by telephone or email, to report, and receive direction to resolve the discrepancy and indicate such discrepancies in the “Assessor Title Difference” section of the Title Report.

In the event there is a difference between the legal description(s) shown on the source documents identified by TTC and the title investigation for a particular property, Contractor must, immediately contact the County’s Project Monitor identified in Contract Exhibit D (County’s Administration), by telephone or email, to report and receive direction to resolve the discrepancy and follow up by indicating the discrepancy in the “Assessor Legal Description Difference” section of the Title Report.

2.9 Cancellation of Requested Title Reports

TTC will submit a property list requiring Title Investigation and Reporting Services all at one time, approximately three to nine months before the Tax Sale. Accordingly, if a property is redeemed or TTC determines that a parcel should not be brought to sale, TTC will have the right to cancel requests for any number or Title Reports that have been submitted to the Contractor, but not yet researched, at no charge to TTC. This excludes Title Reports that have been completed as defined in Subparagraph 2.1 (Title Investigation) but not yet delivered.

2.10 Stopping Title Report Research

Should the Contractor foresee an issue in failing to complete a Title Report by the deadline, the Contractor must immediately notify the County’s Project Monitor identified in Contract Exhibit D (County’s Administration), by telephone or email. Under no circumstances will the Contractor stop researching a Title Report without communication and approval from TTC.

2.11 Non-Complying Title Reports

Upon receipt of a Title Report, TTC will conduct a review to ensure it is in compliance with the requirements of this SOW and will notify the Contractor of any deficiencies. Within five Business Days of such notification from TTC, the Contractor must correct any deficiencies in the Title Report at no cost to the County.

3.0 ADDITIONAL REPORTS

TTC may request additional as-needed reports throughout the Contract Term. The Contractor must provide all additional as-needed reports upon request.

4.0 QUALITY CONTROL PLAN

Contractor must establish and maintain a comprehensive Quality Control Plan (QCP) to ensure the Contractor meets the requirements of the Contract and provides a consistently high level of service throughout the Contract Term. The QCP must be submitted to the County's Project Director within ten Business Days following the start date of this Contract and as changes occur during the Contract Term or upon request. Contractor must review its QCP annually and update as changes occur.

At a minimum, the QCP must include the following:

4.1 The method of monitoring to ensure that all Contract requirements are being met. It must specify the activities the Contractor will monitor, including activities monitored on either a scheduled or an unscheduled basis; how often the monitoring will be performed; and the title of the individual(s) who will perform the monitoring.

4.2 The methods used by the Contractor to identify and prevent deficiencies in the quality of service performed before the level of performance becomes unacceptable and not in compliance with this Contract, for example:

4.2.1 Title Reports must be complete. For example, if recorded documentation associated with a parcel is 20 pages long, all 20 pages must be provided. The Contractor may not submit only the pages that contain pertinent data.

4.2.2 Provide **all** recorded documents.

4.2.3 Provide clear legible copies of recorded documents.

4.2.4 No markings/notations on the Title Reports made by the Contractor particularly on the recorded documents.

4.2.5 Ensure each document provided (e.g., deed of trust or any other deed) pertains to the particular property for which the Title Report is being prepared.

4.2.6 Title Report must be assembled in accordance with Subparagraph 2.2 (Order of Items in the Title Report).

4.3 A record of all inspections conducted by the Contractor, any corrective action taken, the date a problem was first identified, a clear description of the problem, and the time-elapsed between identification and completed corrective action, which must be provided to TTC upon request.

4.4 The method for ensuring Contractor maintains confidentiality.

5.0 BUSINESS CONTINUITY PLAN

The Contractor must provide a written Business Continuity Plan (BCP) for providing continuing services to the County in the event of an emergency that disrupts the Contractor's operations. The Contractor must provide an updated copy of the BCP to the County's Project Director within ten Business Days of this Contract start date and within ten Business Days when changes occur during the Contract Term. The BCP must include, at a minimum, the following components:

5.1 The process for notifying TTC immediately of any emergency that disrupts service (i.e., power outages, natural disaster, fire, cyber terrorism, etc.);

5.2 Timeline for operationalizing the BCP;

5.3 Description of the Contractor's disaster recovery plans and solutions;

5.4 Address, telephone number, email address, and fax number of any alternate site(s) where Contractor will perform services;

5.5 Description of the production capabilities at any alternate site(s);

5.6 Description of the Contractor's information technology (IT) plans and features to ensure the County's information remains accessible and secure;

5.7 Description of how Contractor would implement the BCP; and

5.8 Description of how Contractor will test the BCP on an annual basis and update it accordingly.

6.0 QUALITY ASSURANCE PLAN

The County will evaluate the contractor's performance under this Contract using the quality assurance procedures as defined in Contract Subparagraph 8.15 (County's Quality Assurance Plan) of this Contract.

6.1 Meetings

The Contractor is required to attend any scheduled meeting as agreed upon by the County and the Contractor. Failure to attend may result in an assessment as set forth in the PRS Chart. The County will notify the Contractor in writing of the assessment and will deduct the assessment from payment to the Contractor.

Contractor must meet with the County's Project Manager at any periodic interval as determined by the County Project Director.

6.2 Contract Discrepancy Report

The County will determine whether a formal Contract Discrepancy Report (CDR) is issued to the Contractor. Upon receipt of this document, the Contractor must respond in writing to the County within three Business Days, acknowledging the reported discrepancies or presenting contrary evidence. The County will evaluate the evidence presented and determine whether the discrepancy is valid. The Contractor must submit a plan for correction of all deficiencies identified in the CDR to the County within five Business Days and resolve discrepancy within a time period mutually agreed upon by the County and the Contractor.

6.3 Contractor Complaint Log

The Contractor will maintain a log of all complaints received from the County or the public. The Contractor must immediately investigate all complaints and provide a written report to the County's Project Director, or designee, regarding the disposition of each complaint within five Business Days of receiving the complaint. Each Report will include a summary of the complaint, name of the Contractor's employee(s) involved, results of the Contractor's investigation, and a statement regarding the corrective action taken to avoid or mitigate the recurrence of such a complaint.

The County retains the right to terminate this Contract if the Contractor does not take any action to said complaint(s).

7.0 DAYS OF OPERATION/HOURS/WORKDAY

The Contractor will maintain Days and hours of operation and staffing sufficient to complete all services within the timeframes directed by TTC. TTC's regular business hours are from Monday through Friday, during the hours of 8:00 a.m. to 5:00 p.m. Pacific Time (PT). A list of County Observed Holidays may be found on TTC's website https://ttc.lacounty.gov/county-holidays/.

Contractor will provide any necessary services, including, but not limited to, those services described in the Contract and Exhibit A (SOW), including any exhibits and attachments thereto, that do not require access to County facilities, regardless of the County's regular business hours and/or County Observed Holidays.

8.0 PERFORMANCE REQUIREMENTS SUMMARY

The PRS Chart lists the required services and deliverables monitored by the County during the Contract Term.

8.1 All listings of services and deliverables referenced in the PRS Chart are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of the Contractor beyond that defined in this Contract and in the SOW. In any case of apparent inconsistency between services or deliverables as stated in the Contract, the SOW, and this PRS Chart, the meaning apparent in the Contract and the SOW will prevail. If any service or deliverable seems to be created in this PRS Chart, which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service or deliverable will be null and void and will place no requirement on the Contractor.

8.2 At the County's sole discretion, when the Contractor's performance does not conform to the requirements of this Contract, the County will have the option to apply nonperformance remedies that may include, but are not limited to, the following:

- Require the Contractor to implement a Corrective Action Plan (CAP), subject to approval by the County. In the CAP, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to the Contractor based on the assessment indicated in the PRS Chart.
- Reduce, suspend, or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the Contractor to comply with or satisfy requests for improvement of performance or to perform the neglected work specified within ten Business Days, or the timeframe specified by TTC, will constitute authorization for the County to have the service(s) performed by others. Contractor will reimburse the County for the entire cost of such work performed by others because of the Contractor's failure to perform said service(s), as determined by the County. The Contractor will credit to the County the entire cost of such work on the Contractor's future invoice(s) under this Contract or any other County Contract.

8.3 Nothing within this Subparagraph precludes the County's right to terminate this Contract upon ten Days' written notice with or without cause as provided in this Contract.

9.0 INFORMATION SECURITY AND PRIVACY REQUIREMENTS

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

10.0 TECHNICAL REQUIREMENTS

The Contractor's system must have the following items noted below:

1. Secure Web Portal

    - Access to the system must be through a secure web portal using SSL/TLS encryption for all browser-based sessions.

2. Password Policy

    - Enforce strong password requirements which include, but not limited to, length, complexity, and expiration, etc.

3. Multi-Factor Authentication (MFA)

    - MFA must be enforced for all web portal access.
    - Supported MFA methods:
        - Authenticator Apps (e.g., Microsoft Authenticator).
        - Hardware Tokens or FIDO2-compliant devices.
        - SMS/Email One-Time Passcode (OTP) (as fallback only).

11.0 GENERAL CRITERIA FOR SATISFACTORY AND UNSATISFACTORY PERFORMANCE

Performance of the services listed in the PRS Chart is considered satisfactory when no discrepancies are found by TTC through Contract monitoring or other means. When performance is unsatisfactory, TTC may provide a CDR to the Contractor. The Contractor is required to respond to the CDR in writing within ten Business Days explaining why performance was unsatisfactory, how performance will be returned to satisfactory levels, and how a recurrence will be prevented.

The County's Project Director will evaluate the written response and, at their sole discretion, determine whether the Contractor will be responsible for full payment, partial payment, or if the Contract termination process is applicable.

SAMPLE

Parties of Interest Report Cover Letter

(Including supporting documentation)

County of Los Angeles Treasurer and Tax Collector: 2025A Tax Sale
225 N. Hill Street, Room 130, Los Angeles, CA 90012
Attention: Sergio Marquez

Date of Report:
Prepared by:

1. **<u>Assessor's Parcel</u>**

   Item No.:

   Parcel No.:

   Assessee Name:

   Property Address:

2. **<u>Property Vesting (Persons with Title of Record)</u>**

   Current Owner(s) of the Property in Question:

   Document No.:

   Recordation Date:

   Percentage of Ownership:

3. **<u>Assessor Title Difference</u>** <u>(if applicable)</u>

4. **<u>Legal Description Difference</u>** <u>(if applicable)</u>

5. **Easement Holders of Record**

6. **Lienholder(s) of Record** (In order of their priority)

7. **Other Judgements and/or Lien documents**

Lien Check List

- ☐ Bankruptcy
- ☐ Probate
- ☐ IRS Lien(s)
- ☐ State Tax Lien(s)
- ☐ County Tax Lien(s)
- ☐ Property Tax Postponement (PTP) Lien
- ☐ The record owner(s) and the assessed owner(s) do not match
- ☐ Contamination was reported on California Dept. of Toxic Substances Control's EnviroStor database

Special Assessments-is the property subject to any of the following? (If yes, see notes for account numbers)

- ☐ 1915 Improvement Bond Act
- ☐ Mello-Roos Community Facilities District Act of 1982
- ☐ PACE/HERO Program
- ☐ Recorded evidence of substandard dwelling, abatement actions, or other matters that would deem parcel substandard pursuant to Revenue & Taxation Code Section 3772.5
- ☐ Recorded Easement, including but not limited to Right-of-Way, Right-of-Use, or for Land Preservation, Conservation or Recreation

Does the property use a legal description shown as being on a recorded subdivision tract map?

- ☐ Yes
- ☐ No

SAMPLE

Date Down

(Including supporting documentation)

County of Los Angeles Treasurer and Tax Collector: 2025A Tax Sale Datedown
225 N. Hill Street, Room 130, Los Angeles, CA 90012
Attention: Sergio Marquez

Date of Report:
Prepared by:

1. **Assessor's Parcel**

   Item No.:

   Parcel No.:

   Assessee Name:

   Property Address:

2. **Property Vesting (Persons with Title of Record)**

   Current Owner(s) of the Property in Question:

   Document No.:

   Recordation Date:

   Percentage of Ownership:

3. **Assessor Title Difference** (if applicable)

4. **Legal Description Difference** (if applicable)

5. **Easement Holders of Record**

6. **Lienholder(s) of Record** (In order of their priority)

7. **Other Judgements and/or Lien documents**

Lien Check List

- ☐ Bankruptcy
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- ☐ Recorded Easement, including but not limited to Right-of-Way, Right-of-Use, or for Land Preservation, Conservation or Recreation

Does the property use a legal description shown as being on a recorded subdivision tract map?

- ☐ Yes
- ☐ No

ANNUAL TITLE INVESTIGATION WORKLOAD (FY 2015-2020)

Initial Reports

Fiscal Year	Public Auction	Internet Auction	Sealed Bid Auction	Agreement Sale	Total
2015-2016	2,776	326	13	5	3,120
2016-2017	2,305	851	0	7	3,163
2017-2018	1,922	563	71	13	2,569
2018-2019	1,189	1,039	114	29	2,371
2019-2020	1,560	902	43	2	2,507
2020-2021	1,649 (Estimate)	TBD	TBD	TBD	TBD

Date Downs

Fiscal Year	Pre-Sale
2015-2016	1,700
2016-2017	1,800
2017-2018	1,520
2018-2019	1,303
2019-2020	1,500
2020-2021	TBD

2020A ASSIGNED PARCELS SCHEDULE

Employee	Item No.	Parcel No.	Item No.	Parcel No.
Group 1	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx
Group 2	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx
Group 3	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx
Group 4	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx
Group 5	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx
*Group 6	xxxx	xxxx-xxx-xxx	xxxx	xxxx-xxx-xxx

*The last group consists of "added on" Assessor's Identification Numbers and may not be in numerical order.

CONTRACT DISCREPANCY REPORT (CDR)

TO:

FROM:

DATES:

Prepared: ____

Returned by Contractor: ____

Action Completed: ____

DISCREPANCY or PROBLEMS: ____

____

____

_____________________________________ _______________________

Signature of County Representative Date

CONTRACTOR RESPONSE (Cause and Corrective Action): ___________________________

____

____

_____________________________________ _______________________

Signature of Contractor Representative Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: ________________________________

____

____

_____________________________________ _______________________

Signature of Contractor Representative Date

COUNTY ACTIONS:____

____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date ____

Contractor Representative's Signature and Date ______________________________________

EXHIBIT 2

TITLE INVESTIGATION AND REPORTING SERVICES
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

CONTRACT			
SPECIFIC PERFORMANCE REFERENCE	**SERVICE**	**MONITORING METHOD**	**DEDUCTIONS/FEES TO BE ASSESSED**
Subparagraph 7.1 Contractor's Director **Subparagraph 7.2** Contractor's Project Manager **Subparagraph 7.3** Contractor's Financial Manager	Notify TTC of changes in Contractor Administration staff, with résumé, within five Business Days.	Inspection and Observation.	$50 per day that notification is late.
Subparagraph 7.6 Approval of Contractor's Staff	Immediate removal of unacceptable Contract personnel.	Complaints, inspection, and observation.	$100 per occurrence of non-removal if beyond one Business Day.
Subparagraph 7.8 Background and Security Investigations	Ensure staff undergo background checks before servicing the Contract.	Complaints, inspection, and observation.	$500 per incident of staff member noncompliance.
	Notify TTC of the names of staff and dates fingerprinted.	Inspection and observation.	$25 per incident of staff member noncompliance.
Subparagraph 7.9 Confidentiality	Maintain the confidentiality of all records and information.	Observation and complaints.	$1,000 per document that is not maintained in accordance with the applicable Federal, State, and local laws, rules, regulations, ordinances, directives, guidelines policies and procedures relating to confidentiality.

EXHIBIT 2

TITLE INVESTIGATION AND REPORTING SERVICES
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

CONTRACT			
SPECIFIC PERFORMANCE REFERENCE	**SERVICE**	**MONITORING METHOD**	**DEDUCTIONS/FEES TO BE ASSESSED**
Subparagraph 8.24 General Provisions for all Insurance Coverage **Subparagraph 8.25** Insurance Coverage	Maintain required insurance coverage satisfying the requirements within these Subparagraphs; and provide Required Insurance to TTC.	Receipt and review of insurance information.	$100 per day of lapsed coverage, and/or TTC may withhold payment due, and/or termination of Contract.
Subparagraph 8.37 Publicity	Obtain County's advanced written permission to use County's name in advertisements.	Complaints, inspection, and observation.	$500 per occurrence of unpermitted use of the County name and/or logo in advertising, and possible termination of Contract.
Subparagraph 8.38 Record Retention and Inspection-Audit Settlement	Contractor to maintain all documents as specified in Subparagraph 8.38.	Inspection of files.	$50 per occurrence of failure to produce required documents within one Business Day of request, or as agreed upon.
Subparagraphs 8.38.5 and 8.38.6 Financial Statements and Pending Litigation	Provide required financial statements and pending litigation statements within the time frame stated in this Subparagraph.	Receipt and review of financial statements.	$50 per day for failure to produce required documents within five Business Days of request, or as agreed upon.
Subparagraph 8.40 Subcontracting	Contractor must obtain County's written approval prior to subcontracting any work.	Inspection and observation.	$500 per occurrence and possible termination for default.

EXHIBIT 2

TITLE INVESTIGATION AND REPORTING SERVICES
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	**SERVICE**	**MONITORING METHOD**	**DEDUCTIONS/FEES TO BE ASSESSED**
Subparagraph 2.3 Title Report Media	The Contractor must provide paper copies of Reports as indicated in Subparagraph 2.3.	Receipt and review of Reports.	$200 for every Report that is not provided according to the required specifications.
Subparagraph 2.3 Title Report Media	The Contractor must provide secured electronic copies of Reports downloadable from a secured cloud storage available for 30 Days as indicated in Subparagraph 2.3.	Receipt and review of Reports.	$200 for every Report that is not provided according to the required specifications.
Subparagraph 2.4.1 Initial Title Investigation	The Contractor must provide a total of at least 200 Reports or eight percent of the original Auction list(s), whichever is greater, on a weekly basis.	Receipt and review of Reports.	$200 per occurrence of weekly report quota not being met.
Subparagraph 2.4.1 Initial Title Investigation	For each sum of weekly Reports submitted, they must consist of an equal portion of parcels from each group listed in the Assigned Parcel Schedule.	Receipt and review of Reports.	$50 per occurrence that a weekly Subparagraph 3.4.1, Initial Title Investigation report quota does not contain an equal portion of parcels from the Assigned Parcel Schedule.

EXHIBIT 2

TITLE INVESTIGATION AND REPORTING SERVICES PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	**SERVICE**	**MONITORING METHOD**	**DEDUCTIONS/FEES TO BE ASSESSED**
Subparagraph 2.4.1 Initial Title Investigation	The Contractor must ensure that 100% of the Reports are submitted according to the volume-to-time deadlines outlined in Subparagraph 2.4.1.	Receipt and review of Reports.	$200 per each late Report.
Subparagraph 2.4.2 Pre-Sale Date Down and **Subparagraph 2.4.3** Post-Sale Date Down	Upon request, the Contractor must provide paper copies of Reports as indicated in Subparagraphs 2.4.2 and 2.4.3.	Receipt and review of Reports.	$500 for every Report that is not provided according to the required deadlines and specifications.
Subparagraph 2.4.4 Single or Small Numbers of Property Tax Sales	The Contractor must provide Reports related to Chapter 8 Agreement Sales and Sealed Bid Sales of 100 or less parcels within ten Business Days after TTC referral.	Receipt and review of Reports.	$200 per day per late Report. Receipt and review of Reports.
Subparagraph 2.7 Title Reports Related to Bond Foreclosures and Liens	The Contractor must provide Reports related to bond foreclosures and liens within 12 Calendar Days after TTC referral.	Receipt and review of Reports.	$200 per day per late Report.

EXHIBIT 2

TITLE INVESTIGATION AND REPORTING SERVICES
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

STATEMENT OF WORK			
SPECIFIC PERFORMANCE REFERENCE	**SERVICE**	**MONITORING METHOD**	**DEDUCTIONS/FEES TO BE ASSESSED**
Subparagraph 2.11 Non-Complying Title Reports	The Contractor must correct any incomplete reports within five Business Days of TTC notification.	Receipt and review of Reports.	$200 per Day that corrected Report is late.
Paragraph 4.0 Quality Control Plan	A written Quality Control Plan must be maintained and provided as required.	Receipt and review of Reports.	$100 per each-Day late. $500 if Plan is incomplete.
Subparagraph 6.1 Meetings	The Contractor's representative to attend scheduled meetings.	Attendance	$100 per occurrence for nonattendance.

PRICING SCHEDULE

Proposer's Name: <u>First Corporate Solutions, Inc.</u>

SERVICE	Rate
1. PARTIES OF INTEREST REPORTS	$ 225.00 Per Parcel
2. DATE DOWN REPORTS	$ 45.00 Per Report

INTENTIONALLY OMITTED

COUNTY'S ADMINISTRATION

CONTRACT NO. ________________

COUNTY'S PROJECT DIRECTOR:

Name:	Deondria Barajas
Title:	Assistant Treasurer and Tax Collector
Address:	500 West Temple Street, Room 437
	Los Angeles, CA 90012
Telephone:	(213) 974-2077
Facsimile:	(213) 626-1812
Email Address:	dbarajas@ttc.lacounty.gov

COUNTY'S PROJECT MANAGER:

Name:	Nichole Alcaraz
Title:	Operations Chief
Address:	225 North Hill Street, Room 122
	Los Angeles, CA 90012
Telephone:	(213) 974-0070
Email Address:	nalcaraz@ttc.lacounty.gov

COUNTY'S ADMINISTRATION

CONTRACT NO. _________________

COUNTY'S CONTRACTS' SECTION – CONTRACT MONITOR:

Name:	Darlene Hernandez
Title:	Contract Monitor
Address:	500 West Temple Street, Room 464
	Los Angeles, CA 90012
Telephone:	(213) 584-1303
Facsimile:	(213) 687-4857
Email Address:	dhernandez@ttc.lacounty.gov

COUNTY'S ADMINISTRATION

CONTRACT NO. ________________

CHIEF INFORMATION SECURITY OFFICER:

Name: James Thurmond
Title: Chief Information Security Officer
Address: 320 West Temple, 7th Floor
Los Angeles, CA 90012
Telephone: (213) 253-5660
Email Address: CISO-CPO_Notify@lacounty.gov

CHIEF PRIVACY OFFICER:

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

COUNTY'S DEPARTMENTAL CHIEF INFORMATION OFFICER (DCIO):

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

COUNTY'S DEPARTMENTAL INFORMATION SECURITY OFFICER (DISO):

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

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: First Corporate Solutions, Inc.

CONTRACT NO. _______________

CONTRACTOR'S PROJECT DIRECTOR:

Name: Daniel Silverburg
Title: Title Projects Manager
Address: 914 S Street
Sacramento, CA 95811
Telephone: (800) 406-1577 Xtn: 8918
Facsimile: (800) 266-2703
Email Address: daniel.silverburg@ficoso.com

CONTRACTOR'S PROJECT MANAGER:

Name: Daniel Silverburg
Title: Title Projects Manager
Address: 914 S Street
Sacramento, CA 95811
Telephone: (800) 406-1577 Xtn: 8918
Facsimile: (800) 266-2703
Email Address: daniel.silverburg@ficoso.com

CONTRACTOR'S ALTERNATE PROJECT MANAGER:

Name: Natalie Cunningham
Title: Lead Title Examiner
Address: 12631 East Imperial Hwy, Suite F-102
Santa Fe Springs, CA 90670
Telephone: (800) 406-1577
Facsimile: (800) 266-2703
Email Address: natalie.cunningham@ficoso.com

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: <u>First Corporate Solutions, Inc.</u>

CONTRACT NO. _______________

CONTRACTOR'S FINANCIAL MANAGER

Name:	Dominic Ferri
Title:	VP of Finance
Address:	914 S Street
	Sacramento, CA 95811
Telephone:	(800) 406-1577 Xtn: 8908
Facsimile:	(916) 441-2217
Email Address:	dominic.ferri@ficoso.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name:	Christian Hay
Title:	Vice President of Operations
Address:	914 S Street
	Sacramento, CA 95811
Telephone:	(800) 406-1577 Xtn: 8976
Facsimile:	(800) 266-2703
Email Address:	christian.hay@ficoso.com

NOTICES TO CONTRACTOR MUST BE SENT TO THE FOLLOWING:

Name:	Daniel Silverburg
Title:	Title Projects Manager
Address:	914 S Street
	Sacramento, CA 95811
Telephone:	(800) 266-1577 Xtn: 8918
Facsimile:	(800) 266-2703
Email Address:	daniel.silverburg@ficoso.com

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

NON-IT CONTRACTS

F1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME First Corporate Solutions, Inc. Contract No.______________________

GENERAL INFORMATION:

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

CONTRACTOR ACKNOWLEDGEMENT:

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

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

CONFIDENTIALITY AGREEMENT:

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

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

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

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

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

SIGNATURE: Daniel Silverburg DATE: 06 / 22 / 2026

PRINTED NAME: Daniel Silverburg

POSITION: Title Projects Manager

Title 2 ADMINISTRATION
Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.

B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.

C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.

D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.

E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.

F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.

G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;

B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and

C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within ten days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.

B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

1. Chief Executive Office delegated authority agreements under $50,000;
2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
3. A purchase made through a state or federal contract;
4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement;.
6. Purchase orders issued by Internal Services Department under $100,000 that is not the result of a competitive bidding process;.
7. Program agreements that utilize Board of Supervisors' discretionary funds;
8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
12. A non-agreement purchase worth a value of less than $5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.

B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.

B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.

C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:

   1. Recommend to the Board of Supervisors the termination of the contract; and/or,

   2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or

   3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☒ Board Letter ☐ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	7/15/2026
BOARD MEETING DATE	8/11/2026
SUPERVISORIAL DISTRICT AFFECTED	☐ All ☒ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th
DEPARTMENT(S)	CEO-RED
SUBJECT	**MEMORDANDUM OF UNDERSTANDING WITH LOS ANGELES COUNTY FAIR ASSOCIATION TO COLLABORATE ON THE FAIRPLEX SPECIFIC PLAN AND POTENTIAL REDEVELOPMENT OF THE FAIRPLEX PROPERTY**
PROGRAM	N/A
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☒ Yes ☐ No
SOLE SOURCE CONTRACT	☐ Yes ☒ No If Yes, please explain why:
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	☒ Yes ☐ No – Not Applicable **If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.**
DEADLINES/ TIME CONSTRAINTS	
COST & FUNDING	Total cost: N/A Funding source: N/A TERMS (if applicable): N/A Explanation:
PURPOSE OF REQUEST	A memorandum of understanding (MOU) between County and Los Angeles County Fair Association to collaborate on the Fairplex Specific Plan and potential redevelopment of the Fairplex property.
BACKGROUND (include internal/external issues that may exist including any related motions)	The Board adopted a motion on 2/6/2024 approving an MOU with the Fair Association for the same purpose of this request. That previous MOU expired in February of 2026, and both parties wish to continue the MOU. The term of the proposed MOU will be coterminous with that of the Fairplex lease and thus will expire on 12/31/2042. Each party also has the right to early terminate the proposed MOU on 30 days' prior written notice
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ☒ No
DEPARTMENTAL CONTACTS	Michael Rodriguez, Section Chief CEO Real Estate Division 213-974-4246 mgrodriguez@ceo.lacounty.gov

Chief Executive Office.

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

CHIEF EXECUTIVE OFFICER
Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

August 11, 2026

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:

MEMORDANDUM OF UNDERSTANDING WITH LOS ANGELES COUNTY FAIR ASSOCIATION TO COLLABORATE ON THE FAIRPLEX SPECIFIC PLAN AND POTENTIAL REDEVELOPMENT OF THE FAIRPLEX PROPERTY (FIRST DISTRICT) (3-VOTES)

SUBJECT

Approval of a proposed Memorandum of Understanding (MOU) with the Los Angeles County Fair Association (Fair Association) to collaborate on the revisioning and potential redevelopment of the Fairplex located at 1101 West McKinley Avenue, Pomona (Fairplex property).

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the approval of the proposed MOU (Enclosure A) does not constitute a project under the California Environmental Quality Act (CEQA) for the reasons stated below.

2. Approve and direct the Chief Executive Officer, or his designee, to execute the proposed MOU, approved as to form by County Counsel, and authorize the Chief Executive Officer, or his designee, to take all further actions necessary and appropriate to implement the terms and conditions of the proposed MOU, including executing amendments to the proposed MOU that are approved as to form by County Counsel.

3. Authorize and direct the Chief Executive Officer, or his designee, to execute any other ancillary documentation necessary to effectuate the terms of the proposed

MOU, approved as to form by County Counsel, and to take actions necessary and appropriate to implement the proposed MOU.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Fairplex property is a 487-acre County of Los Angeles (County)-owned property located in the City of Pomona, that is ground leased to the Fair Association, a California non-profit mutual benefit corporation. The Fair Association conducts an annual County fair at the Fairplex property and operates a hotel, conducts interim events, and subleases convention space. The Fair Association is seeking to develop a plan to re-envision and re-develop the Fairplex property, which will guide every aspect of development and design, provide for environmental review, and integrate the County fair (Specific Plan). Because the Fairplex property is such an important entertainment, agricultural, educational, and commercial asset and has the potential of becoming an even greater public asset, the County should collaborate and work with the Fair Association on developing the Specific Plan.

Your Board of Supervisors (Board) approved a previous MOU with the Fair Association on February 6, 2024. That previous MOU expired on February 21, 2026, and both the County and the Fair Association wish to renew the MOU for a longer term. This proposed new MOU includes the following terms:

- The term of the proposed MOU will be coterminous with the Fair Association ground lease, unless terminated by either party on 30 days' prior written notice.

- The Fair Association shall, at its own cost and expense, prepare all Specific Plan and entitlement applications and submittals, CEQA related documents, plans, maps, renderings, reports, and other documents (Development Documents) related to the Specific Plan.

- The Fair Association will provide the County with copies of the Development Documents and will provide monthly status updates, respond to County information requests, provide the County with the opportunity to provide input and comment to draft documents, and notify the County of outreach and stakeholder meetings.

- The County shall have no obligation to fund, subsidize, or otherwise financially contribute in any manner toward the development or implementation of the Specific Plan.

- The County will review and provide comments to the Fair Association on Development Documents to be submitted to governmental agencies and for funding and grant applications. The County is to provide written approval of Development Documents, funding applications, and grant applications prior to submittal.

Implementation of Strategic Plan Goals

The proposed MOU with the Fair Association supports the Countywide Strategic Plan North Star 3 – "Realize Tomorrow's Government Today, Focus Area Goal F-Flexible and Efficient Infrastructure, Strategy ii-Manage and Maximize County Assets" by providing the County the opportunity to work and collaborate with the Fair Association on developing and carrying out the Specific Plan for a very important County asset.

FISCAL IMPACT/FINANCING

There will be no fiscal impact to the County due to the proposed MOU.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

County Counsel has reviewed the proposed MOU and has approved it as to form.

ENVIRONMENTAL DOCUMENTATION

The proposed MOU does not constitute a project under CEQA, pursuant to Public Resources Code Section 21065 and State CEQA Guidelines Sections 15060(c)(3) and 15378(b)(4) and (5) because the proposed action is excluded from the definition of a project as it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment and involves government fiscal activities that do not involve any commitment to any specific project, which may result in a potentially significant physical impact on the environment; future approval of the Specific Plan and any proposed development of the Fairplex property will require prior Board approval and appropriate findings under CEQA.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will provide the opportunity for the County to collaborate and work with the Fair Association to develop and carry out the Specific Plan.

Respectfully submitted,

JOSEPH M. NICCHITTA
Chief Executive Officer

JMN:JG:JTC
JLC:MGR:NH:DC:ja

Enclosure

c: Executive Office, Board of Supervisors
County Counsel

ENCLOSURE A

MEMORANDUM OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

THE LOS ANGELES FAIR ASSOCIATION

FOR THE SPECIFIC PLAN AND POTENTIAL RE-DEVELOPMENT OF THE FAIRPLEX POMONA

This Memorandum of Understanding (MOU) is entered into this _____ day of_____________, 2026 (Effective Date), by and between the County of Los Angeles (County), and the Los Angeles County Fair Association (Fair Association). The County and Fair Association are collectively referred to herein as Parties and individually as a Party, and subject to the following understandings between the Parties.

RECITALS

WHEREAS, the County, as fee owner and landlord, and the Fair Association, as tenant, are parties to that certain Ground Lease and Operating Agreement dated January 20, 1988 (Lease), as amended by that certain First Amendment to Ground Lease and Operating Agreement dated January 28, 2000 (First Amendment), that certain Second Amendment to Ground Lease and Operating Agreement dated September 30, 2003 (Second Amendment), that certain Third Amendment to Ground Lease and Operating Agreement dated May 13, 2008 (Third Amendment), that certain Fourth Amendment to Ground Lease and Operating Agreement dated August 21, 2020 (Fourth Amendment), that certain letter agreement entitled "Amendment of Lease for Fairplex Pomona Extending the Lease for Use of Building 9" dated December 17, 2020 (Letter Amendment), that certain Sixth Amendment to Ground Lease and Operating Agreement dated September 14, 2021 (Sixth Amendment), and that certain Seventh Amendment to Ground Lease and Operating Agreement dated February 13, 2023 (Seventh Amendment). The Original Lease, together with the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Letter Amendment, the Sixth Amendment, and Seventh Amendment are collectively referred to herein as the Ground Lease);

WHEREAS, as per the Ground Lease, the Fair Association conducts a fair known as the Los Angeles County Fair, operates a hotel, conducts interim events, and subleases convention space at the leasehold property commonly referred to as the Pomona Fairplex (Property);

WHEREAS, the Fair Association is seeking to develop a plan to re-envision and re-develop the Property which will guide every aspect of development and design, provide for environmental review, and integrate the Los Angeles County Fair (Specific Plan);

WHEREAS, on January 29, 2020, the County issued that certain Verification of County-owned Property and Authority to Submit Applications to City of Pomona (City) Planning Division, authorizing the Fair Association to submit an application and environmental forms to the City for the Specific Plan;

WHEREAS, the County and Fair Association entered into a memorandum of understanding on February 21, 2024 (Original MOU), to collaborate on the Specific Plan and potential re-development of the Property and set forth the specific roles and duties of each of the Parties in this collaboration; and

WHEREAS, the Original MOU expired on February 20, 2026, and the County and Fair Association wish to continue to collaborate on the Specific Plan and potential re-development of the Property and set forth the specific roles and duties of each of the Parties in this collaboration.

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms and conditions contained herein, County and Fair Association hereby agree as follows:

1.0 Incorporation of Recitals. The Recitals are incorporated into and are a part of the MOU.

2.0 Term of the MOU. The term of this MOU shall commence on the Effective Date and shall continue until the earlier of: (a) the date on which either Party terminates this MOU pursuant to Section 11 of this MOU; or (b) the termination or expiration of that certain Ground Lease by and between the Parties. Upon the occurrence of either event, this MOU shall automatically terminate without further action by either Party.

3.0 General.

3.1 At all times during the Term, the County shall retain its full ownership interest in the Property.

3.2 The proposed development of the Property will be made in accordance with all applicable legal requirements, including without limitation, procurement, environmental and development requirements, such as, to the extent applicable, the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), and the State Surplus Land Act.

3.3 This MOU is not intended to bind the Parties to the development of the Property. Any agreements reached by the Parties as to such shall be set forth in a separate agreement or agreements subject to approval from each Party's governing body in accordance with all applicable legal requirements (including CEQA and NEPA). County and Fair Association hereby acknowledge their mutual intent to pursue an extension to the Ground Lease term, subject to agreement on the long-term development of the Property, as part of this separate agreement or agreements.

4.0 Specific Plan and CEQA Process.

4.1 The County acknowledges and accepts that the City will process the Specific Plan and serve in the role of lead agency for the preparation of CEQA related documents related thereto.

4.2 County will participate in the preparation of CEQA related documents in the role of responsible agency in order to assist the City in preparing CEQA related documents adequate for the County's use in any future discretionary approvals related to the Specific Plan and the development of the Property analyzed therein.

5.0 Fair Association Responsibilities.

5.1 All Specific Plan and entitlement applications and submittals, CEQA related documents, plans, maps, renderings, reports, and other documents related to the Specific Plan (collectively the Development Documents) shall be prepared at the Fair Association's sole cost and expense. Fair Association shall timely provide to County copies of the Development Documents within its possession and control without cost or expense to the County.

5.2 Fair Association will provide County with regular, monthly updates on the status of the preparation of the Development Documents, respond to reasonable County inquiries for information, and provide the County with the opportunity to provide comment and input to draft documents within its possession and control. Said updates will contain information in a format satisfactory to the County.

5.3 Fair Association will notify County at least one week in advance of any community outreach or external stakeholder meetings scheduled as part of the Specific Plan process.

5.4 Fair Association shall provide to the County for the County's review and approval any Development Documents intended for submission by Fair Association to a governmental agency not less than 30 days prior to the intended date of submittal. Fair Association shall not submit Development Documents relating to the Property without the prior written approval of the County.

5.5 Should Fair Association seek and apply for funding and grants for the development and implementation of the Specific Plan, Fair Association shall obtain County written approval before submitting funding and grant applications. Fair Association shall provide County 10 business days to review and approve funding and grant applications.

5.6 Fair Association shall make no representation on behalf of the County or on its own behalf regarding the County's rights, duties, and obligations as a government agency with respect to the Property. Such representations include, but are not limited to, representations with respect to the County's rights of ownership over the Property, whether a particular use constitutes a public or private use, the impact to the proposed development on the requirements under the State Regional Housing Needs Assessment, the County's discretion to authorize, permit, or otherwise approve of development or uses on the Property, and the County's sovereign immunity, without the prior written consent of County.

6.0 County Responsibilities.

6.1 County shall have no obligation to fund, subsidize, or otherwise financially contribute in any manner toward the development or implementation of the Specific Plan.

6.2 County will review and provide comments to Fair Association on Development Documents intended for submission by Fair Association to a governmental agency prior to the intended date of submittal provided the County receives complete documents in any form requested by the County within the timeframe set forth in section 5.4. County reserves the right to withhold approval of any Development Documents in its sole and discretion.

6.3 County will review and provide comments for all Fair Association funding and grant applications. County shall strive to provide its written approval within 10 business days of receipt of the application package from the Fair Association, provided, however, the Fair Association shall not file the application until County has provided written approval. County has the absolute and sole discretion to reject said application.

7.0 County Board of Supervisors Authority and Responsibility. Nothing in this MOU, or any previous agreements between the Parties, should be construed to delegate or otherwise limit the County Board of Supervisors' discretionary authority to approve disapprove, or elect not to proceed with the Specific Plan, any associated future agreements, or any development of the Property, whatsoever. Nothing in this MOU, or any previous agreements between the Parties, should be construed to delegate or otherwise limit the County Board of Supervisors' responsibilities under CEQA or NEPA, including, but limited to, the consideration of any feasible alternatives and mitigation measures that may be developed during environmental review. Nothing herein constitutes a waiver of the County's rights under State law to manage its property and exercise its sovereign immunity with respect thereto.

8.0 Amendments. Except as otherwise provided herein, any amendment(s) to this MOU shall be at the mutual consent of the Parties and shall be executed by an authorized designee of the County and of the Fair Association.

9.0 Indemnification. Each Party agrees to indemnify and hold the other Party, its officials, officers, agents, employees and representatives harmless from any and all claims, demands, damages, costs, expenses, and liability for damage, actual or alleged, to person or property arising out of or resulting from the indemnifying party's negligence, wrongful act or omission in the performance of this MOU. In the event of third-party loss caused by negligence, wrongful act or omission of both parties, each Party shall bear financial responsibility in proportion to its percentage of fault as may be mutually agreed or judicially determined. The provisions of California Civil Code section 2778 regarding interpretation of indemnity agreements are hereby incorporated. This Section 9 shall survive the expiration or termination of this MOU.

10.0 Authorized Representatives. The following individuals and their successors are designated by the County and Fair Association as the authorized representatives of the two Parties for implementation of this MOU, and all correspondence and notices relative hereto shall be considered delivered when received by these individuals at the following addresses:

The County:	County of Los Angeles Chief Executive Office Real Estate Division Hall of Records 555 West First Street, 36th Floor Los Angeles, CA 90013 Attn: Joyce Chang, Senior Manager (213) 974-3078 jchang@ceo.lacounty.gov
With a copy to:	County of Los Angeles Supervisorial District One 856 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012 Attn: Chief Deputy (213) 974-4111
The Fair Association:	Los Angeles County Fair Association Walter M. Marquez, Present and CEO 1101 W. McKinley Avenue Pomona, California 91768 (909) 865-4200 wmarquez@fairplex.com

11.0 Termination. Either Party may terminate this MOU, in whole or part, at any time by written notice to the other Party thirty (30) days in advance of the desired termination date.

12.0 Confidentiality.

12.1 The Parties anticipate that during the MOU term each shall from time to time disclose and provide to the other certain proprietary reports, correspondence, and other information related to the Specific Plan. Unless otherwise required by law, no Party shall disclose (except to its own and to the other Party's employees, officers, directors, agents, advisors, existing and prospective lenders, investors, counsel, and consultants) information regarding or related to the Specific Plan that is not already public, and that has been delivered to such Party pursuant to the terms hereof.

12.2 Notwithstanding the forgoing, the Fair Association acknowledges and agrees that County, as a governmental agency, (a) is subject to broad disclosure obligations under applicable law, including the California Public Records Act (Gov. Code § 7920.000 *et seq*.), and (b) holds County Board meetings which are open to the public and subject to the Brown Act and at which information concerning the Specific Plan may be disclosed including reports to the County Board describing the Specific Plan, and including any documents to be approved by the County Board. Nothing in this MOU shall prohibit any disclosure required by law.

12.3 County will promptly notify the Fair Association of any requests for the Development Documents or any related records pursuant to the California Public

Records Act, once received, and prior to any response to a request required by law.

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

14.0 Severability. If any provision of this MOU, or the application thereof, is held to be invalid, then that invalidity shall not affect other provisions or applications of the MOU that can be given effect without the invalid provision or application, and to this end the provisions of the MOU are severable.

15.0 Other Terms and Conditions.

15.1 This MOU constitutes the full and complete understanding between the Parties. This MOU may be modified only through written amendments hereto approved and executed in the same manner as this original MOU. Each and every attachment to this MOU is incorporated by reference and made part of this MOU.

15.2 This MOU shall be governed by California law and applicable federal law. If any provision of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way, unless doing so would deprive either Party of the material benefit of its bargain.

15.3 The terms of this MOU shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assigns.

IN WITNESS WHEREOF, the Fair Association has executed this MOU, or caused it to be duly executed by its authorized representative, and the County of Los Angeles by order of its Board of Supervisors, the authority to execute this MOU on its behalf on the date and year written below.

COUNTY:

COUNTY OF LOS ANGELES,
a body corporate and politic

JOSEPH M. NICCHITTA
Chief Executive Officer

By: ______________________________
John T. Cooke
Assistant Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: Roberto Saldana Roberto Saldana 2026.06.25 10:13:16 -07'00'
Roberto Saldaña
Senior Deputy County Counsel

FAIR ASSOCIATION:

LOS ANGELES COUNTY FAIR ASSOCIATION,
a California non-profit mutual benefit corporation

By: Walter Marquez 6/22/2026
Walter M. Marquez
President and CEO

By: ______________________________ 6/22/2026
Steve Birdwell
Chief Financial Officer & Vice President of Administration

docusign

Certificate Of Completion

Envelope Id: 302115A6-881F-8346-80DD-16D2F8BC2A61		Status: Completed
Subject: Complete with Docusign: Fairplex Second MOU 6-11-2026.pdf		
Source Envelope:		
Document Pages: 7	Signatures: 2	Envelope Originator:
Certificate Pages: 4	Initials: 0	Elizabeth Cervantes
AutoNav: Enabled		1101 W Mckinley Ave
EnvelopeId Stamping: Enabled		Pomona, CA 91768-1639
Time Zone: (UTC-08:00) Pacific Time (US & Canada)		cervantes@fairplex.com
		IP Address: 208.77.72.6

Record Tracking

Status: Original 6/15/2026 3:12:50 PM	Holder: Elizabeth Cervantes cervantes@fairplex.com	Location: DocuSign

Signer Events	Signature	Timestamp
Steve Birdwell birdwell@fairplex.com CFO Los Angeles County Fair Associatio Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 6/22/2026 9:48:29 AM ID: 30f5e417-556c-45a0-9fbe-af310ae75d9e	 Signature Adoption: Drawn on Device Using IP Address: 208.77.72.6 Signed using mobile	Sent: 6/15/2026 3:15:07 PM Viewed: 6/22/2026 9:48:29 AM Signed: 6/22/2026 9:48:45 AM
Walter Marquez wmarquez@fairplex.com CEO Los Angeles County Fair Assoc. Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Accepted: 3/3/2026 3:11:50 PM ID: ebc4015f-2038-4482-b612-c03e9c6bf6be	 Signature Adoption: Pre-selected Style Using IP Address: 208.77.72.6	Sent: 6/22/2026 9:48:46 AM Viewed: 6/22/2026 10:05:28 AM Signed: 6/22/2026 10:06:04 AM

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Audrey Jang audrey@somosgroup.org Security Level: Email, Account Authentication (None) **Electronic Record and Signature Disclosure:** Not Offered via Docusign	COPIED	Sent: 6/22/2026 10:06:05 AM Viewed: 6/22/2026 10:06:23 AM

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	6/15/2026 3:15:07 PM
Certified Delivered	Security Checked	6/22/2026 10:05:28 AM
Signing Complete	Security Checked	6/22/2026 10:06:04 AM
Completed	Security Checked	6/22/2026 10:06:05 AM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Fairplex - Los Angeles County Fair Association (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Fairplex - Los Angeles County Fair Association:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: birdwell@fairplex.com

To advise Fairplex - Los Angeles County Fair Association of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at birdwell@fairplex.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Fairplex - Los Angeles County Fair Association

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to birdwell@fairplex.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Fairplex - Los Angeles County Fair Association

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to birdwell@fairplex.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Fairplex - Los Angeles County Fair Association as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Fairplex - Los Angeles County Fair Association during the course of your relationship with Fairplex - Los Angeles County Fair Association.

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☒ Board Letter ☐ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	7/15/2026
BOARD MEETING DATE	8/11/2026
SUPERVISORIAL DISTRICT AFFECTED	☒ All ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th
DEPARTMENT(S)	Los Angeles County Development Authority (LACDA)
SUBJECT	APPROVAL TO PURCHASE MICROSOFT VOLUME LICENSING SERVICES WITH SHI INTERNATIONAL CORPORATION
PROGRAM	Information Technology
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☒ Yes ☐ No
SOLE SOURCE CONTRACT	☐ Yes ☒ No If Yes, please explain why:
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	☒ Yes ☐ No – Not Applicable **If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.**
DEADLINES/ TIME CONSTRAINTS	The existing contract for this service expires August 31, 2026.
COST & FUNDING	Total cost: $2,816,109.87 Funding source: Program funds in the LACDA's approved Fiscal Year (FY) 2026-27 budget TERMS (if applicable): Three years Explanation: No impact on the County General Fund. The three-year contract sum is $2,216,109.87 plus up to $600,000.00 in pool dollars for unforeseen costs.
PURPOSE OF REQUEST	Licenses and software assurance benefits for Microsoft products, with latest Microsoft software, including desktop, laptops and data center.
BACKGROUND (include internal/external issues that may exist including any related motions)	LACDA is leveraging the same contract that ISD uses from the LA County Master Agreement and the nationwide authorized Microsoft Licensing Solution Partners. LACDA will utilize the services from Microsoft Corporation via SHI International Corporation and execute Microsoft Enterprise Agreement Enrollment Forms with Microsoft Corporation to be included in the contract, as part of the Statement of Work.
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☐ Yes ☒ No If Yes, please state which one(s) and explain how:
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Cesar Delgado, IT Director, (626) 586-1707 Cesar.Delgado@lacda.org

August 11, 2026

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

Dear Commissioners:

CONTRACT FOR MICROSOFT ENTERPRISE VOLUME LICENSING SERVICES (ALL DISTRICTS) (3 VOTE)

CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ( ) DISAPPROVE ( )

SUBJECT

This letter recommends approval of a Contract for Microsoft Enterprise Volume Licensing Services to SHI International Corporation.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Executive Director, or designee, to execute a Contract with SHI International Corporation (SHI) to provide Microsoft Enterprise Volume Licensing and related services (Services) for the Los Angeles County Development Authority (LACDA) for a three-year term, with a maximum contract sum not to exceed $2,816,109.87, comprised of (i) $2,216,109.87 for ongoing support and upgrades; and (ii) $600,000.00 for Pool Dollars for additional Services as needed, with Pool Dollar expenditures to be authorized through issuance of change notices and/or amendments, as applicable.

2. Authorize the Executive Director, or designee, to execute amendments to the Contract to: (i) add, delete, and/or change certain terms and conditions as mandated by federal, state, or local law or regulations, or as required by the Board and/or Executive Director, which are not part of the Statement of Work (SOW); (ii) internally reallocate funds between budget pools within the Contract; (iii) approve assignment and delegation of the Contract, resulting

from acquisitions, mergers, or other changes in ownership; (iv) terminate the Contract for convenience, if necessary; and (v) make changes to the SOW as operationally necessary, with all actions subject to prior approval as to form by County Counsel.

3. Find that approval of the Contract is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to approve a Contract with SHI to enable the LACDA to receive licenses and software assurance benefits for Microsoft products.

The LACDA maintains Microsoft licenses to update its software needs for office computers, servers and community learning centers. The benefits of the Contract with SHI include simplified license and compliance tracking, flexibility to upgrade to newer versions of software products, simplified budgetary planning, and unlimited web support.

The LACDA receives all licenses and rights immediately while being allowed to distribute payments over three years with no interest.

FISCAL IMPACT/FINANCING

The maximum contract sum for the three-year term of the Contract including Pool Dollars is $2,816,109.87. Funding for the Contract has been included in the LACDA's Fiscal Year 2026-27 Budget and will be included in each subsequent year's budget. Pool dollars are being set aside for any unanticipated increases in work volume or special projects.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Contract has been reviewed and approved as to form by County Counsel, as well as LACDA Procurement. The Contract complies with all applicable laws, statutes, rules, regulations, and order of the United States and the State of California. The Contract contains all latest applicable Board mandated provisions pertaining to consideration of hiring qualified County employees targeted for layoffs, contractor responsibility and debarment, Safely Surrendered Baby Law, the provisions of Paid Jury Service time for the Contractor's employees, and County of Los Angeles' Zero Tolerance Human Trafficking.

The Microsoft Enterprise Agreement is attached as Exhibit A, Attachment 1 to the LACDA contract with SHI, and if there is any conflict between the terms and conditions of the LACDA Contract and Microsoft Enterprise Agreement, the LACDA Contract shall govern.

In compliance with Board Policy 6.020 “Chief Information Office Board Letter Approval”, the Office of the Chief Information Officer (OCIO) reviewed the information technology (IT) components of this request and recommends Board authorization of the Contract with SHI.

ENVIRONMENTAL DOCUMENTATION

The proposed activities described in this Board Letter are exempt from the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3), because they involve administrative activities that will not have a physical impact on or result in any physical changes to the environment. These activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378(b)(4), because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

The Microsoft Enterprise Agreement will be purchased through SHI under the County of Los Angeles (County) Master Agreement. The County Master Agreement was a formal Request for Proposals led by the Internal Services Department (ISD) in 2024 to offer the lowest prices possible for the County Departments, including the LACDA whose Board of Commissioners also sits as the Board of Supervisors for the County. Microsoft Corporation has only seven (7) selected Licensing Solution Partners (LSP) who are qualified nationwide who can resell Microsoft Enterprise Volume for US Government licenses. The LACDA requested pricing utilizing the County Master Agreement and received five quotes from the approved Microsoft LSPs. SHI offered the lowest quote and is being recommended for the contract award.

The County Master Agreement allows its department cost savings, avoiding the markup costs that other master agreements offer. The LACDA Procurement Unit has determined that the request for pricing amongst the County Master Agreement LSPs and purchase award process utilized by ISD was the most appropriate procurement process.

IMPACT ON CURRENT SERVICES AND PROJECTS

The Contract for Microsoft Enterprise Volume Licensing Services will improve the efficiency and effectiveness of the LACDA's administrative processes and maximize the return on the LACDA's technology investments.

Respectfully submitted,

PETER LOO	EMILIO SALAS
Chief Information Officer	Executive Director
County of Los Angeles	Los Angeles County Development Authority

ES:KT:mr

Enclosures

CONTRACT

BY AND BETWEEN

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

AND

SHI INTERNATIONAL CORPORATION

FOR

MICROSOFT ENTERPRISE VOLUME LICENSING SERVICES

TABLE OF CONTENTS

Exhibit C – LACDA's Administration

Exhibit D – Contractor's Administration

Exhibit E – Required Contract Forms and Certifications

Exhibit F – Required Contract Provisions

CONTRACT BETWEEN
LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
AND
SHI INTERNATIONAL CORPORATION
FOR
MICROSOFT ENTERPRISE VOLUME LICENSING SERVICES

This Contract for Microsoft Enterprise Volume Licensing Services ("**Contract**" or "**Agreement**") is entered into this 1st day of September, 2026 by and between the Los Angeles County Development Authority, hereinafter referred to as the ("**LACDA**") and SHI International Corporation, hereinafter referred to as the ("**Contractor**"). The LACDA and Contractor are herein referred to as collectively the "**Parties**", or individually as the "**Party**".

RECITALS

WHEREAS, the LACDA may contract with private businesses for Microsoft Enterprise Volume Licensing Services when certain requirements are met;

WHEREAS, on June 1, 2024, the Los Angeles County awarded a Master Agreement for Microsoft Enterprise Agreement software licenses for Los Angeles County agencies and entities;

WHEREAS, the Contractor is an authorized Microsoft Licensing Solutions Partners reseller and has the ability to sell products from Microsoft schedule to government entities;

WHEREAS, on August 11, 2026, the LACDA's Board of Commissioners ("**Board**") delegated authority for the LACDA's Executive Director, or duly authorized designee (hereinafter jointly referred to as the "**Executive Director**") to execute a contract(s) for Services with the Contractor for a three-year compensation of up to $2,816,109.87;

WHEREAS, the Contractor agrees to comply with, submit to, and abide by all federal, State, and County rules, regulations, policies, procedures of the funding source, governing administration, and fiscal authorities; and all applicable law;

WHEREAS, the Contractor possesses the competence, financial ability, expertise, facilities, and personnel to provide the services contemplated hereunder;

WHEREAS, it is the intent of the Parties hereto to enter into Contract to provide Microsoft Enterprise Volume Licensing services ("Services"), as set forth herein;

WHEREAS, the procurement performed by the County of Los Angeles was reviewed and in accordance with the LACDA's procurement policy;

WHEREAS, if there is any conflict between the terms and conditions of this Contract and the terms and conditions of the County of Los Angeles and Microsoft Enterprise Agreement, this Contract shall govern; and

WHEREAS, the Contractor is a recognized professional(s) with extensive experience and training in their specialized field. In rendering these services, the Contractor will, at a minimum, exercise the ordinary care and skill expected from the average practitioner in the Contractor's profession acting under similar circumstances, in consideration of the payments under this Contract and under the terms and conditions hereafter set forth.

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

1.0 SECTION ONE

1.1 Definitions

1.1.1 Board of Commissioners

The Board of Commissioners of the LACDA acting as their governing body.

1.1.2 Board of Supervisors

The Board of Supervisors of the County of Los Angeles acting as their governing body.

1.1.3 Contract

This agreement executed between the LACDA 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.

1.1.4 Contractor

The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the LACDA to perform or execute the work covered by this Contract. The Contractor includes its officers, employees, agents, volunteers, interns, and Subcontractors providing services hereunder and/or by any other person performing or executing the work covered by this Contract.

1.1.5 Contractor's Project Manager

The person designated by the Contractor to administer the Contract operations under this Contract.

1.1.6 County

The County of Los Angeles.

1.1.7 Day(s)

Calendar day(s) unless otherwise specified.

1.1.8 Fiscal Year

The twelve (12) month period beginning July 1st and ending the following June 30th.

1.1.9 LACDA Observed Holidays

Days on which LACDA are closed for business in observance of significant events. A list of LACDA observed holidays may be found in Exhibit A, Statement of Work in this Contract.

1.1.10 LACDA's Project Manager

The person designated by the LACDA to manage and facilitate the administrative functions of the Contract.

1.1.11 Statement of Work

A written description of the work to be performed by the Contractor to meet the needs of the LACDA, including special provisions pertaining to the method, frequency, manner, and place of performing the Contract services.

1.1.12 Subcontract

An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.

1.1.13 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 the Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement. The Contractor is responsible for the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor's employees.

1.2 Entire Contract

This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the Parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract will be valid unless prepared pursuant to Paragraph 1.7, Amendments and signed by the Parties. The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof.

1.3 Standard Exhibits

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

Exhibit A - Statement of Work

Exhibit B - Fee Schedule

Exhibit C - LACDA Administration

Exhibit D - Contractor Administration

Exhibit E - Forms Required at Execution of Contract

- Application for Exception and Certification Form for the Jury Service Program
- Compliance with Fair Chance Employment Hiring Practices Certification
- Attestation of Willingness to Consider GAIN/START
- Contractor's EEO Certification
- Defaulted Property Tax Reduction Program Certification
- Familiarity with the County Lobbyist Ordinance Certification
- Federal Lobbyist Requirements Certification
- Zero Tolerance Human Trafficking Policy Certification
- Contractor Acknowledgement and Confidentiality Agreement

Exhibit F - Required Contract Provisions

- Contractor Employee Jury Service Ordinance
- Defaulted Property Tax Reduction Program
- IRS Notice 1015 – Earned Income Credit (EIC)
- Lobbyist Ordinance
- Safely Surrendered Baby Law

1.4 Scope of Services

The Contractor will fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in Exhibit A, Statement of Work. All tasks, deliverables, or services performed by the Contractor are subject to the written approval of the LACDA Project Manager. Approval or rejection of deliverable(s) will not be unreasonably withheld by the LACDA.

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

1.5 Contract Term

The term of this Contract will commence on September 1, 2026 and will be in full force and effect through August 31, 2029 (“**Term**”), subject to LACDA's right to terminate earlier in accordance with this Contract.

1.5.1 Intentionally Omitted.

1.5.2 6-Months Within Expiration

The Contractor must provide written notification to the LACDA's Project Manager when this Contract is within six (6) months from the expiration of the Term at the address provided in Exhibit C, LACDA’s Administration.

1.6 Contract Sum

The maximum amount of this Contract will be Two Million Eight Hundred Sixteen Thousand One Hundred Nine and 87/100 Dollars ($2,816,109.87) ("**Maximum Amount**") for the Term of this Contract. Any costs incurred to complete the Services in excess of the Maximum Amount will be borne by the Contractor.

1.6.1 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 Services hereunder in excess of the Maximum Amount, unless approved by the LACDA through a written amendment to this Contract.

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, must not occur except with the LACDA’s express prior written approval, as further provided in Paragraph 2.1, Assignment and Delegation/Mergers or Acquisitions.

1.6.2 Notification of 75% of Total Contract Sum

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

1.6.3 No Payment for Services Provided Following Expiration or

Termination of Contract

The Contractor will have no claim against LACDA 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 they must immediately notify the LACDA and will immediately repay all such funds to the LACDA.

Payment by the LACDA for Services rendered after the expiration or termination of this Contract will not constitute a waiver of the LACDA's right to recover such payment from the Contractor.

1.6.4 Budget Reductions

In the event that the LACDA's Board adopts, in any twelve (12) month period beginning July 1st and ending the following June 30th ("**Fiscal Year**"), a LACDA Budget which provides for reductions in the salaries and benefits paid to the majority of the LACDA employees and imposes similar reductions with respect to the LACDA contracts, the LACDA reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract, including any extensions, and the services to be provided by the Contractor under this Contract will also be reduced correspondingly. The LACDA's notice to the Contractor regarding said reduction in payment obligation will be provided within thirty (30) days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor must continue to provide all of the services set forth in this Contract.

1.6.5 Invoices and Payments

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

Payment to the Contractor will be in arrears and based upon the approval and acceptance of tasks, deliverables, or services performed as set forth in Exhibit A, Statement of Work, and in accordance with Paragraph 1.4, Scope of Services, and Exhibit B, Fee Schedule, provided that the Contractor is not in default under any provision of this Contract and has submitted a complete and accurate invoice of payment due.

The LACDA's acceptance of services and/or deliverables will not be unreasonably withheld. The Contractor's fees must include all applicable taxes, and any additional taxes that are not included remain the responsibility of the Contractor.

The Contractor must submit the monthly invoices to the LACDA's Project Manager identified in Exhibit C, LACDA Administration, by the 1st calendar day of the following month that services and/or deliverables were provided to the LACDA.

All invoices submitted by the Contractor for payment must have the written approval of the LACDA's Project Manager prior to any payment thereof. In no event will the LACDA be liable or responsible for any payment prior to such written approval. Invoices not submitted timely and received after six (6) months from the expiration or termination of this Contract will be borne by the Contractor. Approval for payment will not be unreasonably withheld.

1.6.6 Intentionally Omitted.

1.7 Amendments

Any amendment to this Contract, including any extension to the Contract Term, will be at the mutual consent of the Parties and must be prepared by the LACDA.

1.7.1 Updated Terms and Conditions

The LACDA’s Board, and as delegated to the Executive Director, may require the addition and/or change of certain terms and conditions in the Contract during the Term of this Contract. The LACDA reserves the right to add and/or change such provisions as required by the LACDA's Board or when the Board is acting as the Board of Supervisors for the County. To implement such changes, an amendment to the Contract must be prepared by the LACDA and executed by the Parties.

1.7.2 Change Notice

For any change which does not materially affect the Term, Maximum Contract, or Services set forth in the Scope of Work, or any terms or conditions in this Contract, a change notice may be signed by the LACDA's Project Manager and Contractor's Project Manager.

1.8 Source and Appropriation of Funds

1.8.1 General Source of Funds

Notwithstanding any other provision of this Contract, the LACDA will not be obligated for the Contractor’s performance hereunder or by any provision of this Contract during any of the LACDA’s future Fiscal Years unless and until the LACDA’s Board appropriates funds for this LACDA in the LACDA’s Fiscal Year 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 LACDA will notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

1.8.2 Federal Source of Funds

The LACDA's obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development ("**HUD**") and, for the purpose of this Contract. All funds are appropriated every Fiscal Year. Notwithstanding any other provision of this Contract, the LACDA will not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the LACDA's future Fiscal Years unless and until the LACDA's Board appropriates funds in LACDA's Budget for 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 LACDA will notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

1.9 Intentionally Omitted.

2.0 SECTION TWO

2.1 Assignment and Delegation

The Contractor must not assign its rights or delegate its duties under this Contract, whether in whole or in part, without the prior written consent of the LACDA, in its discretion, and any attempted assignment or delegation without such consent will be null and void.

The LACDA consent will require a written amendment to the Contract, which is formally approved and executed by the Parties. Any payments by the LACDA to any approved delegate or assignee on any claim under this Contract will be deductible, at the LACDA's sole discretion, against the claims, which the Contractor may have against the LACDA.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the LACDA'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, the LACDA will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor as set forth in Paragraph 6.7, Termination for

Default.

2.2 Mergers or Acquisitions

The Contractor will notify the LACDA of any pending mergers or acquisitions of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the LACDA of pending mergers or acquisitions, then it should timely notify the LACDA of the actual merger or acquisition as soon as the law allows and provide to the LACDA the legal framework that restricted it from notifying the LACDA prior to the actual merger or acquisition.

Failure to notify the LACDA or provide the LACDA timely notification may be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, the LACDA will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor as set forth in Paragraph 6.7, Termination for Default.

2.3 Compliance with County Code and Policies

The LACDA is required to comply with all applicable County laws, policies, regulations, ordinances, directives, guidelines, and procedures as set forth in the Los Angeles County Code ("**Code**") or as directed by the County's Board of Supervisors when also acting as the LACDA Board.

2.4 Compliance with Applicable Laws

The Contractor must comply with all applicable federal and State 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.

2.5 Subcontracting

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

2.5.1 Subcontractor's Work to be Performed

If the Contractor desires to subcontract, the Contractor will provide the following information promptly to the LACDA:

1. A description of the work to be performed by the Subcontractor;
2. A draft copy of the proposed Subcontract; and
3. Other pertinent information and/or certifications requested by the LACDA.

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 LACDA's approval of the Contractor's proposed Subcontract.

2.5.2 Consent of Subcontractor

1. The LACDA's consent to subcontract will not waive the LACDA's right to prior and continuing approval of any and all personnel, including the Subcontractor's employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this LACDA right.
2. The LACDA's Project Manager is authorized to act for and on behalf of the LACDA with respect to approval of any Subcontract and Subcontractor's employees. After approval of the Subcontract by the LACDA, the Contractor will forward a fully executed Subcontract to the LACDA for their files.
3. 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 LACDA's consent to subcontract any part of the Services.

2.6 Conflict of Interest

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, including, but not limited to, County Code Section 2.180.010.

2.6.1 No LACDA employee whose position with the LACDA 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 LACDA's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the LACDA's approval or ongoing evaluation of such work.

2.6.2 The Contractor must comply with County Code Section 2.180.010, prohibiting LACDA from contracting with the following:

1. Employees of the LACDA, County or of public agencies for which the Board is also the governing body;
2. Profit making firms or businesses in which employees described in subsection (1) serve as officers, principals, partners or major shareholders;

3. Persons who, within the immediately preceding twelve (12) months, came within the provisions of subsection (1), and who (a) were employed in positions of substantial responsibility in the area of service to be performed by Consultant, or (b) participated in any way in developing this Contract or its service specifications; and

4. Profit making firms or businesses in which the former employees described in subsection (3) serve as officers, principals, partners or major shareholders.

2.6.3 Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, Contractor must immediately make full written disclosure of such facts to LACDA. 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 2.6 will be a material breach of this Contract.

2.7 County Lobbyist Ordinance

The LACDA, as a legal entity created by the County, in which their Board also sits as the Board of Supervisors for the County, adheres to the requirements set forth in the County Code. Contractors performing services for the LACDA must comply with County Code Section 2.160.010. the Contractor, and each LACDA lobbyist or LACDA lobbying firm as similarly defined as a County lobbyist or County lobbying firm 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 LACDA lobbyist or LACDA 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 LACDA may in its sole discretion, immediately terminate or suspend this Contract.

2.8 Federal Lobbyist Requirements

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of any federal contract, the making of any federal grant, loan or cooperative contract, and any extension, continuation, renewal, amendment or modification of said documents.

2.8.1 The Contractor must certify in writing on the federal lobbyist requirements certification form that they are familiar with the Federal Lobbyist requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the lobbyist requirements.

2.8.2 Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist requirements may be subject to civil penalties.

2.9 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding

Pursuant to California Government Code Section 84308, the Contractor and its Subcontractors, are prohibited from making a contribution of more than $250 to a LACDA 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 California Government Code Section 84308 and of this Paragraph, may be a material breach of this Contract as determined in the sole discretion of the LACDA.

2.10 Prohibition from Participation in Future Solicitations

The Contractor is prohibited from submitting a bid or proposal in a LACDA solicitation if the Contractor has provided advice or consultation for the solicitation. The Contractor is also prohibited from submitting a bid or proposal in a LACDA solicitation if the Contractor has developed or prepared any of the solicitation materials on behalf of the LACDA.

A violation of this Paragraph will result in the disqualification of Contractor from participation in the LACDA solicitation or the termination or cancellation of any resultant LACDA contract. The above provision will also apply to the Contractor's subsidiaries, joint ventures, partners, and others having right or interest in the solicitation or the resultant LACDA contract.

2.11 Independent Contractor Status

This Contract is by and between the LACDA and 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 LACDA and 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.

2.11.1 The Contractor will be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract, including but not limited to the Contractor employees, consultants, outsourced vendors, independent contractors, interns, volunteers, and staff, any and all compensation and benefits. The Contractor must indemnify, defend and hold harmless the LACDA Indemnitees, as defined in Paragraph 6.1, Indemnification, from any and all liability, including but not limited to, salaries, overtime pay, liquidated damages, wages, penalties, unemployment benefits, disability benefits, Federal, State, or local taxes, court costs, attorneys' fees arising under any wage and hour law, or other compensation, benefits, or taxes for any personnel or work performed by or on behalf of the Contractor for which the LACDA Indemnitees may be found jointly or solely liable.

2.11.2 The Contractor understands and agrees that all persons performing work pursuant to this Contract including but not limited to the Contractor employees, consultants, outsourced vendors, independent contractors, interns, volunteers, and staff, are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of LACDA and do not have and will not acquire any rights or benefits of any kind from LACDA performing work under the Contract. 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 Contractor pursuant to this Contract.

2.12 Confidentiality

The Contractor agrees that all LACDA 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 LACDA; or originated, created, or developed by the Contractor under the Contract (collectively, "**LACDA Information**"), is confidential and proprietary to the LACDA regardless of whether such information was disclosed intentionally or unintentionally, or marked as "confidential". The Contractor will not disclose any LACDA Information except as described under this Contract. The Contractor must inform all their staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder of this Paragraph and ensure compliance of these provisions.

2.12.1 The 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, the LACDA policies concerning information technology security and the protection of confidential records and information.

2.12.2 The Contractor may disclose LACDA 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 LACDA Information for any other purpose without the prior express written approval of the LACDA's Project Manager and

Contract Manager. If required by a court of competent jurisdiction or an administrative body to disclose LACDA Information, the Contractor must notify the LACDA's Project Manager immediately and prior to any such disclosure, to provide the LACDA an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.

2.12.3 The Contractor agrees to immediately report to the LACDA any and all violations of these provisions by the Contractor and/or by any other person of whom the Contractor becomes aware.

2.12.4 If the Contractor receives a request for the release of any LACDA Information, the Contractor must notify the LACDA within three (3) days and the LACDA will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request.

2.12.5 The Contractor acknowledges and agrees that due to the unique nature of the LACDA 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 LACDA, and therefore, that upon any such breach, the LACDA 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 LACDA.

2.12.6 The Contractor acknowledges that violation of these provisions may subject the 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 LACDA may seek all possible legal redress.

2.13 Public Records Act

Any documents submitted by the Contractor, including but not limited to any documents submitted by the Contractor in the LACDA's contract selection process and documents subject to Paragraph 2.16, Record Retention and Inspection-Audit Settlement, of this Contract, are the exclusive property of the LACDA. All such documents become a matter of public record and will be regarded as public records. Exceptions will be those elements California Government Code section 7921 et seq. ("**Public Records Act**") and which are marked “trade secret”, “confidential”, or “proprietary”. The LACDA 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.

In the event the LACDA 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 LACDA Indemnitees pursuant to the indemnification provisions provided for the LACDA Indemnitees in Paragraph 6.1, Indemnification, in action or liability arising under the Public Records Act.

2.14 Publicity

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.

In recognizing the Contractor’s need to identify its services and related clients to sustain itself, the LACDA will not inhibit the Contractor from publishing the Contractor's role under this Contract within the following conditions: (i) The Contractor will develop all publicity material in a professional manner; and (ii) During this Contract Term, 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 LACDA without the prior written consent of the LACDA’s Project Manager. The LACDA will not unreasonably withhold written consent.

2.15 Seals and Logo

The LACDA claims right, title, and interest in and to certain intellectual property including, but not limited to, the current and former LACDA seals and any of its logos, including County seals and any of its logos (hereafter collectively "**LACDA and County Seals**"). Except as expressly authorized herein, the Contractor shall not reproduce, copy, distribute, republish, download, display, post, transmit, or make any other use of any kind whatsoever of the LACDA and County Seals, in any format or by any means whatsoever.

At no time shall the Contractor in any manner (i) modify the LACDA and County Seals, or (ii) create derivative works of the LACDA and County Seals.

2.16 Record Retention and Inspection-Audit Settlement

2.16.1 The Contractor must maintain accurate and complete financial records of the Contractor's 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 Contractor's performance of this Contract. The Contractor agrees that the County, or LACDA's 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 LACDA during the term of this Contract and for a period of five (5) years thereafter unless the LACDA'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 LACDA's option, the Contractor will pay the LACDA for travel, per diem, and other costs incurred by the LACDA to examine, audit, excerpt, copy, or transcribe such material at such other location.

2.16.2 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 LACDA 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, LACDA will make a reasonable effort to maintain the confidentiality of such audit report(s).

2.16.3 Failure on the part of the Contractor to comply with any of the provisions of this subparagraph will constitute a material breach of this Contract upon which the LACDA may terminate or suspend this Contract.

2.16.4 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, the LACDA conducts an audit of the Contractor regarding the Services performed under this Contract, and if such audit finds that the LACDA's dollar liability for any such work is less than payments made by the LACDA to Contractor, then the difference must be either:

1. Repaid by the Contractor to LACDA by cash payment upon demand; or
2. At the sole option of the LACDA, deducted from any amounts due to the Contractor from the LACDA, whether under this Contract or otherwise. If such audit finds that the LACDA's dollar liability for such work is more than the payments made by the LACDA to Contractor, then the difference will be paid to the Contractor by the LACDA by cash payment, provided that in no event will the LACDA's maximum obligation for this Contract exceed the funds appropriated by the LACDA for the

purpose of this Contract.

2.17 Warranty Against Continent Fees

2.17.1 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.

2.17.2 For breach of this warranty, the LACDA 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.

3.0 SECTION THREE

3.1 LACDA's Administration

A listing of all LACDA Administration referenced in the following subparagraphs are designated in Exhibit C, LACDA's Administration. LACDA will notify Contractor in writing of any changes as they occur.

3.1.1 LACDA's Project Director

The role of LACDA's Project Director may include:

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

3.1.2 LACDA's Project Manager

The role of LACDA's Project Manager may include:

1. Meeting with the Contractor’s Project Manager on a regular basis; and
2. Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event will the Contractor’s obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

The LACDA'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 the LACDA in any respect whatsoever.

3.2 Contractor's Administration

A listing of all of the Contractor's staff who will be providing the Services set forth in the Contract must be designated in Exhibit D, Contractor's Administration. The Contractor will notify the LACDA in writing of any changes as they occur.

3.2.1 Approval of Contractor's Staff

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

3.2.2 Contractor's Project Manager

1. The Contractor's Project Manager is designated in Exhibit D, Contractor's Administration. The Contractor must notify the LACDA in writing of any change to Contractor's staff, as changes occur.
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 the LACDA's Project Manager on a regular basis.
3. The LACDA has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, the Contractor's Project Manager.

3.2.3 Contractor's Staff Identification

1. The Contractor will provide, at the Contractor's expense, all staff providing services under this the Contract with a photo identification badge; or
2. If applicable, all of the Contractor's staff assigned to LACDA facilities are required to have a LACDA Identification ("**ID**") badge, visible at all times. The Contractor bears all expense of the badging.
   a. The Contractor is responsible to ensure that staff have obtained a LACDA ID badge before they are assigned to work in a LACDA facility. The Contractor personnel may be asked by a LACDA representative to leave a LACDA facility if they do not have the proper LACDA ID badge on

their person and the Contractor personnel must immediately comply with such request.

b. The Contractor must notify the LACDA within the next business day when staff is terminated from working under this Contract. The Contractor must retrieve and return staff's LACDA ID badge to the LACDA on the next business day after the staff has terminated employment with the Contractor.

c. If the LACDA requests the removal of a Contractor's staff, the Contractor must retrieve and return staff's LACDA ID badge to LACDA on the next business day after the staff has been removed from working on the Contract.

3.2.4 Background and Security Investigations

1. Each of the Contractor's staff performing Services under this Contract, is in a designated sensitive position, as determined by the LACDA, in their sole discretion, such staff must undergo and pass a background investigation to the satisfaction of the LACDA as a condition of beginning and continuing to perform such Services. 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 the Contractor's staff passes or fails the background investigation.
2. If a member of the Contractor's staff does not pass the background investigation, the LACDA may request that the member of the Contractor's staff be immediately removed from performing Services under the Contract at any time during the Term of the Contract. The LACDA will not provide to the Contractor or to Contractor's staff any information obtained through the LACDA's background investigation.
3. The LACDA, in its sole discretion, may immediately deny or terminate facility access to any member of the Contractor's staff that does not pass such investigation to the satisfaction of the LACDA or whose background or conduct is incompatible with the LACDA facility access.
4. These terms will also apply to the Contractor's subcontractors performing Services under this Contract.
5. Disqualification of any member of the Contractor's staff pursuant to this subparagraph will not relieve the Contractor of its obligation to complete all work in accordance with the

terms and conditions of this Contract.

3.3 Notices

Notices required or permitted to be given under the terms of this Contract or by any law now or hereafter in effect may, at the option of the Party giving notice, be given by a courtesy email, personal delivery, or by enclosing the same in a sealed envelope addressed to the Party for whom intended and by depositing such envelope with postage prepaid into the custody of the United States Postal Service. The notices and envelopes containing the same to LACDA must also be addressed and emailed to the LACDA's Project Manager listed in Exhibit C, LACDA's Administration.

3.3.1 In the event of suspension or termination of this Contract, notices may also be given upon personal delivery to any person whose actual knowledge of such suspension or termination would be sufficient notice to the Contractor.

3.3.2 All notices to the LACDA, except for change notices, must be emailed to the LACDA's Project Manager at the email address in Exhibit C, LACDA's Administration. Only the LACDA's Project Manager will have the authority to issue notices or demands required or permitted by the LACDA under this Contract.

3.4 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 Services set forth in this Contract, that the Party will, within the next business day, give notice thereof, including all relevant information with respect thereto, to the other Party.

3.5 Notice of Disputes

The Contractor will bring to the attention of the LACDA's Project Manager any dispute between the LACDA and Contractor regarding the Contractor's performance of Services as stated in this Contract. If the LACDA's Project Manager is not able to resolve the dispute, the LACDA's Project Director will resolve it. The LACDA Project Director's determination will be final.

3.6 Notice to Employees Regarding the Federal Earned Income Credit

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

3.7 Damage to LACDA Facilities, Buildings or Grounds

The Contractor will repair, or cause to be repaired, at its own cost, any and all damage to the LACDA facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs will be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

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

3.8 Hiring Considerations

3.8.1 LACDA Employees Targeted for Layoff or 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 will give first consideration for such employment openings to qualified, the permanent LACDA employees who are targeted for layoff or qualified or former LACDA employees who are on a re-employment list during the Term of this Contract.

3.8.2 Consideration of Hiring GAIN-START Participants

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 ("**DPSS**") 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.

1. Consideration means the Contractor will interview qualified candidates. DPSS will refer GAIN/START participants by job category to the Contractor.
2. Contractors must report all job openings with job requirements to: gainstart@dpss.lacounty.gov and DPSS will refer qualified GAIN/START job candidates.
3. In the event that the laid-off LACDA employees and GAIN/START participants are available and qualified for hiring, LACDA employees must be given first priority.

3.8.3 Intentionally Omitted.

4.0 SECTION FOUR

4.1 Employment Eligibility Verification

4.1.1 Warranty of Compliance

The Contractor affirms compliance with both Federal and State laws regarding employment of workers, particularly those who are non-citizens, in accordance with the Immigration Reform and

Control Act of 1986 ("**IRCA**"). If applicable for Services involved, the Contractor must use the E-Verify system to verify the employment eligibility of all employees performing Services under this Contract, as required by applicable federal and State law.

The Contractor shall require all Subcontractors performing work under this Contract to comply with the same employment eligibility verification requirements as set forth herein

4.1.2 Documentation

The Contractor must obtain all necessary employment eligibility documentation as mandated by federal and State laws, including but not limited to IRCA and any future amendments.

The Contractor is required to retain employment eligibility verification documents for the period prescribed by law. The Contractor agrees to indemnify, defend, and hold harmless, LACDA Indemnitees from any liabilities or penalties that may arise from non-compliance with federal or State employment eligibility laws.

4.2 Nondiscrimination and Affirmative Action

The Contractor certifies and agrees that all persons employed by the Contractor and 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, State and County anti- discrimination laws, policies and regulations.

4.2.1 Civil Right Laws

If federal funds are provided during the Contract Term, Contractors agrees during the performance of this Contract that the Contractor will:

1. Comply with Subchapter VI of the Civil Rights Act of 1964 (42 USC §§ 2000e-1 through 2000e-17), ensuring that no individual will, on the basis of race, creed, color, sex, religion, ancestry, age, disability, marital status, political affiliation, or national origin, be excluded from participation in, denied the benefits of, or subjected to discrimination under this Contract or under any project, program, or activity funded or supported by this Contract.
2. Comply with Section 109 of the Housing and Community Development Act of 1974, which prohibits discrimination on the basis of race, color, national origin, or sex in any program or activity funded, in whole or in part, by this Contract. No person shall be excluded from participation in, be denied the

benefits of, or subjected to discrimination under this Contract on the basis of age or as a qualified individual with a disability.

3. Comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibit discrimination on the basis of age or disability.
4. Affirm that no individual will be excluded from participation in, denied the benefits of, or subjected to discrimination under this Contract on the basis of age or as a qualified individual with a disability.

4.2.2 Executive Order 11246 and 11375, Equal Opportunity in Employment

If federal funds are provided in this Contract, the Contractor agrees to the following during the performance of this Contract that the Contractor will:

1. Not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action will include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.
2. In all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
3. Send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, as amended by Executive orders 11375, 11478, 12107 and 12086 and will post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules,

regulations and relevant orders of the Secretary of Labor.

4. Furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the LACDA and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

5. Include the provisions of these paragraphs in every Subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each Subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the LACDA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Contractor becomes involved in, or is threatened with litigation by a Subcontractor or vendor as a result of such direction by the LACDA, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

In the event of the Contractor's noncompliance with the non-discrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

4.2.3 Certification of Nondiscrimination and Affirmative Action

The Contractor certifies to the LACDA the following that the Contractor will:

1. Maintain a written policy prohibiting discrimination in all phases of employment.

2. Conduct periodic self-analyses or utilization analysis of its work force to ensure compliance with equal employment opportunities.

3. Have a system in place to assess whether its employment practices inadvertently discriminate against protected groups.

In instances where discriminatory practices are identified, the Contractor will take appropriate corrective actions, which may include setting specific goals or establishing timetables for improvement.

4.2.4 Affirmative Action

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 will include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

The Contractor certifies and agrees that the Contractor will:

1. 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.
2. 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.
3. Allow LACDA representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of Paragraph 4.2 when so requested by the LACDA.

If the LACDA finds that any provisions of Paragraph 4.2 have been violated, such violation will constitute a material breach of this Contract upon which the LACDA may terminate or suspend this Contract. While the LACDA 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 Contractor has violated federal or State anti-discrimination laws or regulations will constitute a finding by the LACDA that the Contractor has violated the anti-discrimination provisions of this Contract.

4.2.5 Penalties

The Parties agree that in the event the Contractor violates any of the anti- discrimination provisions of this Contract, the LACDA 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.

4.3 Fair Chance Employment Practices

The Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in California Government Code section 12952. The Contractor's violation of this Paragraph may constitute a material breach of the Contract. In the event of such material breach, the LACDA may, in its sole discretion, terminate the Contract.

4.4 Compliance with the LACDA's Policy of Equity

The Contractor acknowledges that the LACDA takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the LACDA Policy of Equity ("**LACDA POE**") to which the LACDA requires compliance by the Contractor. The Contractor further acknowledges that the LACDA strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the LACDA POE. Contractor, its Employees and Subcontractors acknowledge and certify receipt and understanding of the LACDA POE. Failure of the Contractor to uphold the LACDA'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 the Contract as well as civil liability.

4.5 Jury Service Program

The LACDA, in which its Board sits as the County's governing body, requires the Contractor to agree to provisions set forth in the County Code Chapter 2.203.

4.5.1 Contractor Jury Service Policy

If the Contractor meets the definition set forth in Section 2.203.020 of the County Code, or unless exempt as set forth in Section 2.203.070, the Contractor must have and adhere to a written jury service policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service ("**Jury Service Policy**"). The Jury Service Policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees' regular pay the fees received for jury service.

The Contractor certifies to the LACDA and County that it has and adheres to a Jury Service Policy consistent with the County Code Chapter 2.203 or will have and adhere to such a Jury Service

Policy prior to award of this Contract.

4.5.2 Enforcement

The Contractor's violation of this Paragraph 4.5 of the Contract may constitute a material breach of the Contract. In the event of such material breach, the LACDA may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future LACDA and County contracts for a period of time consistent with the seriousness of the breach.

4.6 Time Off For Voting

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

4.7 Defaulted Property Tax Reduction Program

The Contractor acknowledges that the LACDA, in which their governing board is also the County Board of Supervisors, has established a goal of ensuring that all individuals and businesses that benefit financially from the LACDA and 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 the Contractor qualifies for an exemption or exclusion, the 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 County Code Chapter 2.206 and is not in default on any County Property Taxes and is current in payments due under any approved payment arrangement.

Failure of the Contractor to maintain compliance with the requirements set forth in this Paragraph will constitute default under this Contract. Without limiting the rights and remedies available to the LACDA under any other provision of this Contract, failure of the Contractor to cure such default within ten (10) days of notice will be grounds upon which the County may terminate this Contract and/or pursue debarment of the Contractor, pursuant to Paragraph 6.11, Responsibility and Debarment.

4.8 Zero Tolerance Policy on Human Trafficking

The Contractor acknowledges that LACDA, in which its Board sits as the County Board of Supervisors, has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking. If a Contractor or member of the Contractor's staff is convicted of a human trafficking offense, the LACDA will require that the Contractor or member of the Contractor's staff be removed immediately from performing services under the Contract. The LACDA will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

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

4.9 Child Support Compliance Program

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

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

4.9.2 Failure of the Contractor to maintain compliance with the requirements set forth in this Paragraph 4.9 will constitute default under this Contract. Without limiting the rights and remedies available to the LACDA 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 LACDA may terminate this Contract pursuant to Paragraph 6.7, Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

4.10 Contractor's Acknowledgment and Notice to its Employees of the Safely Surrendered Baby Law

The Contractor acknowledges that the LACDA Board 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 they are encouraged 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.

4.11 LACDA's Smoke Free Policy

If applicable, the Contractor represents that it will comply with the LACDA's Smoke Free Policy, strictly prohibiting smoking on all LACDA's housing development properties, except at the South Bay Gardens Senior Housing Development located at 230 E. 130th Street, Los Angeles, CA 90061, where smoking is permitted only in a specified open area that is at least 25 feet away from a LACDA building and is clearly labeled as a "Smoking Designated Area." The Contractor acknowledges and understands that LACDA's Smoke Free Policy. Information is available on the LACDA's website.

4.12 Recycled Bond Paper

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

4.13 Intentionally Omitted.

4.14 Intentionally Omitted.

4.15 Intentionally Omitted.

4.16 Intentionally Omitted.

4.17 Compliance with County's Women in Technology Hiring Initiative

At the direction of the Board, the LACDA and County have 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 LACDA and 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 Hiring Initiative program participants, if feasible. The Contractors must report such programs available to: WITProgram@isd.lacounty.gov.

4.18 Intentionally Omitted.

5.0 SECTION FIVE

5.1 Information and Security

The Contractor must implement appropriate and reasonable measures to secure and protect Contractor's systems and all LACDA 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 LACDA, 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.

5.2 Information Security and Privacy Program

The Contractor must maintain an information security and privacy program to evaluate risks of confidentiality, integrity, and availability and provide safeguards for LACDA Information ("**ISP Program**"). The Contractor will exercise the same degree of care in safeguarding and protecting LACDA 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 LACDA 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.

5.2.1 Contractor's ISP Program must:

1. Protect the confidentiality, integrity, and availability of LACDA Information in the Contractor’s possession or control against any threats or hazards, unauthorized or unlawful access, use, disclosure, alteration, destruction, loss, or damage.
2. Safeguard LACDA Information in compliance with any applicable laws and regulations.
3. Implement, maintain, and use appropriate privacy practices, policies, and protocols to preserve the confidentiality of LACDA Information.
4. 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 LACDA, of unauthorized electronic and/or physical access, use, disclosure, breach, modification, interference, or destruction of information; or significant violation of LACDA policy ("**Incidents**").

5.2.2 <u>Information Security and Privacy Program Requirements</u>

In the event of a security and/or privacy Incident, Contractor must:

1. Promptly notify the LACDA of any Incidents involving the

LACDA 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 LACDA 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 Contractor's representative with relevant information.

2. Cooperate with the LACDA to investigate the Incident and seek to identify the specific LACDA Information involved in the Incident upon the LACDA’s written request, without charge, unless the Incident was caused by the acts or omissions of the LACDA. 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 LACDA to allow the LACDA to notify affected individuals, government agencies, and/or credit bureaus.
3. Assist and cooperate with the LACDA and its Agents, including but not limited to federal, State, or local agencies, forensic investigators, law firms, and law enforcement agencies at the direction of the LACDA to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the LACDA on any additional disclosures that the LACDA is required to make as a result of the Incident.
4. Allow the LACDA and its Agents at the LACDA'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 the LACDA Information.
5. The LACDA 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 the 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 LACDA.

5.2.3 Penalties

Notwithstanding any other provisions in this Contract, the Contractor will be:

1. liable for all damages and fines;
2. responsible for all corrective action; and
3. responsible for all notifications arising from an Incident involving LACDA Information caused by the Contractor's weaknesses, negligence, errors, or lack of ISP Program controls or provisions.

5.3 Operational Management

The 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.

5.4 Use, Storage, Transmit, and Access Control

5.4.1 The Contractor may use LACDA Information only as necessary to carry out its obligations under this Contract. The Contractor must collect, maintain, or use LACDA 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 LACDA 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.

5.4.2 All LACDA 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 LACDA Information in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise approved by the LACDA.

5.4.3 The Contractor must not store LACDA Information in the cloud or in any other online storage provider without written authorization from the LACDA. All mobile devices storing LACDA 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 LACDA.

5.4.4 The Contractor will encrypt LACDA 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 the LACDA.

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

1. 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;
2. 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;
3. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to LACDA Information is removed in a timely manner;
4. Applications will include access control to limit user access to LACDA Information and application system functions;
5. 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
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 LACDA Information, has been eradicated from such hardware and/or media using industry best practices and in accordance with the Contract.

5.5 Proprietary Rights

5.5.1 <u>LACDA Information</u>

1. The Contractor, for valuable consideration herein provided in this Contract, must execute all documents necessary to

assign and transfer to, and vest in LACDA all of the Contractor’s right, title, interest, and ownership 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 and hereto considered LACDA Information as defined in Paragraph 2.12.

2. LACDA Information must not be used by Contractor for any purpose other than as required under this Contract, nor will such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. Contractor may assert no lien on or right to withhold from the LACDA, any LACDA Information it receives from, receives addressed to, or stores on behalf of the LACDA.

5.5.2 Contractor Information

1. 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 LACDA's Project Manager as proprietary or confidential, and must be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material (collectively, "**Contractor Information**").

2. Notwithstanding any other provision of this Contract, the LACDA will not be obligated to the Contractor in any way under this subparagraph for any of Contractor Information which are not plainly and prominently marked with restrictive legends as required by this subparagraph or for any disclosure which the LACDA is required to make under any federal or State law or order of court.

3. The LACDA will use reasonable means to ensure that Contractor Information are safeguarded and held in confidence. The LACDA agrees not to reproduce, distribute, or disclose to non-LACDA entities any such proprietary and/or confidential items without the prior written consent of Contractor. Notwithstanding the above, the Contractor authorizes the LACDA to disclose such Contractor Information to the County in which the LACDA Board also sits as the Board of Supervisors for the County.

4. The Contractor grants to the LACDA and its Agents, as necessary, a temporary, non-exclusive, paid-up license to use,

execute, reproduce, displace, and perform any of Contractor Information for the performance of services during the Contract Term. To the extent any Contractor Information is incorporated into any deliverables, the Contractor grants LACDA a non-exclusive, perpetual, irrevocable, fully paid-up license to use, reproduce and modify, if applicable, Contractor Information in the form delivered to the LACDA as part of the deliverables, provided that the proprietary item is not used, copied, or distributed separately from the deliverables by the LACDA and its Agents.

5.6 Return or Destruction of LACDA Information

Upon the LACDA's written request or upon expiration or termination of this Contract for any reason, the Contractor will promptly return or destroy, at the LACDA's option, all originals and copies of all documents, records, and materials the Contractor has received containing LACDA Information, and all documents, records, and materials prepared by the Contractor or prepared under the Contractor's direction. If return or destruction is not permissible under applicable law, the Contractor will continue to protect such LACDA Information in accordance with the terms of this Contract. If the LACDA does not provide written notice to the Contractor regarding the LACDA's option to return or destroy documents, records, and materials, the Contractor will contact the LACDA within five (5) days of expiration or termination of this Contract to confirm the LACDA's option.

5.6.1 For all documents, records, and materials described in this Paragraph 5.6 that LACDA requests to be returned, the Contractor must provide a written attestation on company letterhead certifying that all documents, records, and materials have been delivered.

5.6.2 For all LACDA Information LACDA requests to be destroyed, the 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 LACDA Information consistent with NIST Special Publication 800-88, “Guidelines for Media Sanitization,” such that LACDA Information cannot be retrieved. The Contractor must provide an attestation on company letterhead, detailing the destruction method used and LACDA Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement must be sent to the LACDA within ten (10) days of termination or expiration of the Contract or at any time upon the LACDA’s request.

5.7 Business Continuity and Disaster Recovery

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of LACDA 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 LACDA 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.

5.8 Privacy and Security Audits

5.8.1 The 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 LACDA. 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 LACDA. The LACDA will pay for the LACDA 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 LACDA may exercise its termination rights underneath the Contract. Additionally, upon the LACDA's request Contractor must complete a questionnaire regarding the Contractor's ISP Program and their information security and privacy procedures.

5.8.2 The 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 LACDA promptly upon its completion at the LACDA's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any LACDA Information, the Contractor must promptly provide the LACDA with copies of the same upon the LACDA's reasonable request, including identification of any failure or exception in the Contractor's 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 LACDA pursuant to this subparagraph will be provided at no additional charge to the LACDA.

5.8.3 When not prohibited by regulation, the Contractor will provide to the LACDA 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.

5.9 Patent, Copyright and Trade Secret Indemnification

5.9.1 The Contractor will indemnify, hold harmless and defend the LACDA 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. The LACDA will inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and will support the Contractor's defense and settlement thereof.

5.9.2 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 the LACDA's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that the LACDA's continued use of the system is not materially impeded, will either:

1. Procure for the LACDA all rights to continued use of the questioned equipment, part, or software product; or
2. Replace the questioned equipment, part, or software product with a non-questioned item; or
3. Modify the questioned equipment, part, or software so that it is free of claims.

5.9.3 The Contractor will 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.

5.10 Employee Training

The Contractor must supply each of its employees with appropriate, annual training regarding ISP Program procedures, risks, and threats. The Contractor must have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of security.

The Contractor agrees that training will cover, but may not be limited to the topics below.

5.10.1 Secure Authentication

The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.

5.10.2 Social Engineering Attacks

Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.

5.10.3 Handling of LACDA Information

The proper identification, storage, transfer, archiving, and destruction of LACDA Information.

5.10.4 Causes of Unintentional Information Exposure

Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.

5.10.5 Identifying and Reporting Incidents

Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.

5.10.6 Privacy

The Contractor's privacy policies and procedures as described in Paragraph 5.2, Information Security and Privacy Program.

6.0 SECTION SIX

6.1 Indemnification

The Contractor must indemnify, defend and hold harmless the LACDA, County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("**LACDA Indemnitees**") 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 this Contract and any failure by the Contractor to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, procedures, or release of LACDA Information, as determined by the LACDA in its sole judgment, except for such loss or damage arising from the sole negligence or willful misconduct of LACDA Indemnitees.

Any legal defense pursuant to the Contractor indemnification obligations set forth in this Paragraph will be conducted by the Contractor and performed by counsel selected by the Contractor and approved by the LACDA. Notwithstanding the preceding sentence, the LACDA will have the right to participate in any such defense at the LACDA's sole cost and expense, except that in the event Contractor fails to provide the LACDA with a full and adequate defense, as determined by LACDA in LACDA's sole judgment, the LACDA will be entitled to retain the LACDA's own counsel, including, without limitation, County Counsel, and to reimbursement from the Contractor for all such costs and expenses incurred by the LACDA in doing so. The 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 the LACDA without the LACDA's prior written approval. This provision will survive the expiration or other termination of this Contract.

6.2 General Provisions for All Insurance Coverage

Without limiting the Contractor's indemnification of LACDA Indemnitees, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, the Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraph 6.3. These minimum insurance coverage terms, types and limits (collectively, the "**Required Insurance**") also are in addition to and separate from any other contractual obligation imposed upon the Contractor pursuant to this Contract.

The LACDA in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Contract.

6.2.1 Evidence of Coverage and Notice to LACDA

1. Certificate(s) of Insurance Coverage ("**Certificate**") satisfactory to the LACDA, and a copy of an Additional Insured endorsement confirming the LACDA and its Agents, as defined below, has been given Insured status under the Contractor's General Liability policy, must be delivered to the LACDA at the address shown below and provided prior to commencing services under this Contract.
2. Renewal Certificates must be provided to the LACDA not less than ten (10) days prior to Contractor's policy expiration dates. The LACDA reserves the right to obtain complete, certified copies of any required the Contractor and/or subcontractor insurance policies at any time.
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 National Association of Insurance Commissioners ("**NAIC**")

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 LACDA required endorsement forms.

4. Neither the LACDA's failure to obtain, nor LACDA's receipt of, or failure to object to a non-complying 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.

5. Certificates and copies of any required endorsements must be sent to the LACDA's Project Manager as identified in Exhibit C.

6. The Contractor also must promptly report to the LACDA any injury or property damage accident or incident, including any injury to a Contractor employee occurring on LACDA property, and any loss, disappearance, destruction, misuse, or theft of LACDA property, monies or securities entrusted to Contractor. Contractor also must promptly notify the LACDA of any third-party claim or suit filed against the 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 the Contractor and/or LACDA.

6.2.2 Additional Unique Insurance Coverage

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

6.2.3 Cancellation of or Changes in Insurance

The Contractor must provide the LACDA with, or Contractor's insurance policies must contain a provision that the LACDA 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 the LACDA 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 LACDA, upon which the LACDA may suspend or terminate this Contract.

6.2.4 Failure to Maintain Insurance

The 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 the LACDA immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. The LACDA, at its sole discretion, may obtain damages from the Contractor resulting from said breach. Alternatively, the LACDA may purchase the Required Insurance, and without further notice to the Contractor, deduct the premium cost from sums due to the Contractor or pursue the Contractor reimbursement.

6.2.5 Contractor’s Insurance Must Be Primary

The Contractor’s Required Insurance policies, with respect to any claims related to this Contract, must be primary with respect to all other sources of coverage available to the Contractor. Any LACDA maintained insurance or self-insurance coverage will be in excess of and not contribute to any Contractor coverage.

6.2.6 Waivers of Subrogation

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

6.2.7 Subcontractor Insurance Coverage Requirements

The Contractor must include all previously approved Subcontractors as insureds under the Contractor’s own policies, or will provide the LACDA with each Subcontractor’s separate evidence of insurance coverage. The Contractor will be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and will require that each Subcontractor name the LACDA and Agents and the Contractor as additional insureds on the subcontractor’s General Liability policy. The Contractor must obtain the LACDA’s prior review and approval of any Subcontractor request for modification of the

Required Insurance.

6.2.8 Deductibles and Self-Insured Retentions

The Contractor's policies must not obligate the LACDA to pay any portion of any Contractor deductibles or Self-Insured Retentions ("**SIR**"). The LACDA retains the right to require the Contractor to reduce or eliminate policy deductibles and SIRs as respect to the LACDA, or to provide a bond guaranteeing the Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond guaranteeing the Contractor's payment must be executed by a corporate surety licensed to transact business in the State of California.

6.2.9 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date must precede the effective date of this Contract. The 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.

6.2.10 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.

6.2.11 Separation of Insureds

All liability policies will 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.

6.2.12 Alternative Risk Financing Programs

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

6.3 Insurance Coverage

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

- General Aggregate: .... $2 million

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

6.3.2 Intentionally Omitted.

6.3.3 Intentionally Omitted.

6.3.4 Intentionally Omitted.

6.3.5 Professional Liability/Errors and Omissions insurance covering the 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, the Contractor understands and agrees it must maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

6.3.6 Intentionally Omitted.

6.3.7 Intentionally Omitted.

6.3.8 Technology Errors & Omissions 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 $10 million.

6.3.9 Miscellaneous Coverage insurances may also be required for contracted services involving unique services and/or risk exposures such as property renovations, vehicle maintenance and repair, aircraft, pollutants, watercraft, rail operations, etc. Miscellaneous coverage insurances may include Garage, Builder's Risk, Installation Floater, Owners and Contractors Protective Liability, Pollution (Environmental) Liability, Asbestos Liability, Railroad Protective Liability, Earthquake, Flood, Terrorism, Motor Truck Cargo Liability, Equipment Breakdown, Aircraft Liability, Marine Protection and Indemnity, Fine Art, Fiduciary.

6.4 Quality Assurance Plan

The LACDA will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all LACDA terms and performance standards. The Contractor deficiencies which the LACDA determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected, will be reported to the LACDA's Board. The report will include improvements and/or corrective action measures taken by the LACDA and Contractor. If improvement does not occur consistent with the corrective action measures, the LACDA may terminate this Contract or impose other penalties as specified in this Contract.

6.5 Liquidated Damages

If, in the judgment of the Executive Director, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Executive Director, at their sole 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 LACDA, will be forwarded to the Contractor by the Executive Director, in a written notice describing the reasons for said action.

6.5.1 If the Executive Director, determines that there are deficiencies in the performance of this Contract that the Executive Director, deems are correctable by the Contractor over a certain time span, the Executive Director, 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 Executive Director may: (a) deduct from the Contractor's payment, pro rata, those applicable portions of the monthly Contract sum; and/or (b) deduct liquidated damages.

6.5.2 The Parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of 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 and 00/100 Dollars ($100.00) per day per infraction, or as specified in Appendix B, Performance Requirements Summary ("**PRS**") Chart, of <u>Exhibit A</u> hereunder, and that the Contractor will be liable to the LACDA for liquidated damages in said amount. Said amount will be deducted from the LACDA's payment to the Contractor.

The LACDA may, upon giving notice to the Contractor, within five

(5) days, for failure to correct the deficiencies, correct any and all deficiencies and the total costs incurred by the LACDA for completion of the work by an alternate source, whether it be LACDA forces or separate private contractor. For such services, the LACDA will deduct and forfeit from the payment to the Contractor, as determined by the LACDA.

6.5.3 The action noted in this Paragraph 6.5 will not be construed as a penalty, but as adjustment of payment to the Contractor to recover the LACDA's cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

6.5.4 This Paragraph 6.5 will not, in any manner, restrict or limit the LACDA's right to damages for any breach of this Contract provided by law or as specified in the PRS or subparagraph 6.5.2, and will not, in any manner, restrict or limit the LACDA's right to terminate this Contract as agreed to herein.

Termination for Convenience

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

6.6.2 After receipt of a notice of termination and except as otherwise directed by the LACDA, the Contractor will:

1. Stop work under this Contract on the date and to the extent specified in such notice; and
2. Complete performance of such part of the work as will not have been terminated by such notice.

6.6.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract will be maintained by the Contractor in accordance with Paragraph 2.16, Record Retention and Inspection/Audit Settlement.

Termination for Default

6.7.1 The LACDA may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of the LACDA's Project Manager:

1. The Contractor has materially breached this Contract;
2. The Contractor fails to timely provide and/or satisfactorily

perform any task, deliverable, service, or other work required either under this Contract; or

3. The 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) business days (or such longer period as LACDA may authorize in writing) after receipt of written notice from LACDA specifying such failure.

6.7.2 In the event that LACDA terminates this Contract in whole or in part as provided in subparagraph 6.7.1, LACDA may procure, upon such terms and in such manner as LACDA may deem appropriate, goods and services similar to those so terminated. Contractor will be liable to LACDA for any and all excess costs incurred by LACDA, as determined by LACDA, for such similar goods and services. Contractor will continue the performance of this Contract to the extent not terminated under the provisions of this subparagraph.

6.7.3 Except with respect to defaults of any Subcontractor, the Contractor will not be liable for any such excess costs of the type identified in subparagraph 6.7.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the LACDA 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.

6.7.4 If, after the LACDA has given notice of termination under the provisions of this Paragraph 6.7, it is determined by the LACDA that the Contractor was not in default under the provisions of this Paragraph 6.7, or that the default was excusable under the provisions of subparagraph 6.7.3, the rights and obligations of the Parties will be the same as if the notice of termination had been issued pursuant to Paragraph 6.6.

6.7.5 The rights and remedies of the LACDA provided in this Paragraph 6.7, will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

Termination for Improper Consideration

The LACDA 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 LACDA Indemnitees 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 LACDA will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor as provided in Paragraph 6.7.

The Contractor will immediately report any attempt by the LACDA officer or employee to solicit such improper consideration. The report will be made either to the LACDA Project Manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at procurement-contract.fraud@lacda.org.

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

Termination for Insolvency

The LACDA may terminate this Contract forthwith in the event of the occurrence of any of the following:

6.9.1 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;

6.9.2 The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;

6.9.3 The appointment of a Receiver or Trustee for the Contractor; or

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

The rights and remedies of the LACDA provided in this Paragraph will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each LACDA lobbyist or LACDA lobbying firm as similarly defined as a County lobbyist or County lobbying firm in County Code Section 2.160.010 retained by the Contractor, will fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any LACDA Lobbyist or LACDA 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 LACDA may in its sole discretion, immediately terminate or suspend this Contract.

6.11 Responsibility and Debarment

6.11.1 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 contract. It is the LACDA's policy to conduct business only with responsible contractors. LACDA, in which its Board also sits as the County's Board of Supervisors requires all contractors to comply with County Code Chapter 2.202. This Paragraph 6.11 shall also apply to the Contractor's Subcontractors who are performing services on this Contract.

6.11.2 Determinations of Contractor Non-Responsibility and Contractor Debarment

The Contractor is hereby notified that, in accordance with County Code Chapter 2.202, if the LACDA acquires information concerning the performance of the Contractor on this Contract or other contracts which indicates that the Contractor is not responsible, the LACDA 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 the LACDA 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 LACDA or County.

6.11.3 Non-Responsible Contractor

The LACDA may debar a Contractor if the Board finds, in its discretion, that the Contractor, or any of their Subcontractors, has done any of the following: (1) violated a term of a contract with the LACDA or County or a nonprofit corporation created by the LACDA or County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the LACDA, County, any other public entity, or a nonprofit corporation created by the County or LACDA, 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 LACDA, County, or any other public entity.

6.11.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the LACDA will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or 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 LACDA will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
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. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. If a Contractor has been debarred for a period longer than five (5) years, that the 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.
5. The LACDA 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 LACDA.
6. 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.

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

7.0 SECTION SEVEN

7.1 Force Majeure

7.1.1 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, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this subparagraph as "**force majeure events**").

7.1.2 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, the 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 the Contractor to meet the required performance schedule. As used in this sub-paragraph, the term “subcontractor” and “subcontractors” mean subcontractors at any tier.

7.1.3 In the event the Contractor's failure to perform arises out of a force majeure event, the 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.

7.2 Most Favored Public Entity

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

7.3 Governing Law, Jurisdiction, and Venue

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

7.4 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 1.1	Definitions
Paragraph 1.2	Entire Contract
Paragraph 1.4	Scope of Services
Paragraph 1.6	Contract Sum
Paragraph 1.7	Amendments
Paragraph 3.3	Notices
Paragraph 6.1	Indemnification
Paragraph 6.2	General Provisions for all Insurance Coverage
Paragraph 6.5	Liquidated Damages
Paragraph 6.6	Termination for Convenience
Paragraph 6.7	Termination for Default
Paragraph 2.1	Assignment and Delegation
Paragraph 2.2	Mergers or Acquisitions
Paragraph 2.3	Compliance with County Code and Policies
Paragraph 2.4	Compliance with Applicable Laws
Paragraph 2.9	Campaign Contribution Prohibition Following Final Decision in Contract Proceeding

Paragraph 2.10	Prohibition from Participation in Future Solicitation
Paragraph 2.12	Confidentiality
Paragraph 2.16	Record Retention and Inspection-Audit Settlement
Paragraph 4.2	Nondiscrimination and Affirmative Action
Paragraph 7.1	Force Majeure
Paragraph 7.3	Governing Law, Jurisdiction, and Venue
Paragraph 7.4	Survival
Paragraph 7.7	Validity
Paragraph 7.9	Waiver

7.5 Counterparts and Electronic Signatures

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 other electronically delivered signature of the Parties will be deemed to constitute original signatures, and facsimile or electronic copies hereof will be deemed to constitute duplicate originals.

7.6 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.

7.7 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.

7.8 Non Exclusivity

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

7.9 Waiver

No waiver by the LACDA of any breach of any provision of this Contract will constitute a waiver of any other breach or of such provision. Failure of the LACDA 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 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

[Signatures on the following page]

SIGNATURES

IN WITNESS WHEREOF, the LACDA and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written.

CONTRACTOR: SHI International Corp.

By___________________________________

[Name of Contractor]
[Title]

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY

By___________________________________

Emilio Salas
Executive Director

APPROVED AS TO FORM:
DAWYN R. HARRISON
County Counsel

By___________________________________

Behnaz Tashakorian
Principal Deputy County Counsel
OR
Michael Buennagel
Deputy County Counsel

APPROVED AS TO PROGRAM:
ADMINISTRATIVE SERVICES

By___________________________________

Kathy Thomas
Chief of Operations

EXHIBIT A

STATEMENT OF WORK

STATEMENT OF WORK
FOR
MICROSOFT ENTERPRISE LICENSING AGREEMENT SERVICES

1.0 SCOPE OF WORK

The Los Angeles County Development Authority (LACDA) is the County's affordable housing and community development agency. The LACDA helps strengthen neighborhoods, empower families, support local economies, and promote individual achievement. The LACDA maintains many administrative buildings and 68 housing developments that include over 3,229 residential units within the County of Los Angeles.

The LACDA is seeking a Microsoft Large Account Reseller contractor to provide Microsoft Enterprise Licensing Agreement Services.

2.0 GENERAL REQUIREMENTS

2.1 The Contractor shall be a Microsoft Large Account Reseller for Microsoft

2.2 The Contractor shall be the Microsoft reseller to the LACDA, to provide the LACDA Enterprise Agreement (EA) Enrollment for all products ordered and referenced in Microsoft Enterprise Enrollment Forms**,** Attachment 1 of this Exhibit A. The Agreement structure shall include the Microsoft Enterprise Enrollment*.*

2.3 The Contractor shall ensure work will be performed by qualified personnel and in line with the industry standards in accordance with this Statement of Work.

3.0 SPECIFIC WORK REQUIREMENTS

3.1 Enrollments

The Contractor shall provide Microsoft Enrollment services which includes, but shall not be limited to, the following:

3.1.1 The Contractor shall supply the LACDA with Microsoft Enterprise Agreement enrollment options including the following but not limited to:

- GovEA M365 G5 GCC Sub Per User
  - Includes the full Microsoft 365 suite with the most advanced security, compliance, and analytics features necessary to meet strict regulatory requirements.
- Windows Desktop including
  - Windows Enterprise Operating System (OS) Upgrade

- Windows VDA Plus USL

- Enterprise Products and Enterprise Online Services for Microsoft Desktop Optimization Pack (MDOP)
- Enterprise Mobility Suite from Software Assurance (SA)

3.1.2 The Contractor shall provide the products and services referenced in Exhibit B, Fee Schedule.

3.1.3 The LACDA shall have automatically access to the Microsoft website portal for the latest software and technologies with Software Assurance (SA).

3.1.4 The LACDA shall track purchases centrally and manage licenses with online management tools via the Microsoft website portal.

3.1.5 The LACDA shall manage licensing throughout the life of the agreement with the help of a Microsoft Certified Partner or representative.

3.1.6 **Basis Terms**

- The LACDA shall have a three (3) year term and structure period, which will allow the LACDA to take greater flexibility in managing technology expenditures with the option to make three (3) annual payments instead of one up-front payment.
- The LACDA shall true-up, given the flexibility to add cloud services, software, users, and devices to the EA when needed, at pre-agreed terms and pricing, without having to report or order each time. The True-up is an annual inventory of products, services, users and devices added during the year.
- The LACDA shall automatically gain access to new software versions of licensed products as soon as they are released, and for no additional cost through the SA benefits.
- The LACDA shall have Step-ups, to upgrade from a lower- to a higher-level edition at a low cost. Rather than pay full costs for the higher-level software edition, Step-ups allows the LACDA to pay only the pricing difference and still take advantage of enhanced features and technologies with premium editions.

3.2 Microsoft Enterprise Enrollment

The Contractor shall provide Microsoft Enterprise Enrollment services which includes, but shall not be limited to, the following:

3.2.1 The LACDA shall have Enterprise Enrollment which allows to standardize broadly on the latest versions of Office, Windows, and/or Client Access License (CAL) Suites and/or Microsoft 365 (M365), which includes Office 365, Windows 11 Enterprise, and Enterprise Mobility and Security.

3.2.2 The LACDA shall receive a range of benefits, including best pricing and terms, user/device or hybrid licensing options, and simplified license management.

3.2.3 The LACDA shall have the option to choose to deploy cloud services and/or on-premises software across the LACDA.

3.2.4 The LACDA shall have the flexibility to maintain a mix of on-premises and online services to suit user needs, and can move from on-premises licensing to equivalent online services such as the Enterprise Cloud Suite as organization priorities change.

3.2.5 The LACDA shall have Enterprise Enrollment products and platforms that include on-premises license for Microsoft’s core PC and device products, namely Windows OS. With the EA, Enterprise Products must be licensed on an organization-wide basis and may be ordered as separate products, or in groups of products known as the Enterprise Platform.

- All Windows OS licenses provided under the EA are upgrade licenses. This means the LACDA will need a base Windows OS license on those devices for which the LACDA plans to use a Windows upgrade license. The LACDA can choose to upgrade to Windows Enterprise OS.
- With either Desktop Platform, the LACDA may add the Microsoft Desktop Optimization Pack (MDOP) to help streamline deployment and device management.

3.2.6 **Microsoft EA Subscription Enrollment**

The Contractor shall provide Microsoft EA Subscription Enrollment services which includes, but shall not be limited to, the following:

- The LACDA shall have Subscription Enrollment option to subscribe to, rather than buy, Microsoft product licenses.
  The LACDA will gain access to Microsoft software only for as long as the LACDA maintains its subscription. If the LACDA decides not to renew, the LACDA will relinquish its rights to run the software, unless it chooses to acquire perpetual licenses through the Enrollment’s buy out option.
- **Microsoft Cloud Services**
  The LACDA may add to the EA using the standard purchasing process, or as in the case of Office 365 and EMS, by moving users from Enterprise Products to comparable Enterprise Online services.

- **Microsoft Enterprise Online Services**
  - These are services in the Microsoft Product List available via the Microsoft website, http://www.microsoft.com/licensing. These typically fall in line with existing on-premises Enterprise Products so that the two may be through of as equivalents when satisfying organization-wide licensing commitments and establishing volume pricing levels.
  - With the EA, the LACDA can move select on-premises licenses (Enterprise Products) to comparable cloud services (Enterprise Online Services) over the life of the EA.
  - If at a future date the LACDA wishes to move users back to on-premises software bought through the LACDAs Enterprise Enrollment, the LACDA may do so under the program's guidelines.
- Additional Online Services
  - These are services in the Microsoft Product List, http://www.microsoft.com/licensing.
  - Additional Online Services include an array of cloud platform and services which the LACDA may buy through the Enrolments as needed.

3.3 Software Assurance

The Contractor shall provide Microsoft Software Assurance (SA) services which includes, but shall not be limited to, the following:

3.3.1 The LACDA's SA includes with the EA and provides set of technologies, services, and rights to help deploy, manage, and use Microsoft products efficiently, and SA keeps the LACDA up to date and ready to respond quickly to changes, new challenges, and opportunities.

3.3.2 The LACDA's key advantage of the SA include:

- Rights to new software releases and cost-efficient upgrades to help reduce software and services costs.
- Structured consulting engagements to plan for deployment of new, on-premises and cloud-based IT initiatives and includes the following deployment and management:
  - Windows SA per User Add-on
  - Windows Virtual Desktop Access Rights
  - Windows RT Companion VDA Rights
  - Windows To Go Use Rights
  - Windows Roaming Use Rights
  - Windows Thin PC
  - Enhanced Edition Benefits Windows/Windows Embedded

  - Enterprise Source Licensing Program
  - License Mobility Through SA
  - Passive Secondary Instance for SQL Server
  - Office Multi-Language Pack
  - Office Roaming Use Rights
- Access to unique technologies and use rights to help support improved operational efficiency.
- Support includes
  - 24x7 Problem Resolution Support
  - Extended Hotfix Support
  - System Center Global Service Monitor
  - Back-up for Disaster Recovery

3.3.3 The LACDA shall need to claim its SA benefits through the Microsoft Admin Center (MAC) as referenced in section 3.4.4.

3.4 Managing EA

The Contractor shall provide Microsoft Managing EA services which includes, but shall not be limited to, the following:

3.4.1 The LACDA shall have option to adding cloud services and products throughout the EA term and may adjust Microsoft on-premises software and cloud services licenses in two ways:

- If add new users or devices, the LACDA can equip them with software and cloud services that are already using and then account for these changes at the next agreement anniversary through an annual reconciliation process – True-up.
- If the LACDA wants new products or cloud services, the LACDA can order these through the Microsoft Reseller at any time during the agreement.

3.4.2 The LACDA shall have Software Asset Management (SAM) to control costs and optimize software investment. The Microsoft SAM site provides a SAM optimization kits, links to several SAM self-service tools to assist with deployment discovery and a list of Microsoft Certified SAM Partners whom the LACDA can contact directly, should the LACDA wish to have experts help devise and implement a SAM plan.

3.4.3 The LACDA shall track CALs and/or M365 via the Microsoft Assessment Planning (MAP) Toolkit, which features an IT-based Software Usage tracker functionality which provides usage reports for the following server products: Windows Server, Exchange Server, SQL Server, SharePoint Server, and System Center Configuration Manager. The Software Usage Tracker provides the LACDA with a view of the actual server usage, which can be valuable for comparing with the purchased CALs and/or M365, or for True-up and agreement renewal.

3.4.4 Product fulfillment through the Microsoft Admin Center (MAC)

- Centralized web portal that provides IT administrators with complete control over the LACDA's Microsoft 365 environment.
- Command hub for managing users, licenses, settings, and security features.
- Designed for Windows and Apple devices, offering a seamless experience for managing Microsoft 365 services
- Includes features such as user management, license assignment, password reset, service health, monitoring and more.
- Accessible through the Microsoft Office website and is essential for managing Microsoft business accounts.

3.4.5 Downloads – Secure user interface to use MAC to find the product, based on licensing entitlements.

3.4.6 Product Keys

- Request product keys for the Windows OS.
- Enables retrieval of Enterprise license keys for all Microsoft licensed products.
- Access to technical support.

3.4.7 SA Benefits Summary

- View the SA benefits across all agreements associated to a user's profile.
- Includes the total eligible quantity of benefits across all agreements, benefits that have not yet been used, and benefits that have not yet been activated.

3.4.8 Online Services – Access details about Microsoft Online Services subscriptions and how to manage them.

3.4.9 Subscriptions – Access details and management tools for Microsoft Developer Network (MSDN) subscriptions.

3.4.10 Help – Access information about the MAC site, an FAX, and contact details for the Support Center.

3.4.11 The LACDA can manage Cloud Services by using the following:

- Microsoft Account for Organizations Portal to administer Office 365, Microsoft Intune, EMS, and Dynamics CRM subscriptions. This consolidated portal allows viewing online services subscriptions license as well as provision and manage individual user accounts and administrative privileges (for example manage domain re-delegation, directory synchronization, and single sign-on).

- Microsoft Azure Enterprise Portal to manage accounts, configure rules and settings for various Microsoft Azure services, and generate reports.
- Microsoft System Center to manage both public and private Microsoft cloud implementations. System Center's comprehensive management capabilities enable to monitor and manage the entire IT infrastructure stack from traditional physical servers, virtualized servers, virtual machines, running workloads, and all the way up to service-based cloud components.

3.4.12 The LACDA shall manage its EA by using SA referenced in Section 3.3.

3.4.13 The LACDA shall manage its EA over its life term to equip additional hardware, devices, or users with software and online services already licensed, and then account for these changes through an annual True-up reconciliation process. Enterprise Subscription Enrollment annual reconciliation process is through an Annual Order, which can have increase or decrease of license subscription counts.

- Once a year, the LACDA will be asked to reconcile EA licenses to account for the total number of licenses added in the previous 12 months.
- An order will be placed (or an Update Statement submitted) that reconciles all the qualified devices, users, and processor units added or used by the LACDA organization over the course of the year.
- Annual reconciliation order (update Statement) is due 30 to 60 days prior to Enrollment anniversary, which helps Microsoft ensure the LACDA is taking advantage of allowable license transitions or license reductions before issuing annual invoice.
- Work with Microsoft Account Representative or Partner to submit renewal order 30 days before agreement term ends in order to avoid losing valuable licensing rights, continuity of cloud services, and other benefits.

3.4.14 The LACDA shall manage its EA by reviewing options for renewing enrollments at the end of the last year enrollment term.

- Option to renew for another cycle.
- Beyond initial agreement, renewal pricing for on-premises software license is based on SA only – a moderate percentage of Enterprise Pricing for on-premises licenses.

- Enterprise Subscription Enrollment differs in that renewal pricing for on-premises software licenses is based on license plus SA .
- Buyout option exists for customer who want to retain perpetual rights to previously licensed on-premises software.

3.5 Microsoft Resources

The Contractor shall provide Microsoft Resources services which includes, but shall not be limited to, the following:

3.5.1 The LACDA shall have access to online management tools and information via the Microsoft website MAC (reference Section 3.4.4) and SA (reference Section 3.3)

3.5.2 The LACDA shall have access in buying, renewing, or adding products and services to the EA, by contacting Microsoft Authorized Enterprise Software Advisor (ESA) or Licensing Solutions Provider (LSP).

3.5.3 The LACDA as a government organization shall have additional Enterprise Licensing programs available, which may include additional partner and pricing advantages on the Microsoft Enterprise Licensing website.

3.5.4 The LACDA shall learn more information on the Microsoft website for the following:

- Microsoft Enterprise Licensing,
- Microsoft Online Services
- Microsoft SA
- Payment Solutions

4.0 RESPONSIBILITIES

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

LACDA

4.1 LACDA Contract Administrator

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

4.1.1 Monitor the Contractor's performance in the daily operation of this Contract.

4.1.2 Provide direction to the Contractor in areas relating to policy, information and procedural requirements.

4.1.3 Prepare amendments to the Contract in accordance with Section 1.7 (Amendments) in the Contract.

4.2 LACDA Assistance

The LACDA shall provide the Contractor with the following items:

4.2.1 Provide project management of tasks and deliverables to the Contractor.

4.2.2 Prepare sample logs for the Contractor.

4.2.3 Pay the Contractor within 30 days upon receipt of an invoice that has been submitted to the terms and conditions of the contract.

4.2.4 Provide direction to the Contractor in areas relating to policy, information and procedural requirements.

<u>Contractor</u>

4.3 Project Manager

4.3.1 The Contractor shall provide a qualified full-time Project Manager (also known as the Account Manager, Supervisor, etc.) assigned to the contract with five (5) years of experience, within the last five (5) years to perform the required work in this SOW.

4.3.2 The Contractor's Project Manager shall act as a central point of contact with the LACDA and shall have full authority to act for the Contractor on all matters relating to the daily tasks specified in Section 3.0 – Specific Work Requirements in this Statement of Work. Project Manager shall be able to effectively communicate, in English, both orally and in writing.

4.3.3 The Contractor shall provide a telephone number where the Project Manager may be reached on a twenty-four (24) hour per day basis. The Project Manager must be available during all hours, 365 days per year.

4.3.4 The Contractor shall provide a Microsoft Enterprise contact support number to get 24x7 technical support, planning services, end-user and technical training with SA.

4.4 Assigned Staff

4.4.1 The Contractor shall assign a sufficient number of employees with three (3) years of experience, within the last five (5) years to perform the required work in this SOW. At least one employee on site shall be authorized to act for the Contractor in every detail and must speak and understand English.

4.4.2 The Contractor shall be required to background check their employees as set forth in Paragraph 7.5, Background and Security Investigations, of the Contract.

4.5 Uniform

The Contractor's employees assigned to the Contract shall wear an appropriate uniform at all times. The uniform must display the Contractor's company name, and will be provided at the Contractor's expense.

4.6 Staff Identification

4.6.1 The Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.3 – Contractor's Staff Identification, of the Contract.

4.6.2 The Contractor's employees must wear visible identification when working under the Contract on LACDA property. The identification shall be a Contractor photo ID or LACDA Visitor ID. If applicable, the Contractor is responsible for the care and use of a LACDA ID card and will be charged $20.00 for each damaged or lost LACDA ID card.

4.6.3 The Contractor's employees must sign in and out at the receptionist desk at the beginning and ending of each workday.

4.7 Material and Equipment

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

4.8 Training

The Contractor shall provide training programs for all new employees and continuing in-service training for all employees. All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear, and use PPE according to Cal/OSHA requirements.

4.9 Contractor's Office

The Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, the Contractor shall answer calls received by the answering service within two (2) hours of receipt of the call.

4.10 Meetings

The Contractor is required to attend LACDA scheduled meetings as requested by the LACDA. Failure to attend will cause an assessment of fifty dollars ($50.00).

5.0 HOURS / DAYS OF WORK

The LACDA office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday. The LACDA offices are closed on the following Holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- President's Day
- Fram Workers Day
- Memorial Day
- Juneteenth Day
- Independence Day
- Labor Day
- Indigenous Peoples' Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

Note: Holidays that fall on a Saturday are observed on the previous Friday and holidays that fall on a Sunday are observed on the following Monday.

6.0 WORK SCHEDULES

The Contractor shall submit for review and approval a work schedule for each facility to the LACDA within ten (10) days prior to starting work. The work schedules shall be set on an annual calendar identifying all the required on-going maintenance tasks and task frequencies. The schedules shall list the time frames by day of the week, morning, and afternoon, and the tasks to be performed.

The Contractor shall submit revised schedules when actual performance differs substantially from planned performance. The revisions shall be submitted to the LACDA for review and approval within five (5) working days prior to scheduled time for work.

7.0 UNSCHEDULED WORK

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

8.0

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

7.3 When a condition exists wherein there is imminent danger of injury to the public or damage to property, Contractor shall contact LACDA's Project Director for approval before beginning the work. A written estimate shall be sent within twenty-four (24) hours for approval. Contractor shall submit an invoice to LACDA's Project Director within five (5) working days after completion of the work.

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

7.5 The LACDA reserves the right to perform unscheduled work itself or assign the work to another Contractor.

8.0 QUALITY CONTROL PLAN

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

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

8.2 A record of all inspections conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action,

9.0 QUALITY ASSURANCE PLAN

As specified in Section 6.4 (Quality Assurance Plan) of the Contract, the LACDA will evaluate the Contractor's performance under this Contract and the Plan, specified in 6.0 of this Statement of Work, using the following quality assurance procedures:

9.1 Performance Requirements Summary (Attachment 2 of this Exhibit A)
The LACDA shall use a Performance Requirements Summary (PRS) chart, Attachment 1 of this Exhibit A, to monitor the Contractor's work performance and efforts to remedy any and all deficiencies throughout the term of this Contract. The chart shall contain, at a minimum, the following:

- Each section of the Contract/SOW referenced and identified;

- The standard of performance (description of the work requirement)
- The method to be used to monitor work performance
- The fees/deductions to be assessed for each service that is not satisfactory

All listings of services used in the PRS are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or expand any obligation of the Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on the Contractor.

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

- Require the Contractor to implement a formal corrective action plan, subject to approval by the LACDA. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to the Contractor by a computed amount based on the penalty fee(s) in the PRS.
- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) days shall constitute authorization for the LACDA to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the LACDA, shall be credited to the LACDA on the Contractor's future invoice.

This section does not preclude the LACDA's right to terminate the contract upon thirty (30) days written notice with or without cause, as provided for in the Contract, Paragraph 6.6 (Termination for Convenience).

9.2 Periodic Performance Reviews (Attachment 2 of this Exhibit A)

The LACDA will conduct periodic reviews to evaluate the Contractor's performance.

9.3 Contract Deficiency Notice

The LACDA will make verbal notification to the Contractor of a Contract deficiency as soon as the deficiency is identified. The problem should be resolved within a time period mutually agreed upon by the LACDA and the Contractor.

If resolution of the deficiency does not result from the verbal notification, the LACDA will determine whether a formal Contract Deficiency Notice shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the LACDA within five (5) workdays, acknowledging the reported deficiencies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the LACDA within ten (10) workdays.

9.4 LACDA Observations

In addition to divisional contracting staff, other LACDA 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's performance.

10.0 ADDITION/DELETION OF SERVICES

The LACDA reserves the right to add or delete services during the term of the Contract. The Contractor's fees will be adjusted by negotiation between the LACDA and the Contractor. All negotiated fees must be approved in advance and in writing by the LACDA. Failure of the Contractor to obtain advance written approval from the LACDA shall be grounds for no payment and the cost will be borne by the Contractor.

ATTACHMENT 1

MICROSOFT ENTERPRISE AGREEMENT ENROLLMENT FORMS

Provided directly from Microsoft via Contractor
Sample attached from Microsoft

Microsoft Volume Licensing

Enterprise Enrollment

State and Local

Enterprise Enrollment number *(Microsoft to complete)*		**Framework ID** *(if applicable)*	
Previous Enrollment number *(Reseller to complete)*			

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Online Services Terms, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at http://www.microsoft.com/licensing/contracts. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to "anniversary date" refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

"Additional Product" means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

"Community" means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer's regulatory requirements.

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

2. *Order requirements.*

a. **Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.

(i) **Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).

(ii) **Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.

b. **Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.

c. **Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.

d. **Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.

e. **Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.

f. **Adding Products.**

(i) **Adding new Products not previously ordered**. New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

(ii) **Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.

g. **True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.

(i) **Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.

(ii) **Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.

(iii) **Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.

(iv) **Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:

1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.

2) For Enterprise Online Services that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as the initial order minimum requirements are maintained.

3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.

Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.

(v) **Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional Products. This update statement must be signed by Enrolled Affiliate's authorized representative.

(vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

(vii)Late true-up order. If the true-up order or update statement is not received when due, Microsoft will invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).

h. Step-up Licenses. For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:

(i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.

(ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.

i. Clerical errors. Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.

j. Verifying compliance. Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. *Pricing.*

a. Price Levels. For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.

b. Setting Prices. Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. Except for Online Services designated in the Product Terms as being exempt from fixed pricing, As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. *Payment terms.*

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

5. *End of Enrollment term and termination.*

a. General. At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.

b. Renewal option. At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal.

Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.

c. **If Enrolled Affiliate elects not to renew.**

(i) **Software Assurance.** If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.

(ii) **Online Services eligible for an Extended Term.** For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.

1) **Extended Term.** Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term feature that allows Online Services to continue month-to-month ("Extended Term") is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.

2) **Cancellation during Extended Term.** At any time during the first year of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, either party may terminate the Extended Term by providing the other with a notice of cancellation for each Online Service. Cancellation will be effective at the end of the month following 30 days after Microsoft has received or issued the notice.

(iii) **Subscription Licenses and Online Services not eligible for an Extended Term.** If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate's Enterprise must discontinue use. Microsoft may request written certification to verify compliance.

d. **Termination for cause.** Any termination for cause of this Enrollment will be subject to the "Termination for cause" section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.

e. **Early termination.** Any early termination of this Enrollment will be subject to the "Early Termination" Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. Government Community Cloud.

a. **Community requirements.** If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

b. All terms and conditions applicable to non-Government Community Cloud Services also apply to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.

c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.

d. Use Rights for Government Community Cloud Services. For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:

(i) Government Community Cloud Services will be offered only within the United States.

(ii) Additional European Terms, as set forth in the Use Rights, will not apply.

(iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.

Enrollment Details

1. Enrolled Affiliate's Enterprise.

a. Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

☐ Enrolled Affiliate only

☐ Enrolled Affiliate and all Affiliates

☐ Enrolled Affiliate and the following Affiliate(s) (Only identify specific affiliates to be included if fewer than all Affiliates are to be included in the Enterprise):

☐ Enrolled Affiliate and all Affiliates, with following Affiliate(s) excluded:

b. Please indicate whether the Enrolled Affiliate's Enterprise will include all new Affiliates acquired after the start of this Enrollment: <Choose One>

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at https://www.microsoft.com/licensing/servicecenter.

a. Primary contact. This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)*
Contact name* First **Last**
Contact email address*
Street address*
City*

State*
Postal code* -
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country*
Phone*
Tax ID
** indicates required fields*

b. Notices contact and Online Administrator. This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Servies, including adding or reassigning Licenses and stepping-up prior to a true-up order.

☐ Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name* First **Last**
Contact email address*
Street address*
City*
State*
Postal code* -
(Please provide the zip + 4, e.g. xxxxx-xxxx)
Country*
Phone*
Language preference. Choose the language for notices. English
☐ This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.
** indicates required fields*

c. Online Services Manager. This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

☐ Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name*: First **Last**
Contact email address*
Phone*
☐ This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.
** indicates required fields*

d. Reseller information. Reseller contact for this Enrollment is:

Reseller company name*
Street address (PO boxes will not be accepted)*
City*
State*
Postal code*
Country*
Contact name*
Phone*
Contact email address*
** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

Signature* ______________________________

Printed name*
Printed title*
Date*

** indicates required fields*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*

(i) Additional notices contact
(ii) Software Assurance manager
(iii) Subscriptions manager
(iv) Customer Support Manager (CSM) contact

3. Financing elections.

Is a purchase under this Enrollment being financed through MS Financing? ☐ Yes, ☒ No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Enterprise Agreement State and Local

Not for Use with Microsoft Business Agreement or Microsoft Business and Services Agreement

This Microsoft Enterprise Agreement ("Agreement") is entered into between the entities identified on the signature form.

Effective date. The effective date of this Agreement is the earliest effective date of any Enrollment entered into under this Agreement or the date Microsoft accepts this Agreement, whichever is earlier.

This Agreement consists of (1) these Agreement terms and conditions, including any amendments and the signature form and all attachments identified therein, (2) the Product Terms applicable to Products licensed under this Agreement, (3) the Online Services Terms, (4) any Affiliate Enrollment entered into under this Agreement, and (5) any order submitted under this Agreement.

Please note: Documents referenced in this Agreement but not attached to the signature form may be found at http://www.microsoft.com/licensing/contracts and are incorporated in this Agreement by reference, including the Product Terms and Use Rights. These documents may contain additional terms and conditions for Products licensed under this Agreement and may be changed from time to time. Customer should review such documents carefully, both at the time of signing and periodically thereafter, and fully understand all terms and conditions applicable to Products licensed.

Terms and Conditions

1. Definitions.

"Affiliate" means

a. with regard to Customer,

(i) any government agency, department, office, instrumentality, division, unit or other entity of the state or local government that is supervised by or is part of Customer, or which supervises Customer or of which Customer is a part, or which is under common supervision with Customer;

(ii) any county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state jurisdiction and geographic boundaries; and

(iii) any other entity in Customer's state expressly authorized by the laws of Customer's state to purchase under state contracts; provided that a state and its Affiliates shall not, for purposes of this definition, be considered to be Affiliates of the federal government and its Affiliates; and

b. with regard to Microsoft, any legal entity that Microsoft owns, that owns Microsoft, or that is under common ownership with Microsoft.

"Customer" means the legal entity that has entered into this Agreement with Microsoft.

"Customer Data" means all data, including all text, sound, software, image, or video files that are provided to Microsoft by, or on behalf of, an Enrolled Affiliate and its Affiliates through use of Online Services.

"day" means a calendar day, except for references that specify "business day".

"Enrolled Affiliate" means an entity, either Customer or any one of Customer's Affiliates that has entered into an Enrollment under this Agreement.

"Enrollment" means the document that an Enrolled Affiliate submits under this Agreement to place orders for Products.

"Enterprise" means an Enrolled Affiliate and the Affiliates for which it is responsible and chooses on its Enrollment to include in its enterprise.

"Fixes" means Product fixes, modifications or enhancements, or their derivatives, that Microsoft either releases generally (such as Product service packs) or provides to Customer to address a specific issue.

"License" means the right to download, install, access and use a Product. For certain Products, a License may be available on a fixed term or subscription basis ("Subscription License"). Licenses for Online Services will be considered Subscription Licenses.

"Microsoft" means the Microsoft Affiliate that has entered into this Agreement or an Enrollment and its Affiliates, as appropriate.

"Online Services" means the Microsoft-hosted services identified as Online Services in the Product Terms.

"Online Services Terms" means the additional terms that apply to Customer's use of Online Services published on the Volume Licensing Site and updated from time to time.

"Product" means all products identified in the Product Terms, such as all Software, Online Services and other web-based services, including pre-release or beta versions.

"Product Terms" means the document that provides information about Microsoft Products and Professional Services available through volume licensing. The Product Terms document is published on the Volume Licensing Site and is updated from time to time.

"SLA" means Service Level Agreement, which specifies the minimum service level for Online Services and is published on the Volume Licensing Site.

"Software" means licensed copies of Microsoft software identified on the Product Terms. Software does not include Online Services, but Software may be part of an Online Service.

"Software Assurance" is an offering by Microsoft that provides new version rights and other benefits for Products as further described in the Product Terms.

"Trade Secret" means information that is not generally known or readily ascertainable to the public, has economic value as a result, and has been subject to reasonable steps under the circumstances to maintain its secrecy.

"use" or "run" means to copy, install, use, access, display, run or otherwise interact.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means http://www.microsoft.com/licensing/contracts or a successor site.

2. *How the Enterprise program works.*

a. **General.** The Enterprise program consists of the terms and conditions on which an Enrolled Affiliate may acquire Product Licenses. Under the Enterprise program, Customer and its Affiliates may order Licenses for Products by entering into Enrollments.

b. **Enrollments.** The Enterprise program gives Customer and/or its Affiliates the ability to enter into one or more Enrollments to order Products. Subscription Enrollments may be available for some of these Enrollments. Notwithstanding any other provision of this Agreement, only Enrolled Affiliates identified in an Enrollment will be responsible for complying with the terms of that Enrollment, including the terms of this Agreement incorporated by reference in that Enrollment.

c. Licenses. The types of Licenses available are (1) Licenses obtained under Software Assurance (L&SA), and (2) Subscription Licenses. These License types, as well as additional License Types, are further described in the Product List.

3. *Licenses for Products.*

a. License Grant. Microsoft grants the Enterprise a non-exclusive, worldwide and limited right to download, install and use software Products, and to access and use the Online Services, each in the quantity ordered under an Enrollment. The rights granted are subject to the terms of this Agreement, the Use Rights and the Product Terms. Microsoft reserves all rights not expressly granted in this Agreement.

b. Duration of Licenses. Subscription Licenses and most Software Assurance rights are temporary and expire when the applicable Enrollment is terminated or expires, unless the Enrolled Affiliate exercises a buy-out option, which is available for some Subscription Licenses. Except as otherwise noted in the applicable Enrollment or Use Rights, all other Licenses become perpetual only when all payments for that License have been made and the initial Enrollment term has expired.

c. Applicable Use Rights. The latest Use Rights as updated from time to time, apply to the use of all Products, subject to the following exceptions.

(i) For products with metered usage-based pricing (e.g. metered Microsoft Azure Services) Material adverse changes published after the start of a calendar month will apply beginning the following month.

(ii) For Versioned Software. Material adverse changes published after the date a Product is first licensed will not apply to any licenses for that Product acquired during the applicable Enrollment term unless the changes are published with the release of a new version and Customer chooses to update to that version. Renewal of Software Assurance does not change which Use Rights apply to perpetual Licenses acquired during a previous term or Enrollment

(iii) For all other Products (e.g. Office 365 services). Material adverse changes published after the start of the subscription term will not apply to any licenses for that Product acquired during the applicable Enrollment term.

(iv) For use rights granted through Software Assurance. Material adverse changes published after the date a Product is first licensed will not apply to any licenses for that Product during the applicable enrollment term unless the changes are published with the release of a new version and Customer chooses to update to that version.

d. Downgrade rights. Enrolled Affiliate may use an earlier version of a Product other than Online Services than the version that is current on the effective date of the Enrollment. For Licenses acquired in the current Enrollment term, the Use Rights for the current version apply to the use of the earlier version. If the earlier Product version includes features that are not in the new version, then the Use Rights applicable to the earlier version apply with respect to those features.

e. New Version Rights under Software Assurance. Enrolled Affiliate must order and maintain continuous Software Assurance coverage for each License ordered. With Software Assurance coverage, Enterprise automatically has the right to use a new version of a licensed Product as soon as it is released, even if Enrolled Affiliate chooses not to use the new version immediately.

(i) Except as otherwise permitted under an Enrollment, use of the new version will be subject to the new version's Use Rights.

(ii) If the License for the earlier version of the Product is perpetual at the time the new version is released, the License for the new version will also be perpetual. Perpetual Licenses obtained through Software Assurance replace any perpetual Licenses for the earlier version.

f. License confirmation. This Agreement, the applicable Enrollment, Enrolled Affiliate's order confirmation, and any documentation evidencing transfers of perpetual Licenses, together with proof of payment, will be Enrolled Affiliate's evidence of all Licenses obtained under an Enrollment.

g. Reorganizations, consolidations and privatizations. If the number of Licenses covered by an Enrollment changes by more than ten percent as a result of (1) a reorganization, consolidation or privatization of an entity or an operating division, (2) a privatization of an Affiliate or an operating division of Enrolled Affiliate or any of its Affiliates, or (3) a consolidation including a merger with a third party that has an existing agreement or Enrollment, Microsoft will work with Enrolled Affiliate in good faith to determine how to accommodate its changed circumstances in the context of this Agreement.

4. *Making copies of Products and re-imaging rights.*

a. General. Enrolled Affiliate may make as many copies of Products, as it needs to distribute them within the Enterprise. Copies must be true and complete (including copyright and trademark notices) from master copies obtained from a Microsoft approved fulfillment source. Enrolled Affiliate may use a third party to make these copies, but Enrolled Affiliate agrees it will be responsible for any third party's actions. Enrolled Affiliate agrees to make reasonable efforts to notify its employees, agents, and any other individuals who use the Products that the Products are licensed from Microsoft and subject to the terms of this Agreement.

b. Copies for training/evaluation and back-up. For all Products other than Online Services, Enrolled Affiliate may: (1) use up to 20 complimentary copies of any licensed Product in a dedicated training facility on its premises for purposes of training on that particular Product, (2) use up to 10 complimentary copies of any Products for a 60-day evaluation period, and (3) use one complimentary copy of any licensed Product for back-up or archival purposes for each of its distinct geographic locations. Trials for Online Services may be available if specified in the Use Rights.

c. Right to re-image. In certain cases, re-imaging is permitted using the Product media. If the Microsoft Product is licensed (1) from an original equipment manufacturer (OEM), (2) as a full packaged Product through a retail source, or (3) under another Microsoft program, then media provided under this Agreement may generally be used to create images for use in place of copies provided through that separate source. This right is conditional upon the following:

(i) Separate Licenses must be acquired from the separate source for each Product that is re-imaged.

(ii) The Product, language, version, and components of the copies made must be identical to the Product, language, version, and all components of the copies they replace, and the number of copies or instances of the re-imaged Product permitted remains the same.

(iii) Except for copies of an operating system and copies of Products licensed under another Microsoft program, the Product type (e.g., Upgrade or full License) re-imaged must be identical to the Product type licensed from the separate source.

(iv) Enrolled Affiliate must adhere to any Product-specific processes or requirements for re-imaging identified in the Product Terms.

Re-imaged Products remain subject to the terms and use rights of the License acquired from the separate source. This subsection does not create or extend any Microsoft warranty or support obligation.

5. *Transferring and reassigning Licenses.*

a. **License transfers.** License transfers are not permitted, except that Customer or an Enrolled Affiliate may transfer only fully paid perpetual Licenses to:

   (i) an Affiliate, or

   (ii) a third party solely in connection with the transfer of hardware or employees to whom the Licenses have been assigned as part of (1) a privatization of an Affiliate or agency or of an operating division of Enrolled Affiliate or an Affiliate, (2) a reorganization, or (3) a consolidation.

   Upon such transfer, Customer or Enrolled Affiliate must uninstall and discontinue using the licensed Product and render any copies unusable.

b. **Notification of License Transfer.** Enrolled Affiliate must notify Microsoft of a License transfer by completing a license transfer form, which can be obtained from http://www.microsoft.com/licensing/contracts and sending the completed form to Microsoft before the License transfer. No License transfer will be valid unless Enrolled Affiliate provides to the transferee, and the transferee accepts in writing, documents sufficient to enable the transferee to ascertain the scope, purpose and limitations of the rights granted by Microsoft under the licenses being transferred (includingthe applicable Use Rights, use and transfer restrictions, warranties and limitations of liability). Any License transfer not made in compliance with this section will be void.

c. **Internal Assignment of Licenses and Software Assurance.** Licenses and Software Assurance must be assigned to a single user or device within the Enterprise. Licenses and Software Assurance may be reassigned within the Enterprise as described in the Use Rights.

6. *Term and termination.*

a. **Term.** The term of this Agreement will remain in effect unless terminated by either party as described below. Each Enrollment will have the term provided in that Enrollment.

b. **Termination without cause.** Either party may terminate this Agreement, without cause, upon 60 days' written notice. In the event of termination, new Enrollments will not be accepted, but any existing Enrollment will continue for the term of such Enrollment and will continue to be governed by this Agreement.

c. **Mid-term termination for non-appropriation of Funds.** Enrolled Affiliate may terminate this Agreement or an Enrollment without liability, penalty or further obligation to make payments if funds to make payments under the Agreement or Enrollment are not appropriated or allocated by the Enrolled Affiliate for such purpose.

d. **Termination for cause.** Without limiting any other remedies it may have, either party may terminate an Enrollment if the other party materially breaches its obligations under this Agreement, including any obligation to submit orders or pay invoices. Except where the breach is by its nature not curable within 30 days, the terminating party must give the other party 30 days' notice of its intent to terminate and an opportunity to cure the breach.

   If Microsoft gives such notice to an Enrolled Affiliate, Microsoft also will give Customer a copy of that notice and Customer agrees to help resolve the breach. If the breach affects other Enrollments and cannot be resolved between Microsoft and Enrolled Affiliate, together with Customer's help, within a reasonable period of time, Microsoft may terminate this Agreement and all Enrollments under it. If an Enrolled Affiliate ceases to be Customer's Affiliate, it must promptly notify Microsoft, and Microsoft may terminate the former Affiliate's Enrollment. If an Enrolled Affiliate terminates its Enrollment as a result of a breach by Microsoft, or if Microsoft terminates an Enrollment because Enrolled Affiliate ceases to be Customer's Affiliate, then Enrolled Affiliate will have the early termination rights described in the Enrollment.

e. Early termination. If (1) an Enrolled Affiliate terminates its Enrollment as a result of a breach by Microsoft, or (2) if Microsoft terminates an Enrollment because the Enrolled Affiliate has ceased to be an Affiliate of Customer, or (3) Enrolled Affiliate terminates an Enrollment for non-appropriation of funds, or (4) Microsoft terminates an Enrollment for non-payment due to non-appropriation of funds, then the Enrolled Affiliate will have the following options:

(i) It may immediately pay the total remaining amount due, including all installments, in which case, the Enrolled Affiliate will have perpetual rights for all Licenses it has ordered; or

(ii) It may pay only amounts due as of the termination date, in which case the Enrolled Affiliate will have perpetual Licenses for:

1) all copies of Products (including the latest version of Products ordered under SA coverage in the current term) for which payment has been made in full, and

2) the number of copies of Products it has ordered (including the latest version of Products ordered under Software Assurance coverage in current term) that is proportional to the total of installment payments paid versus total amounts due (paid and payable) if the early termination had not occurred.

(iii) In the case of early termination under subscription Enrollments, Enrolled Affiliate will have the following options:

1) For eligible Products, Enrolled Affiliate may obtain perpetual Licenses as described in the section of the Enrollment titled "Buy-out option," provided that Microsoft receives the buy-out order for those Licenses within 60 days after Enrolled Affiliate provides notice of termination.

2) In the event of a breach by Microsoft, if Customer chooses not to exercise a buy-out option, Microsoft will issue Enrolled Affiliate a credit for any amount paid in advance for Subscription Licenses that the Enterprise will not be able to use to do the termination of the Enrollment.

Nothing in this section shall affect perpetual License rights acquired either in a separate agreement or in a prior term of the terminated Enrollment.

f. Effect of termination or expiration. When an Enrollment expires or is terminated,

(i) Enrolled Affiliate must order Licenses for all copies of Products it has run for which it has not previously submitted an order. Any and all unpaid payments for any order of any kind remain due and payable. Except as provided in the subsection titled "Early termination," all unpaid payments for Licenses immediately become due and payable.

(ii) Enrolled Affiliate's right to Software Assurance benefits under this Agreement ends if it does not renew Software Assurance.

g. Modification or termination of an Online Service for regulatory reasons. Microsoft may modify or terminate an Online Service where there is any current or future government requirement or obligation that: (1) subjects Microsoft to any regulation or requirement not generally applicable to businesses operating in the jurisdiction; (2) presents a hardship for Microsoft to continue operating the Online Service without modification; and/or (3) causes Microsoft to believe these terms or the Online Service may conflict with any such requirement or obligation.

h. Program updates. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at the time of an Enrollment renewal.

7. *Use, ownership, rights, and restrictions.*

a. **Products.** Unless otherwise specified in a supplemental agreement, use of any Product is governed by the Use Rights specific to each Product and version and by the terms of the applicable supplemental agreement.

b. **Fixes.** Each Fix is licensed under the same terms as the Product to which it applies. If a Fix is not provided for a specific Product, any use rights Microsoft provides with the Fix will apply.

c. **Non-Microsoft software and technology.** Enrolled Affiliate is solely responsible for any non-Microsoft software or technology that it installs or uses with the Products or Fixes.

d. **Restrictions.** Enrolled Affiliate must not (and is not licensed to) (1) reverse engineer, decompile, or disassemble any Product or Fix; (2) install or use non-Microsoft software or technology in any way that would subject Microsoft's intellectual property or technology to any other license terms; or (3) work around any technical limitations in a Product or Fix or restrictions in Product documentation. Customer must not (and is not licensed to) (1) separate and run parts of a Product or Fix on more than one device, upgrade or downgrade parts of a Product or Fix at different times, or transfer parts of a Product or Fix separately; or (2) distribute, sublicense, rent, lease, lend any Products or Fixes, in whole or in part, or use them to offer hosting services to a third party.

e. **Reservation of rights.** Products and Fixes are protected by copyright and other intellectual property rights laws and international treaties. Microsoft reserves all rights not expressly granted in this agreement. No rights will be granted or implied by waiver or estoppel. Rights to access or use Software on a device do not give Customer any right to implement Microsoft patents or other Microsoft intellectual property in the device itself or in any other software or devices.

8. *Confidentiality.*

"Confidential Information" is non-public information that is designated "confidential" or that a reasonable person should understand is confidential, including Customer Data. Confidential Information does not include information that (1) becomes publicly available without a breach of this agreement, (2) the receiving party received lawfully from another source without a confidentiality obligation, (3) is independently developed, or (4) is a comment or suggestion volunteered about the other party's business, products or services.

Each party will take reasonable steps to protect the other's Confidential Information and will use the other party's Confidential Information only for purposes of the parties' business relationship. Neither party will disclose that Confidential Information to third parties, except to its employees, Affiliates, contractors, advisors and consultants ("Representatives") and then only on a need-to-know basis under nondisclosure obligations at least as protective as this agreement. Each party remains responsible for the use of the Confidential Information by its Representatives and, in the event of discovery of any unauthorized use or disclosure, must promptly notify the other party.

A party may disclose the other's Confidential Information if required by law; but only after it notifies the other party (if legally permissible) to enable the other party to seek a protective order.

Neither party is required to restrict work assignments of its Representatives who have had access to Confidential Information. Each party agrees that the use of information retained in Representatives' unaided memories in the development or deployment of the parties' respective products or services does not create liability under this Agreement or trade secret law, and each party agrees to limit what it discloses to the other accordingly.

These obligations apply (1) for Customer Data until it is deleted from the Online Services, and (2) for all other Confidential Information, for a period of five years after a party receives the Confidential Information.

9. *Privacy and compliance with laws.*

a. Enrolled Affiliate consents to the processing of personal information by Microsoft and its agents to facilitate the subject matter of this Agreement. Enrolled Affiliate will obtain all required consents from third parties under applicable privacy and data protection law before providing personal information to Microsoft.

b. Personal information collected under this agreement (1) may be transferred, stored and processed in the United States or any other country in which Microsoft or its service providers maintain facilities and (2) will be subject to the privacy terms specified in the Use Rights. Microsoft will abide by the requirements of European Economic Area and Swiss data protection law regarding the collection, use, transfer, retention, and other processing of personal data from the European Economic Area and Switzerland.

c. U.S. export. Products and Fixes are subject to U.S. export jurisdiction. Enrolled Affiliate must comply with all applicable international and national laws, including the U.S. Export Administration Regulations and International Traffic in Arms Regulations, and end-user, end use and destination restrictions issued by U.S. and other governments related to Microsoft products, services and technologies.

10. *Warranties.*

a. Limited warranties and remedies.

(i) Software. Microsoft warrants that each version of the Software will perform substantially as described in the applicable Product documentation for one year from the date the Enterprise is first licensed for that version. If it does not and the Enterprise notifies Microsoft within the warranty term, then Microsoft will, at its option (1) return the price Enrolled Affiliate paid for the Software license, or (2) repair or replace the Software.

(ii) Online Services. Microsoft warrants that each Online Service will perform in accordance with the applicable SLA during the Enterprise's use. The Enterprise's remedies for breach of this warranty are in the SLA.

The remedies above are the Enterprise's sole remedies for breach of the warranties in this section. Customer waives any breach of warranty claims not made during the warranty period.

b. Exclusions. The warranties in this agreement do not apply to problems caused by accident, abuse, or use in a manner inconsistent with this Agreement, including failure to meet minimum system requirements. These warranties do not apply to free, trial, pre-release, or beta products, or to components of Products that Enrolled Affiliate is permitted to redistribute.

c. Disclaimer. Except for the limited warranties above, Microsoft provides no other warranties or conditions and disclaims any other express, implied, or statutory warranties, including warranties of quality, title, non-infringement, merchantability, and fitness for a particular purpose.

11. *Defense of third party claims.*

The parties will defend each other against the third-party claims described in this section and will pay the amount of any resulting adverse final judgment or approved settlement, but only if the defending party is promptly notified in writing of the claim and has the right to control the defense and any settlement of it. The party being defended must provide the defending party with all requested assistance, information, authority, and must take all reasonable action to mitigate its losses arising from the third-party claim. The defending party will reimburse the other party for reasonable out-of-pocket expenses it incurs in providing assistance. This section describes the parties' sole remedies and entire liability for such claims.

a. By Microsoft. Microsoft will defend Enrolled Affiliate against any third-party claim to the extent it alleges that a Product or Fix made available by Microsoft for a fee and used within the scope of the license granted (unmodified from the form provided by Microsoft and not combined with anything else) misappropriates a trade secret or directly infringes a patent, copyright, trademark or other proprietary right of a third party. If Microsoft is unable to resolve a claim of infringement under commercially reasonable terms, it may, at its option, either (1) modify or replace the Product or Fix with a functional equivalent; or (2) terminate Enrolled Affiliate's license and refund any prepaid license fees (less depreciation on a five-year, straight-line basis) for perpetual licenses and any amount paid for Online Services for any usage period after the termination date. Microsoft will not be liable for any claims or damages due to Enrolled Affiliate's continued use of a Product or Fix after being notified to stop due to a third-party claim.

b. By Enrolled Affiliate. To the extent permitted by applicable law, Enrolled Affiliate will defend Microsoft against any third-party claim to the extent it alleges that: (1) any Customer Data or non-Microsoft software hosted in an Online Service by Microsoft on Enrolled Affiliate's behalf misappropriates a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party; or (2) Enrolled Affiliate's use of any Product or Fix, alone or in combination with anything else, violates the law or damages a third party.

12. Limitation of liability.

For each Product, each party's maximum, aggregate liability to the other under this Agreement is limited to direct damages finally awarded in an amount not to exceed the amounts Enrolled Affiliate paid for the applicable Products during the term of this Agreement, subject to the following:

a. Online Services. For Online Services, Microsoft's maximum liability to Enrolled Affiliate for any incident giving rise to a claim will not exceed the amount Enrolled Affiliate paid for the Online Service during the 12 months before the incident.

b. Free Products and Distributable Code. For Products provided free of charge and code that Enrolled Affiliate is authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's liability is limited to direct damages finally awarded up to US$5,000.

c. Exclusions. In no event will either party be liable for indirect, incidental, special, punitive, or consequential damages, or for loss of use, loss of business information, loss of revenue, or interruption of business, however caused or on any theory of liability.

d. Exceptions. No limitation or exclusions will apply to liability arising out of either party's (1) confidentiality obligations (except for all liability related to Customer Data, which will remain subject to the limitations and exclusions above); (2) defense obligations; or (3) violation of the other party's intellectual property rights.

13. Verifying compliance.

a. Right to verify compliance. Enrolled Affiliate must keep records relating to all use and distribution of Products by Enrolled Affiliate and its Affiliates. Microsoft has the right, at its expense, to the extent permitted by applicable law, to verify such compliance with the Product's license terms. Microsoft will engage an independent auditor and Enrolled Affiliate must provide the independent auditor with any information the auditor reasonably requests in furtherance of the verification, including visible access to systems running the Products and evidence of Licenses for Products Enrolled Affiliate hosts, sublicenses, or distributes to third parties. Enrolled Affiliate must provide, without undue delay, the foregoing information and access upon request of the independent auditor

b. Verification process. Microsoft will notify Enrolled Affiliate at least 30 calendar days in advance of its intent to verify Enrolled Affiliate's compliance with the license terms for the Products Enrolled Affiliate use or distribute. The independent auditor is subject to a confidentiality obligation sufficient to cover the auditor's engagement with Enrolled Affiliate for the verification process. Enrolled Affiliate may, at its discretion, also require a mutually agreeable confidentiality agreement with the independent auditor for access to premises, data and systems. Such confidentiality agreement between Enrolled Affiliate and auditor must be completed within fourteen (14) days of such request, and shall not restrict the ability for the independent auditor to accurately verify compliance and share the resulting information with Microsoft. Any information collected will be used solely for purposes of determining Enrolled Affiliate's compliance. This verification will take place during normal business hours and the auditor will make best efforts not to interfere with Enrolled Affiliate's operations during the course of the audit.

c. **Remedies for non-compliance.** If verification reveals any use of Products without applicable license rights, then within 30 days Enrolled Affiliate must order sufficient licenses to cover its use, and, if such use or distribution is determined to be in excess of Enrolled Affiliate's existing licenses by 5% or more of the audited environment(s) in aggregate, then Enrolled Affiliate must reimburse Microsoft for the costs Microsoft incurred in obtaining the verification and acquire the necessary additional licenses. Such licenses will be obtained at 125% of the price, based on the then-current price list. The use percentage is based on the total number of Products used without applicable liscense rights (as described above) compared to the total Product use. If it is verified that Product use is sufficiently licensed, Microsoft will not require the Enterprise to engage in another verification for at least one year. By exercising the rights and procedures described above, Microsoft does not waive its rights to enforce its rights under these Additional Use Rights and Restrictions or to protect its intellectual property by any other legal or contractual means.

14. Miscellaneous.

a. **Use of contractors.** Microsoft may use contractors to perform services but will be responsible for their performance subject to the terms of this Agreement.

b. **Microsoft as independent contractor.** The parties are independent contractors. Enrolled Affiliate and Microsoft each may develop products independently without using the other's Confidential Information.

c. **Notices.** Notices to Microsoft must be sent to the address on the signature form. Notices must be in writing and will be treated as delivered on the date shown on the return receipt or on the courier or fax confirmation of delivery. Microsoft may provide information to Enrolled Affiliate about upcoming ordering deadlines, services, and subscription information in electronic form, including by email to contacts provided by Enrolled Affiliate. Emails will be treated as delivered on the transmission date.

d. **Agreement not exclusive.** Customer is free to enter into agreements to license, use or promote non-Microsoft products.

e. **Amendments.** Any amendment to this Agreement must be executed by both parties, except that Microsoft may change the Product Terms and the Use Rights from time to time in accordance with the terms of this Agreement. Any conflicting terms and conditions contained in an Enrolled Affiliate's purchase order will not apply. Microsoft may require Customer to sign a new agreement or an amendment before an Enrolled Affiliate enters into an Enrollment under this agreement.

f. **Assignment.** Either party may assign this Agreement to an Affiliate but must notify the other party in writing of the assignment. Any other proposed assignment must be approved by the non-assigning party in writing. Assignment will not relieve the assigning party of its obligations under the assigned agreement. Any attempted assignment without required approval will be void.

g. **Applicable law; dispute resolution.** The terms of this Agreement will be governed by the laws of Customer's state, without giving effect to its conflict of laws. Disputes relating to this Agreement will be subject to applicable dispute resolution laws of Customer's state.

h. **Severability.** If any provision in this agreement is held to be unenforceable, the balance of the agreement will remain in full force and effect.

i. **Waiver.** Failure to enforce any provision of this agreement will not constitute a waiver. Any waiver must be in writing and signed by the waiving party.

j. **No third-party beneficiaries.** This Agreement does not create any third-party beneficiary rights.

k. **Survival.** All provisions survive termination or expiration of this Agreement except those requiring performance only during the term of the Agreement.

l. **Management and Reporting.** Customer and/or Enrolled Affiliate may manage account details (e.g., contacts, orders, Licenses, software downloads) on Microsoft's Volume Licensing Service Center ("VLSC") web site (or successor site) at: https://www.microsoft.com/licensing/servicecenter. Upon the effective date of this Agreement and any Enrollments, the contact(s) identified for this purpose will be provided access to this site and may authorize additional users and contacts.

m. **Order of precedence**. In the case of a conflict between any documents in this Agreement that is not expressly resolved in those documents, their terms will control in the following order from highest to lowest priority: (1) this Enterprise Agreement, (2) any Enrollment, (3) the Product Terms, (4) the Online Services Terms, (5) orders submitted under this Agreement, and (6) any other documents in this Agreement. Terms in an amendment control over the amended document and any prior amendments concerning the same subject matter.

n. **Free Products.** It is Microsoft's intent that the terms of this Agreement and the Use Rights be in compliance with all applicable federal law and regulations. Any free Product provided to Enrolled Affiliate is for the sole use and benefit of the Enrolled Affiliate and is not provided for use by or personal benefit of any specific government employee.

o. **Voluntary Product Accessibility Templates.** Microsoft supports the government's obligation to provide accessible technologies to its citizens with disabilities as required by Section 508 of the Rehabilitation Act of 1973, and its state law counterparts. The Voluntary Product Accessibility Templates ("VPATs") for the Microsoft technologies used in providing the Online Services can be found at Microsoft's VPAT page. Further information regarding Microsoft's commitment to accessibility can be found at http://www.microsoft.com/enable.

p. **Natural disaster.** In the event of a "natural disaster," Microsoft may provide additional assistance or rights by posting them on http://www.microsoft.com at such time.

q. **Copyright violation.** Except as set forth in the section above entitled "Transferring and reassigning Licenses", the Enrolled Affiliate agrees to pay for, and comply with the terms of this Agreement and the Use Rights, for the Products it uses. Except to the extent Enrolled Affiliate is licensed under this Agreement, it will be responsible for its breach of this contract and violation of Microsoft's copyright in the Products, including payment of License fees specified in this Agreement for unlicensed use.

ATTACHMENT 2

PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

REFERENCE/ REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
SOW Section 3.1 Enrollments	100 % Completion of Required Services	Acceptance, Inspection of Reports, Observation	$50 per occurrence
SOW Section 3.2 Enterprise Enrollment	100 % Completion of Required Services	Acceptance, Inspection of Reports, Observation	$50 per occurrence
SOW Section 3.3 Software Assurance	100 % Completion of Required Services	Acceptance, Inspection of Reports, Observation	$50 per occurrence
SOW Section 3.4 Managing EA	100 % Completion of Required Services	Acceptance, Inspection of Reports, Observation	$50 per occurrence
SOW Section 3.5 Microsoft Resources	100 % Completion of Required Services	Acceptance, Inspection of Reports, Observation	$50 per occurrence

ATTACHMENT 2

CONTRACT DISCREPANCY REPORT

TO:

FROM:

DATES:

Prepared: ____

Returned by Contractor: ____

Action Completed: ____

DISCREPANCY:____

____

____

____ ______________________________

Signature of LACDA Representative Date

CONTRACTOR RESPONSE (Cause and Corrective Action): ______________________________________

____

____

____ ______________________________

Signature of Contractor Representative Date

LACDA EVALUATION OF CONTRACTOR RESPONSE: ____

____

____

____ ______________________________

Signature of Contractor Representative Date

COUNTY ACTIONS:____

____

____

CONTRACTOR NOTIFIED OF ACTION:

LACDA Representative’s Signature and Date ____

Contractor Representative’s Signature and Date ____

EXHIBIT B

FEE SCHEDULE

EXHIBIT B
FEE SCHEDULE

The Contractor shall provide Microsoft Enterprise Licensing Agreement commodity and services in accordance with the Exhibit A, Statement of Work, including all referenced exhibits. The Contractor will invoice for the licensing as noted below in Section 1.

Line	Quantity	Microsoft P/N	Description	Year 1 9/1/26-8/31/2027	Year 2 9/1/2027-8/31/2028	Year 3 9/1/2028-8/31/2029
1	685	AAL-48033	M365 G5 FSA Renewal GCC Sub Per User[1]	$ 377,914.50	$ 377,914.50	$ 377,914.50
2	15	AAL-45735	M365 G5 GCC Sub Per User	$ 9,051.30	$ 9,051.30	$ 9,051.30
3	35	7E7-00001	Project P3 FSA GCC Sub Per User	$ 8,033.55	$ 8,033.55	$ 8,033.55
4	60	P3U-00001	Visio P2 GCC Sub Per User	$ 8,098.80	$ 8,098.80	$ 8,098.80
5	800	VRM-00001	Win OLS Activation User GCC Sub Per User	$ -	$ -	$ -
6	10	7NQ-00292	SQL Server Standard Core ALng SA 2L	$ 6,385.50	$ 6,385.50	$ 6,385.50
7	20	7JQ-00343	SQL Server Enterprise Core ALng SA 2L,	$ 48,967.00	$ 48,967.00	$ 48,967.00
8	11	QEK-00003	Visual Studio Pro with GitHub ALng SA	$ 3,345.32	$ 3,345.32	$ 3,345.32
9	50	6VC-01253	Win Remote Desktop Svcs CAL ALng SA DCAL	$ 1,064.50	$ 1,064.50	$ 1,064.50
10	168	9EA-00278	Win Server DC Core ALng SA 2L	$ 23,039.52	$ 23,039.52	$ 23,039.52
11	56	9EM-00270	Win Server Standard Core ALng SA 2L	$ 1,178.80	$ 1,178.80	$ 1,178.80
12			Microsoft Unified Support[2] with 200 Proactive Credits, 200 hours Enhanced Designated	$ 131,961.08	$ 131,961.08	$ 131,961.08

			Engineer Azure Data, Support Technology Engineer Azure Data			
13	107	EP2-24658	M365 Copilot GCC Sub Add-on (CDD)	$ 38,616.30	$ 38,616.30	$ 38,616.30
14	105	RMU-00004	Phone Resource Account GCC Sub Phone System Virtual User	$ -	$ -	$ -
15	8	VA1-00001	Teams Rooms Pro GCC Sub Per Device	$ 3,387.68	$ 3,387.68	3,387.68
16	26	KXJ-00001	Teams Shared Devices GCC Sub Per Device	$ 1,870.44	$ 1,870.44	$ 1,870.44
17	700	AAV-31556	Entra Suite AO Entra ID P2 GCC	$ 75,789.00	$ 75,789.00	$ 75,789.00
18			**Subtotal per Year**	**$ 738,703.29**	**$ 738,703.29**	**$ 738,703.29**
19			**GRAND TOTAL YEARS 1-3**	**$**		**2,216,109.87**

[1] Includes Teams AC w/ Dial Out US/CA GCC Sub Add-on & M365 G5 Security GCC Sub Per User
[2] These are Azure consumption items that are not fixed but rather vary due to a variety of factors in the Azure environment. We can provide LACDA with estimates of these but not firm fixed pricing valid for an annual or a 3-year period. Also please note that in order for LACDA to consume Azure you will require an Azure provisioning SKU or a prepay Monetary Commit or a separate Azure enrollment of some kind.

SECTION 2

List of Microsoft Enterprise Licensing Agreement Commodity and/or Services, the Contractor shall provide the discount percentage or cost for each category and services, and shall be used to determine the price for each item in the Contractor's Catalog for each category and/or services. In determining the Contractor shall honor the percentage discount for all categories listed below for the term of the Contract.

Line	Unit	Microsoft P/N	Description	Year 1 9/1/26-8/31/2027	Year 2 9/1/2027-8/31/2028	Year 3 9/1/2028-8/31/2029
1	200[1]	AAL-45735	M365 G5 GCC Sub Per User	$ 120,684.00	$ 120,684.00	$ 120,684.00

2	Each	AAL-45735	M365 G5 GCC Sub Per User	$603.42	$603.42	$603.42
3	Each	7E7-00001	Project P3 FSA GCC Sub Per User	$229.53	$229.53	$229.53
4	Each	P3U-00001	Visio P2 GCC Sub Per User	$134.98	$134.98	$134.98
5	Each	VRM-00001	Win OLS Activation User GCC Sub Per User	$0.00	$0.00	$0.00
6	Each	7NQ-00292	SQL Server Standard Core ALng SA 2L	$638.55	$638.55	$638.55
7	Each	7JQ-00343	SQL Server Enterprise Core ALng SA 2L,	$2,448.35	$2,448.35	$2,448.35
8	Each	QEK-00003	Visual Studio Pro with GitHub ALng SA	$304.12	$304.12	$304.12
9	Each	6VC-01253	Win Remote Desktop Svcs CAL ALng SA DCAL	$21.29	$21.29	$21.29
10	Each	9EA-00278	Win Server DC Core ALng SA 2L	$137.14	$137.14	$137.14
11	Each	9EM-00270	Win Server Standard Core ALng SA 2L	$21.05	$21.05	$21.05
12	Each	EP2-24658	M365 Copilot GCC Sub Add-on (CDD)	$360.90	$360.90	$360.90
13	Each	RMU-00004	Phone Resource Account GCC Sub Phone System Virtual User	$0.00	$0.00	$0.00
14	Each	VA1-00001	Teams Rooms Pro GCC Sub Per Device	$423.46	$423.46	$423.46
15	Each	KXJ-00001	Teams Shared Devices GCC Sub Per Device	$71.94	$71.94	$71.94
16	Each	AAV-31556	Entra Suite AO Entra ID P2 GCC	$108.27	$108.27	$108.27

[1] Quantity reserved for additional funding availability for staff to be hired or to add on

SECTION 3
In Section 2, the LACDA includes the pool of dollars ("Pool Dollars") available under this Agreement Exhibit B, Fee Schedule, for the purchase of additional commodity and services for ongoing support, upgrades, unrelated to the scope of services of $600,000.00, at the discretion of the LACDA, using the LACDA Contract Amendment under Paragraph 8.1 (Amendments). The total amount of available Pool Dollars shall be decreased by each Amendment under Paragraph 8.1 (Amendments) and may only be increased by executing an Amendment in accordance with Paragraph 8.1 (Amendments), for the Maximum Amount of this Contract shall be $2,816,109.87 ("Maximum Amount") for the term of this Contract, including Pool Dollars.

*This is pending upon final contract award and amount

EXHIBIT C

LACDA'S ADMINISTRATION

EXHIBIT D

CONTRACTOR'S ADMINISTRATION

EXHIBIT E

FORMS REQUIRED AT EXECUTION OF CONTRACT

EXHIBIT F

REQUIRED CONTRACT PROVISIONS

BOARD LETTER/MEMO
CLUSTER FACT SHEET

☒ Board Letter ☐ Board Memo ☐ Other

CLUSTER AGENDA REVIEW DATE	7/15/2026
BOARD MEETING DATE	8/11/2026
SUPERVISORIAL DISTRICT AFFECTED	☒ All ☐ 1st ☐ 2nd ☐ 3rd ☐ 4th ☐ 5th
DEPARTMENT(S)	CEO/CIO
SUBJECT	APPROVE THE USE OF INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR THE COUNTY'S COMMUNITY INFORMATION EXCHANGE AND AN APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2026-27
PROGRAM	
AUTHORIZES DELEGATED AUTHORITY TO DEPT	☒ Yes ☐ No
SOLE SOURCE CONTRACT	☐ Yes ☒ No If Yes, please explain why:
SB 1439 SUPPLEMENTAL DECLARATION FORM REVIEW COMPLETED BY EXEC OFFICE	☒ Yes ☐ No – Not Applicable **If unsure whether a matter is subject to the Levine Act, email your packet to EOLevineAct@bos.lacounty.gov to avoid delays in scheduling your Board Letter.**
DEADLINES/ TIME CONSTRAINTS	None
COST & FUNDING	Total cost: $4,995,000 — Funding source: Information Technology Fund TERMS (if applicable): Explanation:
PURPOSE OF REQUEST	Approve and authorize the use of $4,995,000 in one-time funding from the ITF to procure and implement a Community Information Exchange (CIE).
BACKGROUND (include internal/external issues that may exist including any related motions)	At the direction of a Board Motion - Enabling Connections and Access to Los Angeles County Services, the CIO issued a RFP to procure, implement and operate a CIE. The selected vendor has accepted all County terms. The IT Investment Board approved $4,995,000 in one-time funding from ITF to procure and implement a CIE.
EQUITY INDEX OR LENS WAS UTILIZED	☐ Yes ☒ No If Yes, please explain how:
SUPPORTS ONE OF THE NINE BOARD PRIORITIES	☒ Yes ☐ No If Yes, please state which one(s) and explain how: This project supports all Board priorities.
DEPARTMENTAL CONTACTS	Name, Title, Phone # & Email: Peter Loo, CIO ploo@cio.lacounyt.gov

August 11, 2026

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:

APPROVE THE USE OF INFORMATION TECHNOLOGY INFRASTRUCTURE FUND FOR THE COUNTY'S COMMUNITY INFORMATION EXCHANGE AND AN APPROPRIATION ADJUSTMENT FOR FISCAL YEAR 2026-27 (ALL SUPERVISORIAL DISTRICTS – 4-VOTES)

SUBJECT

The Chief Executive Officer (CEO) is requesting the Board of Supervisors' (Board) approval of an appropriation adjustment to use $4,995,000 in one-time funding from the County of Los Angeles' (County) Information Technology Infrastructure Fund (ITF) to procure and implement a Community Information Exchange (CIE).

IT IS RECOMMENDED THAT THE BOARD

1. Approve and authorize the use of $4,995,000 in one-time funding from the ITF to procure and implement a CIE.
2. Approve a Fiscal Year 2026-27 appropriation adjustment to reallocate $4,995,000 from the ITF to increase the CEO's operating budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 9, 2024, the Board approved a Board motion (Enabling Connections and Access to Los Angeles County Services) directing:

1. The Chief Information Officer (CIO) to report back with a plan to include information on County and non-County providers and services in the CIE in collaboration the County's health, mental health and social services departments, and

2. The Chief Executive Office (CEO) to conduct a modified and/or expedited solicitations and to execute and, if necessary, amend, or terminate agreements with contractors to assist with the design, development, and implementation of a CIE.

On December 27, 2024, the CIO, submitted a report to the Board including recommendations to procure a CIE to connect healthcare providers, community-based organizations, social service agencies, and public health systems to streamline care coordination and improve health outcomes for County residents. The CIE is comprised of:

1. Provider Registry, a centralized, secure directory of health, human and social providers and programs that participate in the CIE network. It acts as the backbone of the exchange, ensuring that providers are discoverable, their services, eligibility, and intake requirements are described, and referrals can be routed effectively.

2. Provider Portal, a secure, web-based user interface that allows service providers across health, human, and social services sectors to collaborate, share information, and coordinate care for individuals and families. It acts as a digital hub where providers can update their information, perform service screenings, search for eligible providers, collect consent, initiate referrals, and track outcomes in real time—improving service delivery and reducing duplication.

3. Client Portal, a secure, user-friendly digital platform where individuals and families can view, manage, and engage with their care and services across multiple providers - healthcare, housing, food, employment, education, and more. It empowers clients with transparency, choice, and active participation in their own care journey.

4. Public Portal, an open-access, web-based user interface designed for the general public to discover and connect with local services, resources, and programs. Unlike provider or client portals (which are secured and personalized), the public portal focuses on community-facing information, helping people learn what’s available in their area before they engage directly with agencies.

5. Integration Hub that enables secure, standardized, coordinated sharing of data about clients, services, and outcomes. It ensures that the CIE interoperates with diverse case management and care coordination systems, allowing providers across health, social services, housing, and other sectors to work collaboratively while maintaining privacy and data integrity.

The County has a broad and multifaceted ecosystem for connecting residents to public assistance and services, including call centers, contact centers, field offices, multidisciplinary teams, and online portals. Despite the breadth and scope of these services, challenges persist in terms of accessibility and connections to services. Residents and service providers often find it difficult to identify appropriate services, navigate complex eligibility and application processes, and connect with the providers for services. A CIE can facilitate access to and share information with and among providers and community-based organizations within a consolidated directory of health and human services and support organizations.

Implementation of Strategic Plan Goals

The recommended actions supports the Countywide Strategic Plan's North Stars, especially North Star Three, which focuses on using innovation and technology to improve services and respond effectively to evolving needs.

FISCAL IMPACT/FINANCING

The ITF, governed by the County's Information Technology Investment Board (ITIB), was established to fund Countywide or multi-departmental technology projects that improve the delivery of services to the public; generate operational improvements to one or more departments or programs; and improve interdepartmental or interagency collaboration.

The County's ITIB approved the use of $4,995,000 in one-time funding from the ITF to procure and implement a CIE. The total cost of the CIE agreement is $17,575,115, for a five year term, with two one-year options. The CIO will establish a CIE Steering Committee for project implementation. The annual hosting, licensing, and operation services, beyond the approved ITF allocation, will be funded by participating departments and agencies using a cost-share model, managed by the Steering Committee.

Approval of the recommended appropriation adjustment (enclosed) will reallocate $4,995,000 from ITF and will increase the CEO's operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractor has agreed to all the County terms and conditions. County Counsel has approved the final contract as to form. No formal CIO Analysis is required because the County's ITIB approved the ITF request on June 25, 2026.

CONTRACTING PROCESS

On November 5, 2025, CIO issued an expedited Request for Proposal (RFP) to fifteen CIE platform providers nationwide.

CEO received seven proposals by the due date identified in the RFP. All proposals met the minimum requirements identified in the RFP. An Evaluation Committee comprised of representatives from Departments of Homeless and Housing Services, Children and

Family Services, Military and Veteran Affairs, Youth Development, Public Health, and CIO evaluated the proposals. Findhelp was identified as the highest rated proposer. The non-selected proposers were notified and offered debriefings. CEO conducted debriefings for two vendors. One protest was received by a proposer during the protest period and it was reviewed by an independent reviewer, who determined that none of the assertions raised by the proposer had merit. The CEO will execute the contract as authorized by the July 9, 2024 Board motion.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Upon approval of the recommended actions, the CIO will collaborate with the County's health and social services departments and partners to implement a CIE.

CONCLUSION

Upon the Board's approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the CEO.

Respectfully submitted,

Joseph M. Nicchitta
Chief Executive Officer

JMN:CDM
PKL:ca

Enclosures

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

PINK

BA FORM 04162026

BOARD OF SUPERVISORS
OFFICIAL COPY

August 11, 2026

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

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

ADJUSTMENT REQUESTED AND REASONS THEREFORE
FY 2026-27
4 - VOTES

SOURCES		USES	
INFORMATION TECHNOLOGY INFRASTRUCTURE FUND B16-AO-2000-40033 SERVICES & SUPPLIES **DECREASE APPROPRIATION**	**4,995,000**	**INFORMATION TECHNOLOGY INFRASTRUCTURE FUND** B16-AO-6100-40033 OTHER FINANCING USES **INCREASE APPROPRIATION**	**4,995,000**
CHIEF EXECUTIVE OFFICER A01-AO-96-9911-10100 OPERATING TRANSFERS IN **INCREASE REVENUE**	**4,995,000**	**CHIEF EXECUTIVE OFFICER** A01-AO-5500-10100 OTHER CHARGES **INCREASE APPROPRIATION**	**4,995,000**
SOURCES TOTAL	**$ 9,990,000**	**USES TOTAL**	**$ 9,990,000**

JUSTIFICATION

Reflects the transfer of appropriation from the Information Technology Infrastructure Fund (ITF) to the Chief Executive Officer (CEO)'s operating budget to procure and implement a Community Information Exchange (CIE).

William Leung Digitally signed by William Leung Date: 2026.07.01 11:38:44 -07'00'

AUTHORIZED SIGNATURE WILLIAM LEUNG, SPEC SRVC ASTIV, CEO

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

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

☐ ACTION

☑ RECOMMENDATION

AUDITOR-CONTROLLER BY Andrea Turner Digitally signed by Andrea Turner Date: 2026.07.01 12:12:38 -07'00'

B.A. NO. 005 DATE 7/1/26

☑ APPROVED AS REQUESTED

☐ APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER BY Albert Navas Digitally signed by Albert Navas Date: 2026.07.01 12:54:09 -07'00'

DATE