

**APPENDIX F
SAMPLE AGREEMENT**



AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

[_____]

FOR

PARKING CITATION PROCESSING SERVICES (PCPS)

FOR

LOS ANGELES COUNTY SHERIFF'S DEPARTMENT

NOTICE TO RFP PROPOSERS

THIS DOCUMENT IS A SAMPLE AGREEMENT THAT INCLUDES MANY OF COUNTY'S CONTRACTING REQUIREMENTS AS OF THE DATE OF THE RFP. COUNTY MAKES NO REPRESENTATION OR WARRANTY THAT ALL OF THE SAMPLE PROVISIONS IN THIS SAMPLE AGREEMENT WILL BE INCLUDED IN ANY RESULTANT AGREEMENT, THAT SUCH SAMPLE PROVISIONS WILL NOT BE MODIFIED IN ANY RESULTANT AGREEMENT, OR THAT OTHER PROVISIONS WILL NOT BE INCLUDED IN ANY RESULTANT AGREEMENT.

THIS DOCUMENT DOES NOT STAND ALONE AND MUST BE READ AND REVIEWED IN CONNECTION WITH ALL OTHER PARTS OF THE RFP, INCLUDING ANY APPENDICES, EXHIBITS, AND ATTACHMENTS ATTACHED HERETO OR THERETO.

FOR CERTAIN EXHIBITS REFERENCED IN THIS APPENDIX F (SAMPLE AGREEMENT), PROPOSERS ARE INSTRUCTED TO REFER TO APPLICABLE APPENDICES TO THE RFP. SUCH APPENDICES TO THE RFP WILL EVENTUALLY BE ATTACHED AS EXHIBITS TO ANY RESULTANT AGREEMENT.

AGREEMENT
FOR
PARKING CITATION PROCESSING SERVICES

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AGREEMENT
FOR
PARKING CITATION PROCESSING SERVICES

This Agreement for Parking Citation Processing Services (Agreement) is entered into as of the _____ day of _____, 2015 by and between the County of Los Angeles (County) and [_____] a [_____] organized under the laws of [_____] located at [_____] (Contractor), to provide Parking Citation Processing Services ("PCPS") for the Los Angeles County Sheriff's Department ("Department").

WHEREAS, County desires to enter into this Agreement with Contractor for the delivery and implementation of a Parking Citation Processing Services program for the Department;

WHEREAS, subject to the terms and conditions of this Agreement, the County desires to engage Contractor to, among other things, (a) collect parking fines on behalf of the County pursuant to the California Vehicle Code and Los Angeles County Code, (b) provide the Department with a parking citation information resource, (c) secure the confidentiality of parking citation data, and (d) account for, and deposit to County, all fiscal proceeds (revenue) resulting from such collection activities;

WHEREAS, Contractor represents that it possesses the necessary special skills, knowledge and technical competence, and sufficient staffing to provide such Parking Citation Processing Services; and

WHEREAS, this Agreement is authorized pursuant to California Government Code Section 31000 and otherwise.

NOW THEREFORE, in consideration of the mutual covenants contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor agree as follows:

1.0 AGREEMENT AND INTERPRETATION

1.1 Agreement. This base document, along with Exhibits A through K, any Attachments attached hereto or thereto, and any fully executed Change Order or Amendment, from time to time hereto or thereto collectively constitute and throughout and hereinafter are referred to as the "Agreement." This Agreement shall constitute the complete and exclusive statement of understanding between County and Contractor and supersedes any and all prior or contemporaneous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement.

1.2 Interpretation. 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, subtask, deliverable, goods, service, or other Work, or otherwise, such conflict or inconsistency shall be resolved by giving precedence first to this base document, and then to the Exhibits and any Attachments thereto, according to the following descending priority:

1.2.1. Exhibit A – Additional Terms and Conditions

1.2.2. Exhibit B – Statement of Work

Attachment A – County’s Functional Business Requirements

Attachment B – Samples Notices and Correspondences

Attachment C – LASD Desktop Computing Workstation Baseline

Attachment D – Parking Enforcement Detail - Staffing Profile

Attachment E – Fidelity Information Services (FIS) Integration

1.2.3. Exhibit C – Pricing Sheet

1.2.4. Exhibit D1 – Contract Discrepancy Report

1.2.5 Exhibit D2 - Performance Requirements Summary

1.2.6 Exhibit E - Invoice Discrepancy Report

1.2.7 Exhibit F - Jury Service Ordinance

1.2.8 Exhibit G - Safely Surrendered Baby Law

1.2.9 Exhibit H1 - Contractor’s Acknowledgment and Confidentiality Agreement

1.2.10 Exhibit H2 – Contractor’s Employee Acknowledgment and Confidentiality Agreement

1.2.11 Exhibit H3 - Contractor’s Non-Employee Acknowledgment and Confidentiality Agreement

1.2.12 Exhibit I - Project Control Document

1.2.13 Exhibit J - Default Property Tax Reduction Program

1.2.14 Exhibit K - Contractor’s EEO Certification

1.3 Additional Terms and Conditions. Without limiting the generality of Paragraph 1.1 (Agreement), attached hereto as Exhibit A (Additional Terms and Conditions), and incorporated by reference herein, are additional terms and conditions to this Agreement. Contractor acknowledges and agrees that it shall be bound by the additional terms and conditions enumerated in such Exhibit A (Additional Terms and Conditions) as if such terms and conditions were enumerated in the body of this base document.

1.4 Construction. The words “herein,” “hereof,” and “hereunder,” and words of similar import used in this Agreement refer to this Agreement, including all annexes, Attachments, Exhibits, and schedules as the context may require.

Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural. Whenever examples are used in this Agreement with the words "including," "for example," "e.g.," "such as," "etc.," or any derivation of such words, such examples are intended to be illustrative and not limiting. Captions, Sections, and Paragraph headings used in the Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement. References in this Agreement to Federal, State and/or other governmental statutes, codes, rules, regulations, ordinances, guidelines, directives and/or policies, including those copies of which are attached to this Agreement, shall mean and shall be to such statutes, codes, rules, regulations, ordinances, guidelines, directives and/or policies as amended from time to time.

2.0 DEFINITIONS

The following terms and phrases shall have the following specific meaning when used in this Agreement unless otherwise apparent from the context in which they are used.

- 2.1 "Agreement" has the meaning set forth in Paragraph 1.1 (Agreement) of this Agreement.
- 2.2 "ALPR" has the meaning set forth in Paragraph 11.3 (Automated License Plate Recognition (ALPR) Capability) of Exhibit B (Statement of Work) of this Agreement.
- 2.3 "Amendment" has the meaning set forth in Section 6.0 (Change Orders and Amendments) of this Agreement.
- 2.4 "Association Rules" means the bylaws, rules and regulations of the Associations, as they exist from time to time.
- 2.5 "Association" means any entity formed to administer and promote the use of credit/debit cards, including, without limitation, Visa U.S.A. Inc. and MasterCard International, Incorporated.
- 2.6 "Board" means the Los Angeles County Board of Supervisors.
- 2.7 "Business Day" means Monday through Friday, excluding County observed holidays.
- 2.8 "Card Issuer" means any financial institution, which is a member bank of the Association or its agents, American Express and/or Discover.
- 2.9 "Card Rules" means the Association Rules and any other rules and/or regulations from time to time promulgated by any Card Issuer, credit/debit card processor, and/or PIN-Based Debit Network.

- 2.10 "Change Order" has the meaning set forth in Section 6.0 (Change Orders and Amendments) of this Agreement.
- 2.11 "Contractor" has the meaning set forth in the preamble to this Agreement.
- 2.12 "Contractor Key Personnel" has the meaning set forth in Subparagraph 4.3.2 of this Agreement.
- 2.13 "Contractor Project Director" has the meaning set forth in Paragraph 4.1 (Contractor Project Director) of this Agreement.
- 2.14 "Contractor Project Manager" has the meaning set forth in Paragraph 4.2 (Contractor Project Manager) of this Agreement.
- 2.15 "Correspondence(s)" has the meaning set forth in Paragraph 11.8 (Automated Correspondence) of Exhibit B (Statement of Work) of this Agreement.
- 2.16 "County" has the meaning set forth in the preamble to this Agreement.
- 2.17 "County Counsel" means County's Office of the County Counsel.
- 2.18 "County Indemnitees" has the meaning set forth in Paragraph 12.1 (Indemnification) of Exhibit A (Additional Terms and Conditions) of this Agreement.
- 2.19 "County Project Director" has the meaning set forth in Paragraph 3.1 (County Project Director) of this Agreement.
- 2.20 "County Project Manager" has the meaning set forth in Paragraph 3.2 (County Project Manager) of this Agreement.
- 2.21 "Data Security Guidelines" means (a) all applicable security standards and guidelines that may be published from time to time by any Association, any Card Issuer, any credit/debit card processor or any PIN-Based Debit Network, including the Visa U.S.A. Cardholder Information Security Program and the Payment Card Industry Data Security Standard and (b) all applicable County information technology and security (i) policies from time to time included in Chapter 6 of County's Policy Manual, which can be accessed at <http://countypolicy.co.la.ca.us/> and (ii) standards from time to time published by County's Chief Information Security Officer and provided by County Project Director to Contractor.
- 2.22 "Department" has the meaning set forth in the preamble to this Agreement.
- 2.23 "Dispute Resolution Procedure" has the meaning set forth in Section 2.0 (Dispute Resolution Procedure) of Exhibit A (Additional Terms and Conditions) of this Agreement.

- 2.24 "Effective Date" means the date identified in the preamble to this Agreement, which is the date on which this Agreement has been executed by all parties and approved by the Board.
- 2.25 "Field Equipment" means field-use computing devices, such as handheld electronic ticket-writer computing devices and ALPR devices.
- 2.26 "Hold" or "DMV Registration Hold" has the meaning set forth in Section 7.0 (Special Collections-Notices) of Exhibit B (Statement of Work) of this Agreement.
- 2.27 "Infringement Claims" has the meaning set forth in Section 13.0 (Intellectual Property Indemnification) of Exhibit A (Additional Terms and Conditions) of this Agreement.
- 2.28 "Initial Term" has the meaning set forth in Section 7.0 (Term) of this Agreement.
- 2.2 "Interface(s)" means the software mechanisms which allow the transfer of electronic data, or software commands between computer systems, computer programs, or computer program modules which are conceived, created and/or developed by, or on behalf of Contractor, including the interface(s) to County's electronic payment processing vendor, FIS, described in Exhibit B (Statement of Work) and the Attachments thereto.
- 2.30 "Invoice Discrepancy Report" or "IDR" has the meaning set forth in Paragraph 11.5 (Invoice Discrepancy Report) of this Agreement.
- 2.31 "IVR" has the meaning set forth in Paragraph 11.6 (Interactive Voice Response (IVR) Capability – Telephones) of Exhibit B (Statement of Work) of this Agreement.
- 2.32 "Jury Service Program" has the meaning set forth in Section 32.0 (Compliance with Jury Service Program) of Exhibit A (Additional Terms and Conditions).
- 2.33 "Monthly Contract Sum" has the meaning set forth in Section 8.0 (Prices and Fees) of this Agreement.
- 2.34 "Notice(s)" has the meaning set forth in Section 7.0 (Special Collections–Notices) of Exhibit B (Statement of Work) of this Agreement.
- 2.35 "Option Term" has the meaning set forth in Section 7.0 (Term) of this Agreement.
- 2.36 "Pay-by-Web" has the meaning set forth in Paragraph 11.7 (Pay-by-Web Interface) of Exhibit B (Statement of Work) of this Agreement.
- 2.37 "PIN-Based Debit Network" means a national or regional on-line debit card network. Each network operates under its own set of operating rules and regulations.

- 2.38 "Project Control Document" or "PCD" has the meaning set forth in Paragraph 3.1 (Develop a Project Control Document) of Exhibit B (Statement of Work) of this Agreement.
- 2.39 "Reporting District" or "RD" means the geographical reporting districts into which the Sheriff divides the County.
- 2.40 "Reporting District Number" means a four-digit number assigned by the Department to each Reporting District. It is comprised of a two-digit station or unit identifier, followed by a two-digit geographical location number (00-99) within the station's jurisdiction.
- 2.41 "Scofflaw" means a vehicle which has encumbered five (5) or more unpaid parking citations.
- 2.42 "Sheriff" means the elected official who is the Sheriff of the County of Los Angeles.
- 2.43 "Special Collections" has the meaning set forth in Section 7.0 (Special Collections–Notices) of Exhibit B (Statement of Work) of this Agreement.
- 2.44 "Special Collections Fee" has the meaning set forth in Section 7.0 (Special Collections–Notices) of Exhibit B (Statement of Work) of this Agreement and shall be the amount set forth on Exhibit C (Pricing Sheet) of this Agreement.
- 2.45 "Statement of Work" or "SOW" means the Statement of Work, attached as Exhibit B (Statement of Work) to this Agreement, together with all Attachments thereto, as the same may be amended by any fully executed Change Order or Amendment.
- 2.46 "System" means a centralized database system that collects and processes data on general citation processing, noticing, citation payment history, enhanced collection activity, scofflaw etc., as further described in Exhibit B (Statement of Work) of this Agreement.
- 2.47 "Tax" and "Taxes" means governmental fees (including license, filing and registration fees) and all taxes (including franchise, excise, stamp, value added, income, gross receipts, gross revenue, import, export, sales, use, transfer, and property taxes), withholdings, assessments, levies, imposts, duties, charges, or interest thereon imposed.
- 2.48 "Term" has the meaning set forth in Section 7.0 (Term) of this Agreement.
- 2.49 "Work" means any and all tasks, subtasks, deliverables, goods, and other services performed by or on behalf of Contractor which is required pursuant to this Agreement, including Exhibit B (Statement of Work) and all other Exhibits, and all executed fully executed Change Orders and Amendments hereto.

3.0 ADMINISTRATION OF AGREEMENT – COUNTY

3.1 County Project Director

3.1.1 “County Project Director” for this Agreement shall be the following person:

Sharon Bilbrey, Manager
Parking Enforcement Detail
4700 Ramona Blvd.
Monterey Park, CA 91754

3.1.2 County will notify Contractor of any change in the name or address of County Project Director.

3.1.3 Except as set forth in Section 6.0 (Change Orders and Amendments) of this Agreement, County Project Director is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

3.1.4 County Project Director shall have the right at all times to inspect any and all Work provided by or on behalf of Contractor.

3.2 County Project Manager

3.2.1 “County Project Manager” for this Agreement shall be the following person:

Paul Vasquez
Supervising Parking Control Officer
Parking Enforcement Detail
4700 Ramona Blvd.
Monterey Park, CA 91754

Unless otherwise specifically noted, whenever this Agreement calls for a notice, report, or other delivery to be made by Contractor (or any representative thereof) to County Project Manager, such notice, report, or other delivery shall be made to County Project Manager in accordance with the notice information set forth above or in accordance with such other notice information as County may notify Contractor from time to time pursuant to Subparagraph 3.2.2 below.

3.2.2 County Project Manager shall notify Contractor of any change in the name or address of the County Project Manager.

3.2.3 County Project Manager shall be a resource for addressing the technical standards and requirements of this Agreement, shall interface regularly

with Contractor and further shall have the duties from time to time given to such person by County.

3.2.4 County Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement nor obligate County in any respect whatsoever.

3.2.5 County Project Manager shall advise County Project Director as to Contractor's performance in areas relating to technical requirements and standards, County policy, information requirements, and procedural requirements.

3.2.6 In accordance with Subparagraph 17.4.1 of Exhibit B (Statement of Work) of this Agreement, County Project Manager shall issue Contract Discrepancy Report (CDR) to Contractor whenever a contract discrepancy is identified, at the discretion of the County Project Director. A sample of the CDR form is attached as Exhibit D1 (Contract Discrepancy Report) of this Agreement.

3.3 Consolidation of Duties. County reserves the right to consolidate the duties of the County Project Director, which duties are enumerated in Paragraph 3.1 (County Project Director), and the duties of the County Project Manager, which duties are enumerated in Paragraph 3.2 (County Project Manager), into one County position, and to assign all such duties to one individual who will act as County's liaison in all matters relating to this Agreement. County will notify Contractor no later than five (5) days prior to exercising its rights pursuant to this Paragraph 3.3.

3.4 County Personnel. All County personnel assigned to this Agreement shall be under the exclusive supervision of County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of County.

4.0 ADMINISTRATION OF AGREEMENT – CONTRACTOR

4.1 Contractor Project Director

4.1.1 "Contractor Project Director" shall be the following person, who shall be a full-time employee of Contractor:

[_____]

4.1.2 Contractor Project Director shall be responsible for Contractor's performance of all of the Work and ensuring Contractor's compliance with this Agreement.

4.1.3 During the Term of this Agreement, Contractor Project Director shall be available to meet and confer with the County Project Director at least monthly in person or by phone, to review Program progress and discuss Program coordination.

4.1.4 Contractor Project Director shall notify County Project Director in writing of any change in the name or address of the Contractor Project Director.

4.2 Contractor Project Manager

4.2.1 “Contractor Project Manager” shall be the following person who shall be a full-time employee of Contractor:

[_____]

4.2.2 Contractor Project Manager shall have a five (5) years of experience in the management of work requirements for parking citation processing services similar in type and complexity to the services described in Exhibit B (Statement of Work) of this Agreement. Contractor Project Manager must be able to communicate effectively in English.

4.2.3 Contractor Project Manager shall be responsible for Contractor’s day-to-day activities as related to this Agreement. Contractor Project Manager shall be available to meet and confer as necessary, but no less frequently than quarterly with County, or as determined by County.

4.2.4 Contractor Project Manager shall notify County Project Director in writing of any change in the name or address of the Contractor Project Manager.

4.3 Approval of Contractor’s Staff

4.3.1 Contractor shall submit resumes for the Contractor Project Director, Contractor Project Manager or alternate, and key staff to the County for approval. County approves the proposed Contractor Project Director and Contractor Project Manager listed in Subparagraphs 4.1.1 and 4.2.1. The County Project Director has the right to approve or disapprove any proposed replacement for the Contractor Project Director and the Contractor Project Manager. If Contractor desires to replace, or if County, at its discretion, requires removal of, either the Contractor Project Director or the Contractor Project Manager, Contractor shall provide County with a resume of each such proposed replacement, and an opportunity to interview such person prior to such person performing any Work hereunder. County shall not unreasonably delay its approval of a replacement of Contractor Project Director or Contractor Project Manager.

4.3.2 Contractor shall endeavor to assure continuity of Contractor personnel performing key functions under this Agreement, including the Contractor Project Director and Contractor Project Manager, as well as any identified critical support staff (collectively, Contractor Key Personnel). Notwithstanding the foregoing, the County Project Director may require removal of any Contractor Key Personnel.

- 4.3.3 In the event Contractor should desire to remove any Contractor Key Personnel from performing Work under this Agreement, Contractor shall provide County with notice at least thirty (30) calendar days in advance, except in circumstances in which such notice is not possible (e.g., a removal for cause or any egregious act), and shall work with County on a mutually agreeable transition plan so as to ensure PCPS program continuity.
- 4.3.4 Contractor shall promptly fill any vacancy in Contractor Key Personnel with individuals having qualifications at least equivalent to those of Contractor Key Personnel being replaced.
- 4.3.5 All staff employed by and on behalf of Contractor shall be adults, 18 years of age and older, who are legally eligible to work under the laws of the United States of America and the State of California. All Contractor Key Personnel and all other members of Contractor's staff who have direct contact with County (either by telephone, electronic or written correspondence, or in person) shall be fully fluent in both spoken and written English.
- 4.3.6 At any time prior to or during the Term of the Agreement, all Contractor's staff, subcontractors, and agents of Contractor (collectively herein "Contractor's staff") performing services under the Agreement shall be required to undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing work under the Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

5.0 WORK

- 5.1 Contractor shall fully and timely perform all Work required under this Agreement, including pursuant to any fully executed Change Order or Amendment, in accordance with the terms and conditions of this Agreement, including Section 18.0 (Contractor's Guarantee) of Exhibit B (Statement of Work) of this Agreement.
- 5.2 Contractor acknowledges that, subject to this Section 5.0 (Work), all Work performed under this Agreement, including pursuant to any fully executed Change Order or Amendment, is payable in arrears on a monthly basis in accordance with the terms and conditions of this Agreement, including this Section 5.0 (Work), Section 8.0 (Prices and Fees), and Section 11.0 (Invoices and Payments).

- 5.3 Contractor acknowledges that, subject to this Section 5.0 (Work), all one-time implementation costs due to Contractor under this Agreement are payable upon Contractor's full completion, and County's written approval of, all Work associated with such one-time costs, in accordance with the terms and conditions of this Agreement, including this Section 5.0 (Work), Section 8.0 (Prices and Fees), and Section 11.0 (Invoices and Payments).
- 5.4 Contractor shall establish and maintain sufficient accounting, internal control, financial reporting, and administrative capacity to effectively administer the services required by this Agreement.

6.0 CHANGE ORDERS AND AMENDMENTS

No representative of either County or Contractor, including those named in this Agreement, is authorized to make any changes in any of the terms, obligations, or conditions of this Agreement, except through the procedures set forth in this Section 6.0 (Change Orders and Amendments). County reserves the right to change any portion of the Work required under this Agreement, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished in the following manner:

- 6.1 For any change which does not materially affect the scope of Work, period of performance, amount of payments, or any other term or condition of this Agreement, a Change Order shall be executed by both the County Project Director and Contractor Project Director.
- 6.2 The Board or County's Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Agreement during the Term of this Agreement. County reserves the right to add and/or change such provisions as required by the Board or County's Chief Executive Officer. To implement such changes, an Amendment to this Agreement shall be executed by Sheriff and Contractor.
- 6.3 For any change that materially affects the scope of Work, period of performance, price, or any other term or condition of this Agreement, an Amendment to this Agreement shall be executed by the Board and Contractor.
- 6.4 Notwithstanding Paragraph 6.3 above, for (1) any Option Term extension of this Agreement pursuant to Paragraph 7.2 below, (2) modifications pursuant to Section 39.0 (Assignment by Contractor) of Exhibit A (Additional Terms and Conditions) of this Agreement, and (3) any increase or decrease in the number of County-required hardware computing devices, handheld electronic ticket-writer computing devices, and/or ALPR systems, provided such increase or decrease does not exceed twenty percent (20%) of the originally required number, an Amendment to this Agreement shall be executed by Sheriff and Contractor.

7.0 TERM

- 7.1 The Term of this Agreement shall commence upon execution by the County Board of Supervisors and shall continue for a period of three (3) years (the “Initial Term”), unless terminated earlier in whole or in part, as provided in this Agreement.
- 7.2 The County has the option, at the Sheriff’s discretion and upon notice to Contractor prior to the end of the current period of the Term of this Agreement, to extend the Term of this Agreement for up to two (2) additional one-year periods, and thereafter for a maximum of six (6) months, in any increment (each an “Option Term”) for a maximum Term not to exceed five (5) years and six (6) months. Each such Option Term extension shall be in the form of a written Amendment pursuant to Paragraph 6.4 above. As used herein, the “Term” shall mean the Initial Term and, if extended, each Option Term, as the case may be.
- 7.3 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an Option Term extension of this Agreement.
- 7.4 Contractor shall notify the Department when this Agreement is within six (6) months from the expiration of the Term of this Agreement as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to the County Project Director at the address herein provided in Subparagraph 3.1.1.

8.0 PRICES AND FEES

- 8.1 The prices and fees for this Agreement payable by County to Contractor for performing all tasks, deliverables, goods, services and any other Work required under this Agreement shall be as set forth on Exhibit C (Pricing Sheet) of this Agreement. Such prices and fees shall remain firm and fixed for the Term of this Agreement.
- 8.2 The Special Collections fee for this Agreement, which shall be charged to the customer (citation holder or violator) for Special Collections as defined in Exhibit B (Statement of Work) of this Agreement, shall be as set forth on Exhibit C (Pricing Sheet) of this Agreement. The Special Collections fee shall remain firm and fixed for the Term of this Agreement.
- 8.3 If Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Agreement, the same shall be a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County. Thus, Contractor shall not be entitled to payment or reimbursement for any tasks, deliverables, goods, services and any other work, nor for any

incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified in this Agreement.

- 8.4 Monthly Contract Sum. The Monthly Contract Sum under this Agreement shall be the total monetary amount that would be payable by County to Contractor on a monthly basis, for providing the Work specified under this Agreement for the Term of this Agreement, including all Option Terms. The total monthly monetary amount that would be payable includes a per-citation processing cost and monthly hardware usage costs, and shall in no event, expressly or by implication, exceed the rates set forth in Exhibit C (Pricing Sheet) of this Agreement.
- 8.5 Contractor's One-Time Implementation Costs. Exhibit C (Pricing Sheet) of this Agreement includes a one-time cost to County for the implementation and/or configuration of each of the following: (1) IVR subsystem, (2) Pay-by-Web website, and (3) the ALPR systems. The one-time configuration costs shall in no event, expressly or by implication, exceed the rates set forth in Exhibit C (Pricing Sheet) of this Agreement.

9.0 NEW SERVICES AND SUPPORTING TECHNOLOGIES

- 9.1 Contractor and County acknowledge the probability that the services and supporting technologies provided under this Agreement will change and improve during the Term of this Agreement. County desires the flexibility to incorporate into the service, any new services and technologies as they may become available.
- 9.2 Accordingly, Contractor Project Manager shall, promptly upon discovery and on a continuing basis, apprise County Project Director of all new services and supporting technologies, methodologies, and techniques which Contractor considers to be applicable to the program. Specifically, upon County's request, Contractor shall provide, in writing, a description of such new technologies, methodologies and techniques, indicating the advantages and disadvantages of incorporating same into the PCPS program, and provide an estimate of the impact such incorporation will have on the program. County, at its sole discretion, may request that this Agreement be amended to incorporate the new services and supporting technologies, methodologies and techniques into the program pursuant to the provisions of Section 6.0 (Change Orders and Amendments) of this Agreement.
- 9.3 Contractor shall not bill County, and County will not pay, for any information provided to County by Contractor, pursuant this Section 9.0 (New Services and Supporting Technologies).

10.0 COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS

- 10.1 Notwithstanding any other provision of this Agreement, either expressly or by implication, County shall not be obligated for Contractor's performance

hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until the Board appropriates funds for this Agreement in County's budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated and such termination shall be deemed a termination for convenience pursuant to Section 6.0 (Termination for Convenience) of Exhibit A (Additional Terms and Conditions) of this Agreement. County shall endeavor to notify Contractor in writing of any such non appropriation of funds at the earliest possible date.

11.0 INVOICES AND PAYMENTS

11.1 Approval of Invoices

All invoices submitted by Contractor must have the written approval of the County Project Director, as evidenced by the County Project Director's or designee's signature on the applicable invoice, prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval.

11.2 Detail. Each invoice submitted by Contractor shall include:

The goods, services, or other Work as described in Exhibit B (Statement of Work) and Exhibit C (Pricing Sheet) of this Agreement for which payment is claimed and the amount of payment therefor.

Specifically, each invoice shall list:

- The total number of billable citations processed for the one (1) month period;
- The per-citation processing fee;
- The total charge for citation processing;
- The monthly equipment usage and maintenance charges for:
 - Desktop computing hardware devices
 - Handheld electronic ticket-writer computing devices
 - ALPR systems
- The one-time cost (when applicable) to implement:
 - IVR
 - Pay-by-Web website
 - Configurations to ALPR systems

The prices set forth in Exhibit C (Pricing Sheet) of this Agreement are inclusive of all applicable Taxes. It is Contractor's responsibility to ensure that all such Taxes are paid to the appropriate regulating body.

11.3 No Out-of-Pocket Expenses

Contractor acknowledges that out-of-pocket expenses, including travel, meal, and lodging expenses, are not reimbursable by County. Accordingly, Contractor's invoices shall not include out-of-pocket expenses.

11.4 Contractor Responsibility

Contractor is responsible for the accuracy of invoices submitted to County. Further, it is the responsibility of Contractor to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by Contractor.

11.5 Invoice Discrepancy Report

The County Project Manager or designee shall review all invoices for any discrepancies and issue an Invoice Discrepancy Report (IDR) to Contractor within ten (10) calendar days of receipt of invoice if payment amounts are disputed. Contractor shall review the disputed charges and submit to the County Project Manager a written explanation detailing the basis for the charges within ten (10) calendar days of receipt of the IDR from the County Project Manager. If the County Project Manager does not receive a written response from Contractor within ten (10) calendar days of County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges. The sample of the IDR form is attached as Exhibit E (Invoice Discrepancy Report) of this Agreement.

12.0 LIQUIDATED DAMAGES

12.1 If, in the judgment of the County Project Director, Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the County Project Director, at his option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire payment (Monthly Contract Sum and/or one-time costs, as the case may be) or deduct pro rata from Contractor's invoice for Work not performed. Information regarding the Work not performed and the amount to be withheld or deducted from payments to the Contractor from County will be forwarded to Contractor by the County Project Director in a written notice describing the reasons for said action.

12.2 If the County Project Director determines that there are deficiencies in the performance of this Agreement that are correctable over a certain time span, the County Project Director will provide a written notice to Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct deficiencies within said time frame, the County Project Director may:

12.2.1 Deduct from Contractor's payment, pro rata, those applicable portions of the payment (Monthly Contract Sum and/or one-time costs, as the case may be); or

12.2.2 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 Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is one hundred dollars (\$100) per day per infraction, or as specified in Exhibit D2 (Performance Requirements Summary) (PRS) of this Agreement, and that Contractor shall be liable to County for liquidated damages in the said amount. Said amount shall be deducted from County's payment to Contractor; and/or

12.2.3. Upon giving five (5) Business Days' notice to Contractor for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by 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 County, as determined by County.

12.3 The action noted in Paragraph 12.2 shall not be construed as a penalty, but as an adjustment of payment to Contractor to recover County cost due to the failure of Contractor to complete or comply with the provisions of this Agreement.

12.4 This Section 12.0 (Liquidated Damages) shall not, in any manner, restrict or limit County's right to damages for any breach of this Agreement provided by law or as specified in Paragraph 12.2 above or Section 18.0 (Contractor's Guarantee) of Exhibit B (Statement of Work) of this Agreement, and shall not, in any manner, restrict or limit County's right to terminate the Agreement as agreed to herein.

13.0 NOTICES

All notices or demands required or permitted to be given or made under this Agreement, unless otherwise specified, shall be in writing and shall be addressed to the parties at the following addresses and delivered: (a) by hand with signed receipt; (b) by first-class registered or certified mail, postage prepaid; (c) by facsimile or electronic mail transmission followed within twenty-four (24) hours by a confirmation copy mailed by first-class registered or certified mail, postage prepaid; or (d) by overnight commercial carrier, with signed receipt. Notice is deemed given at the time of signed receipt in the case of hand delivery, three (3) calendar days after deposit in the United States mail as set forth above, on the date of facsimile or electronic mail transmission if followed by timely confirmation mailing, or on the date of signature receipt by the receiving part of any overnight commercial carrier delivery. Addresses may be changed by either party by giving ten (10) calendar days prior notice thereof in accordance with the delivery procedures set forth above, to the other party.

To County: (1) Sharon Bilbrey, Manager
Parking Enforcement Detail
4700 Ramona Blvd.
Monterey Park, CA 91754
Facsimile: (323) 415-1029
Email: scbilbre@lasd.org

with a copy to:

(2) Los Angeles County Sheriff's Department
Susan Cousins, Assistant Director, Contracts
4700 Ramona Boulevard, Room 214
Monterey Park, CA 91754-2169
Facsimile: (323) 415-1069
Email: scousin@lasd.org

To Contractor: [_____]
Attention: [_____]
Facsimile: [_____]
Email: : [_____]

The County Project Director shall have the authority to issue all notices or demands, which are required or permitted by County under this Agreement.

14.0 ARM'S LENGTH NEGOTIATIONS

This Agreement is the product of an arm's length negotiation between Contractor and County. Each party has had at all times the opportunity to receive advice from independent counsel of its own choosing. Accordingly, this Agreement is to be interpreted fairly as between the parties, and not strictly construed as against either party as drafter or creator.

15.0 SURVIVAL

The following Sections of this Agreement shall survive its expiration or termination for any reason: Section 1.0 (Agreement and Interpretation), Section 2.0 (Definitions), Section 8.0 (Prices and Fees), Section 10.0 (County's Obligation for Future Fiscal Years), Section 11.0 (Invoices and Payments), Section 13.0 (Notices), Section 14.0 (Arm's Length Negotiations), Section 15.0 (Survival), and all the terms and conditions set forth in Exhibit A (Additional Terms and Conditions) of this Agreement.

**AGREEMENT
FOR
PARKING CITATION PROCESSING SERVICES (PCPS)**

IN WITNESS WHEREOF, the Los Angeles County Board of Supervisors has caused this Agreement to be executed by its Mayor and attested by the Executive Officer thereof, and Contractor has caused this Agreement to be executed on its behalf by its authorized officer.

COUNTY OF LOS ANGELES

By _____
Mayor, Board of Supervisors

ATTEST:
SACHI A. HAMAI
Executive Officer
Los Angeles County
Board of Supervisors

By _____
Deputy

Contractor
Signature: _____
Title: _____

APPROVED AS TO FORM:
MARK J. SALADINO
County Counsel

By _____
Principal Deputy County Counsel

EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

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EXHIBIT A

ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions are applicable to, and form a part of, the Agreement. Capitalized terms not otherwise defined in this Exhibit A (Additional Terms and Conditions) as used herein (this "Exhibit") have the meanings given to such terms in Section 2.0 (Definitions) of the Agreement.

1.0 SUBCONTRACTING

County has relied, in entering into the Agreement, on the reputation of, and on obtaining the personal performance of Contractor itself. Consequently, no performance of the Agreement, or any portion thereof, shall be subcontracted by Contractor. Any attempt by Contractor to subcontract any performance, obligation, or responsibility under the Agreement, shall be null and void and shall constitute a material breach of the Agreement, upon which County may immediately terminate the Agreement.

2.0 DISPUTE RESOLUTION PROCEDURE

2.1 General

Contractor and County agree to act immediately to resolve mutually any disputes that may arise with respect to the Agreement. All such disputes shall be subject to the provisions of this Section 2.0 (Dispute Resolution Procedure) (such provisions are collectively referred to as the "Dispute Resolution Procedures"). Time is of the essence in the resolution of disputes.

2.2 Continued Work

Contractor and County agree that, the existence and details of a dispute notwithstanding, both parties shall continue without delay their performance hereunder, except for any performance, other than payment by County for approved Work, which the parties mutually determine should be delayed as a result of such dispute.

2.2.1 If Contractor fails to continue without delay its performance hereunder that County, in its 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 shall be borne by Contractor, and Contractor shall make no claim whatsoever against County for such costs. Contractor shall promptly reimburse County for such County costs, as determined by the

County, or County may deduct or offset all such additional costs from any amounts due to Contractor from County.

- 2.2.2 If County fails to continue without delay to perform its responsibilities under the Agreement which County, in its discretion, 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 shall be borne by County, and County shall make no claim whatsoever against Contractor for such costs. County shall promptly reimburse Contractor for all such additional Contractor costs subject to the approval of such costs by County.

2.3 Dispute Resolution Procedures

In the event of any dispute between the parties with respect to the Agreement, Contractor and County shall submit the matter as follows:

- 2.3.1 Contractor and County shall first submit the matter to the County Project Manager and Contractor Project Manager for the purpose of endeavoring to resolve such dispute.
- 2.3.2 If the County Project Manager and Contractor Project Manager are unable to resolve the dispute within a reasonable time, not to exceed five (5) Business Days from the date of submission of the dispute, then the matter immediately shall be submitted to the County Project Director and Contractor Project Director for further consideration and discussion to attempt to resolve the dispute.
- 2.3.3 If the County Project Director and Contractor Project Director are unable to resolve the dispute within a reasonable time not to exceed five (5) Business Days, then the matter shall be immediately submitted to Contractor's president or chief operating officer and the Sheriff. These persons shall have five (5) Business Days to attempt to resolve the dispute.
- 2.3.4 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 the Agreement and its rights and remedies as provided by law.

2.4 Documentation of Dispute Resolution Procedures

All disputes utilizing the Dispute Resolution Procedure shall be documented in writing by each party and shall state the specifics of each alleged dispute and all actions taken. The parties shall act in good faith to resolve all disputes. At all three (3) levels described in Paragraph 2.3 (Dispute Resolution Procedures) above, the efforts to resolve a dispute shall 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.

2.5 Not Applicable to County's Right to Terminate

Notwithstanding any other provision of the Agreement, County's right to terminate the Agreement pursuant to Section 4.0 (Termination for Insolvency), Section 5.0 (Termination for Default), Section 6.0 (Termination for Convenience), or Section 7.0 (Termination for Improper Consideration), in each case, of this Exhibit, or any other termination provision under the Agreement, shall not be subject to the Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of County's rights, and shall not be deemed to impair any claims that Contractor may have against County or Contractor's rights to assert such claims after any such termination or such injunctive relief has been obtained.

3.0 CONFIDENTIALITY

3.1 Confidentiality

3.1.1 Contractor shall maintain the confidentiality of all records and information, events or circumstances which occur during the course of Contractor's performance under the Agreement ("Confidential Information"), in accordance with all applicable Federal, State, and local laws, rules, regulations, ordinances, guidelines, policies and procedures, and directives relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

3.1.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Section 3.0 (Confidentiality), as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Section 3.0 (Confidentiality) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any

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

3.1.3 Contractor shall inform all of its directors, officers, shareholders, employees, subcontractors and agents providing services hereunder of the confidentiality provisions of the Agreement. Contractor shall provide to County an executed Exhibit H1 (Contractor Acknowledgement and Confidentiality Agreement) of the Agreement, an executed Exhibit H2 (Contractor Employee Acknowledgement and Confidentiality Agreement) of the Agreement for each of its employees performing Work under the Agreement, and an executed Exhibit H3 (Contractor Non-Employee Acknowledgement and Confidentiality Agreement) of the Agreement for each of its non-employees performing Work under the Agreement. Notwithstanding anything herein to the contrary, Contractor acknowledges and agrees that it is responsible for any breach of the obligations of confidentiality set forth herein by any person or entity to which Contractor discloses such confidential information.

3.2 Disclosure of Information

3.2.1 With respect to any confidential information obtained by Contractor pursuant to the Agreement, Contractor shall: (a) not use any such records or information for any purpose whatsoever other than carrying out the express terms of the Agreement; (b) promptly transmit to County all requests for disclosure of any such records or information; (c) not disclose, except as otherwise specifically permitted by the Agreement, any such records or information to any person or organization other than County without County's prior written authorization that the records are, or information is, releasable; and (d) at the expiration or termination of the Agreement, return all such records and information to County or maintain such records and information according to the written procedures sent to Contractor by County for this purpose.

3.2.2 Without limiting the generality of Subparagraph 3.2.1 of this Exhibit, in the event Contractor receives any court or administrative agency order, service of process, or request by any person or entity (other than Contractor's professionals) for disclosure of any such details, Contractor shall immediately notify the County Project Director. Thereafter, Contractor shall comply with such order, process, or request only to the extent required by applicable law. Notwithstanding the preceding sentence, to the extent permitted by law, Contractor shall delay such compliance and cooperate with County to obtain relief from such obligations to disclose until County shall have been given a reasonable opportunity to obtain such relief.

3.3 Contractor Information

Any and all confidential or proprietary information which is developed or was originally acquired by Contractor outside the scope of the Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to the County Project Director as proprietary or confidential, and shall be plainly and prominently marked by Contractor as “proprietary” or “confidential.” County shall undertake reasonably to maintain the confidentiality of materials marked by Contractor as “proprietary” or “confidential.” Notwithstanding any other provision of the Agreement, County shall not be obligated in any way under the Agreement for:

- 3.3.1 Any of Contractor’s proprietary and/or confidential materials not plainly and prominently marked with restrictive legends;
- 3.3.2 Any disclosure of any materials which County is required to make under the California Public Records Act or otherwise by law; and
- 3.3.3 Any materials indicating the volume, frequency and type of goods and services provided by Contractor, including, but not limited to use under Section 24.0 (Resolicitation of Bids, Proposals, or Information) of this Exhibit.

3.4 Use of County Name

In recognizing Contractor’s need to identify its services and related clients to sustain itself, County shall not inhibit Contractor from publishing its role under the Agreement within the following conditions:

- 3.4.1 Contractor shall develop all publicity material in a professional manner.
- 3.4.2 During the Term of the Agreement, Contractor shall not publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of the County Project Director, which shall not be unreasonably withheld or delayed.
- 3.4.3 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded the Agreement with County, provided that the requirements of this Paragraph 3.4 (Use of County Name), other than the requirements set forth in Subparagraph 3.4.2 shall apply.
- 3.4.4 Notwithstanding anything herein to the contrary, County reserves the right to object to any use of County’s name and Contractor shall cure

promptly and prospectively any use of County's name that has been objected to by County.

3.5 Injunctive Relief

Contractor acknowledges that a breach by Contractor of this Section 3.0 (Confidentiality) may result in irreparable injury to County that may not be adequately compensated by monetary damages and that, in addition to County's other rights under the Agreement and at law and in equity, County shall have the right to injunctive relief to enforce the provisions of this Section 3.0 (Confidentiality).

4.0 TERMINATION FOR INSOLVENCY

4.1 County may terminate the Agreement immediately at any time following the occurrence of any of the following:

4.1.1 Contractor has ceased to pay or has admitted in writing its inability to pay its debts for at least sixty (60) calendar 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 United States Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the United States Bankruptcy Code, provided that Contractor shall not be deemed insolvent if it has ceased in the normal course of business to pay debts that Contractor disputes in good faith;

4.1.2 The filing of a voluntary or involuntary petition (which involuntary petition is not dismissed within sixty (60) calendar days) regarding Contractor under the United States Bankruptcy Code;

4.1.3 The appointment of a receiver or trustee for Contractor; or

4.1.4 The execution by Contractor of a general assignment for the benefit of creditors other than in the course of arranging financial lines of credit.

4.2 The rights and remedies of County provided in this Section 4.0 (Termination for Insolvency) shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity, or under the Agreement.

4.3 Contractor agrees that if Contractor as a debtor-in-possession, or if a trustee in bankruptcy, rejects the Agreement, County may elect to retain its rights under the Agreement, as provided under Section 365(n) of the United States Bankruptcy Code (11 U.S.C. Section 365(n)). Upon written request by County to Contractor or the trustee in bankruptcy, as applicable, Contractor or such trustee shall allow County to exercise all of its rights and benefits under the Agreement. The foregoing shall survive the termination or expiration of the Agreement for any reason whatsoever.

5.0 TERMINATION FOR DEFAULT

5.1 County may, by written notice to Contractor, terminate the whole or any part of the Agreement, if, in the judgment of County's Project Director:

- Contractor has materially breached the Agreement; or
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other Work required either under the Agreement; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under the Agreement, or of any obligations of the Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) Business Days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

5.2 In the event that County terminates the Agreement in whole or in part as provided in Paragraph 5.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and services. Contractor shall continue the performance of the Agreement to the extent not terminated under the provisions of this Paragraph.

5.3 If, after County has given notice of termination under the provisions of this Section 5.0 (Termination for Default), it is determined by County that Contractor was not in default under the provisions of this Section 5.0 (Termination for Default), the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 6.0 (Termination for Convenience).

5.4 The rights and remedies of County provided in this Section 5.0 (Termination for Default) shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Agreement.

6.0 TERMINATION FOR CONVENIENCE

6.1 Termination for Convenience

The Agreement may be terminated, in whole or in part from time to time, by County in its sole discretion for any reason. Termination of Work hereunder shall be effected by delivery to Contractor of a notice of termination 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 shall be no less than thirty (30) calendar days after notice.

6.2 No Prejudice; Sole Remedy

Nothing in this Section 6.0 (Termination for Convenience) is deemed to prejudice any right of Contractor to make a claim against the County in accordance with the Agreement and applicable law and County procedures for payment for Work through the effective date of termination. Contractor, however, acknowledges that the rights and remedies set forth in this Paragraph 6.2 (No Prejudice; Sole Remedy) shall be the only remedy available to Contractor in the event of a termination or suspension pursuant to this Section 6.0 (Termination for Convenience) by County.

7.0 **TERMINATION FOR IMPROPER CONSIDERATION**

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

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

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

8.0 **EFFECT OF TERMINATION**

8.1 Remedies

In the event that County terminates the Agreement in whole or in part as provided in Section 4.0 (Termination for Insolvency), Section 5.0 (Termination for Default), Section 6.0 (Termination for Convenience), Section 7.0 (Termination for Improper Consideration) in each case of this Exhibit, then:

8.1.1 Contractor shall (a) stop performing Work under the Agreement on the date and to the extent specified in such notice, (b) promptly transfer and deliver to County copies of all completed Work and Work that is in process, in a media reasonably requested by County, (c) promptly transfer and deliver all items previously paid for by County, and (d) complete performance of such part of the Work as shall not have been terminated by such notice;

- 8.1.2 Unless County has terminated the Agreement pursuant to Section 6.0 (Termination for Convenience) of this Exhibit, County shall have the right to procure, upon such terms and in such a manner as County may determine appropriate, goods, services, and other Work, similar and competitive to those so terminated, and Contractor shall be liable to County for, and shall promptly pay to County by cash payment, any and all excess costs reasonably incurred by County, as determined by County, to procure and furnish such similar goods, services, and other Work;
- 8.1.3 Contractor shall promptly return to County any and all of County's confidential information that relates to that portion of the Agreement or Work terminated by County;
- 8.1.4 Contractor shall tender promptly payment to County, and shall continue to tender payment for the duration of any liquidated damages levied pursuant to Section 12.0 (Liquidated Damages) of the body of the Agreement, to the extent applicable; and
- 8.1.5 Contractor and County shall continue the performance of the Agreement to the extent not otherwise terminated.

8.2 Transition Services

Contractor agrees that in the event of any termination of the Agreement, as a result of the breach hereof by either party, or for any other reason, including expiration, Contractor shall fully cooperate with County in the transition by County to a new contractor, so that there shall be no interruption of the County's day to day operations due to the unavailability of the Work during such transition. Contractor agrees that if County terminates the Agreement pursuant to Section 6.0 (Termination for Convenience) of this Exhibit or Paragraph 5.3 of this Exhibit, Contractor shall perform transition services, and shall invoice County for such transition services determined in accordance with the rates specified in Exhibit C (Pricing Sheet) not attached to the Agreement (refer to Appendix B, Form 11 of the RFP), and the agreed upon maximum amount in accordance with a transition plan to be agreed upon, in advance, by the County Project Director and the Contractor Project Director. Contractor further agrees that in the event that County terminates the Agreement for any breach by Contractor, Contractor shall perform transition services at no cost to County. In connection with the provision of any transition services pursuant to this Paragraph 8.2 (Transition Services), Contractor shall provide to the County Project Director, upon request by the County Project Director, documentation that reasonably details the source and amount of the expenses Contractor purports to have incurred in the provision of such transition services.

8.3 Remedies Not Exclusive

The rights and remedies of County set forth in this Section 8.0 (Effect of Termination) are not exclusive of any other rights and remedies available to County at law or in equity, or under the Agreement.

9.0 WARRANTY AGAINST CONTINGENT FEES

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

10.0 AUTHORIZATION WARRANTY

Contractor and the person executing the Agreement on behalf of Contractor hereby represent and warrant that the person executing the Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of the Agreement that all requirements of Contractor have been fulfilled to provide such actual authority.

11.0 FURTHER WARRANTIES

In addition to the warranties elsewhere in the Agreement, Contractor represents, warrants and further covenants and agrees to the following:

- 11.1 Contractor bears the full risk of loss due to total or partial destruction of all or any part of any goods acquired from Contractor, as applicable, until acceptance by the County.
- 11.2 At the time of delivery to and acceptance by County, all goods shall be new, in good working order, in conformity with manufacturer's published specifications and descriptions, and free from defects in workmanship and materials, as determined by County.
- 11.3 Contractor shall, in the performance of all Work, strictly comply with the descriptions and representations (including performance capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions, and requirements) as set forth in the Agreement, including Exhibit B (Statement of Work) not attached to Sample Agreement (refer to Appendix A of the RFP).

- 11.4 All Work shall be performed in a timely and professional manner by qualified personnel.
- 11.5 Contractor and each of its personnel performing Work hereunder have all permits, licenses, and certifications necessary to perform Contractor's obligations under the Agreement.

12.0 INDEMNIFICATION AND INSURANCE

12.1 Indemnification

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

12.2 General Provisions for All Insurance Coverage

Without limiting Contractor's indemnification of County, and in the performance of the Agreement and until all of its obligations pursuant to the Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraph 12.2 (General Provisions for All Insurance Coverage) and Paragraph 12.3 (Insurance Coverage) below. 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 the Agreement. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to the Agreement.

12.2.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under the Agreement.
- Renewal Certificates shall be provided to County not less than ten (10) calendar days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies at any time.

- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference the Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in the Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither County's failure to obtain, nor 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 Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- Certificates and copies of any required endorsements shall be sent to:

Los Angeles County Sheriff's Department
 Contracts Unit
 4700 Ramona Boulevard, Room 214
 Monterey Park, California 91754
 Attention: Contract Compliance Manager

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

12.2.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively "County and its Agents") shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of County. County's and its Agents' additional insured status shall apply with respect to liability and defense of suits arising out of Contractor's acts or omissions, whether such liability is attributable to Contractor or to

County. The full policy limits and scope of protection also shall apply to County and its Agents as an additional insured, even if they exceed 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.

12.2.3 Cancellation of or Changes in Insurance

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

12.2.4 Failure to Maintain Insurance

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

12.2.5 Insurer Financial Ratings

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

12.2.6 Contractor's Insurance Shall Be Primary

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

12.2.7 Waivers of Subrogation

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

12.2.8 Subcontractor Insurance Coverage Requirements

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

12.2.9 Deductibles and Self-Insured Retentions (SIRs)

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

12.2.10 Claims Made Coverage

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

12.2.11 Application of Excess Liability Coverage

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

12.2.12 **Separation of Insureds**

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

12.2.13 **Alternative Risk Financing Programs**

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. County and its Agents shall be designated as an Additional Covered Party under any approved program.

12.2.14 **County Review and Approval of Insurance Requirements**

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

12.3 Insurance Coverage

12.3.1 **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:	\$4 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$2 million
Each Occurrence:	\$2 million

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

12.3.3 **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 shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the

endorsement form shall be modified to provide that County will receive not less than thirty (30) calendar days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

12.3.4 Professional Liability/Errors and Omissions

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

12.3.5 Crime Coverage

Fidelity Bond or Crime insurance policy with limits of not less than \$1 million per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents, and employees who regularly handle or have responsibility for such money, securities, or property. The County Indemnitees shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

12.3.6 Privacy/Network Security (Cyber)

Liability coverage, naming County and its Agents as an additional insured, and providing protection against liability for (1) privacy breaches [liability arising from the loss or disclosure of confidential information no matter how it occurs] (2) system breach (3) denial or loss of service (4) introduction, implantation, or spread of malicious software code (5) unauthorized access to or use of computer systems with limits not less than \$20 million. No exclusion or other restriction for unencrypted portable devices/media may be on the policy.

12.3.7 Performance Security Requirements, Bond

12.3.7.1 Contractor shall furnish to County within twenty (20) days after the Effective Date, a performance bond in an amount of at least \$1,000,000 per year for the County, and executed by a corporate surety licensed to transact business in the State of California. Such performance bond shall be in the form and

substance satisfactory to County. Such bond shall be maintained by Contractor in full force and effect until released by County upon County Program Director's written determination that Contractor shall have fully performed all of its obligations under this Agreement. Any modification, extension, or termination of this Agreement shall in no way release Contractor or any of its sureties from any of their obligations under such performance bond. Such bond shall contain a waiver of notice of any Change Notices, Change Orders, and Amendments to this Agreement.

12.3.7.2 At its sole option, County may accept certificates of deposit, cash deposits, United States government securities, or irrevocable letters of credit, payable to the County on demand, in lieu of commercial bonds to meet this provision. County shall have no responsibility to Contractor to pay any such deposit, and any loss by reason of the failure of any institution issuing such collateral shall be solely the responsibility of Contractor.

12.3.7.3 Prior to acceptance of Contractor's performance bond or alternative security, Contractor shall submit to County the form of the proposed performance bond or alternative security for approval by County. Both the initial expense and the annual premiums on the bond shall be paid by Contractor.

12.3.7.4 Failure on the part of Contractor to procure and maintain the required performance bond or alternative security shall constitute a material breach of the Agreement upon which County may terminate the Agreement pursuant to Section 5.0 (Termination for Default) and may seek all remedies stated herein.

13.0 INTELLECTUAL PROPERTY INDEMNIFICATION

13.1 Indemnification Obligation

Contractor shall indemnify, hold harmless and defend County Indemnitees from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, but not limited to, defense costs and legal, accounting and other expert, consulting or professional fees and attorney's fees, as such are incurred, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure or misappropriation, arising from or related to the System Software, System hardware, or other tasks, deliverables, goods, services or other Work licensed or acquired hereunder or the operation and utilization of Contractor's Work under the Agreement (collectively in this Section 13.0 (Intellectual Property

Indemnification), "Infringement Claim(s)"). Any legal defense pursuant to Contractor's indemnification obligations under this Section 13.0 (Intellectual Property Indemnification) shall be conducted by Contractor and performed by counsel selected by Contractor and approved in writing by County (which approval shall not be unreasonably withheld). Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as required by law or the Agreement, County shall be entitled to reimbursement for all such costs and expenses.

13.2 Procedures

County shall notify Contractor, in writing, as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure. Upon such notice, Contractor shall, at no cost to County, as remedial measures, either: (i) procure the right, by license or otherwise, for County to continue to use the System, System Software, or other tasks, deliverables, goods, Services or other Work licensed or acquired hereunder, or part(s) or component(s) thereof, to the same extent of County's license or ownership rights under the Agreement; or (ii) to the extent Contractor is unable to procure such right, replace or modify the System, System Software, or other tasks, deliverables, goods, services or other Work licensed or acquired hereunder, or part(s) or component(s) thereof, with another System and/or System Software or product of services, or part(s) or component(s) thereof of at least equivalent quality and performance capabilities, in County's determination, until it is determined by County that the System, System Software or other tasks, deliverables, goods, services or other Work licensed or acquired hereunder and all parts and components become non-infringing, non-misappropriating and non-disclosing.

13.3 Remedial Acts

If Contractor fails to complete the remedial measures in Paragraph 13.2 (Procedures) above within forty-five (45) calendar days of the date of the written notice from County or County has not approved in writing (such approval not to be unreasonably withheld) Contractor's plan of completing such remediation, then, County shall have the right to take such remedial acts as County determines to be reasonable to mitigate any impairment of its use of the System or System Software or damages or other costs or expenses in this Paragraph 13.3, (Remedial Acts). Contractor shall indemnify County under Paragraph 13.1 (Indemnification Obligation) for all amounts paid and all direct and indirect costs associated with County's Remedial Acts. Failure by Contractor to pay such amounts within ten (10) calendar days of invoice by County shall, in addition to, and cumulative to all other remedies, entitle County to immediately withhold

payments due to Contractor under the Agreement up to the total of the amounts paid in connection with County's Remedial Acts.

14.0 BUDGET REDUCTIONS

In the event that the 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, County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year during the Term of the Agreement (including any extensions), and the services to be provided by Contractor under the Agreement shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentences, Contractor shall continue to provide all of the services set forth in the Agreement.

15.0 FORCE MAJEURE

Except with respect to defaults of any subcontractors, Contractor shall not be liable for any such excess costs, if its failure to perform the Agreement arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by Contractor or any of Contractor's subcontractors), freight embargoes, or other similar acts 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 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 Contractor and subcontractor, and without any fault or negligence of either of them, Contractor shall 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 Contractor to meet the required performance schedule. Contractor agrees to use commercially reasonable best efforts to obtain such goods or services from other sources, and to mitigate the damages and reduce the delay caused by any of the above mentioned *force majeure* events. As used in this Section 15.0 (Force Majeure), the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

16.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

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

16.2 Contractor is hereby notified that, in accordance with Chapter 2.202 of the Los Angeles County Code, if County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, County may, in addition to other remedies provided

in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which 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 Contractor may have with County.

- 16.3 County may debar a Contractor if the Board finds, in its discretion, that Contractor has done any of the following: (a) violated a term of a contract, including the Agreement, with County or a nonprofit corporation created by County, (b) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (c) committed an act or offense which indicated a lack of business integrity or business honesty, or (d) made or submitted a false claim against County or any other public entity.
- 16.4 If there is evidence that Contractor may be subject to debarment, the Sheriff's Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 16.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and the Sheriff's Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- 16.6 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board. The Board shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 16.7 If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that 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 County.

16.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) 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 shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

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

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

17.0 COMPLIANCE WITH APPLICABLE LAW

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

17.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Section 17.0 (Compliance with Applicable Law) shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and

expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

18.0 FAIR LABOR STANDARDS

Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees and agents from any and all liability, including damages, losses, wages, overtime pay, liquidated damages, penalties, court costs, fees and other expenses (including attorneys' fees) arising under any wage and hour law, including the Federal Fair Labor Standards Act for Work performed by Contractor's employees.

19.0 NONDISCRIMINATION, AFFIRMATIVE ACTION, AND ASSURANCES

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

19.1 Contractor shall certify to, and comply with, the provisions of Contractor's EEO Certification, attached hereto as Exhibit K (Contractor's EEO Certification) of the Agreement.

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

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

19.4 Contractor certifies and agrees that it, its affiliates, subsidiaries or holding companies, shall comply with all applicable Federal and State laws and regulations, including but not limited to:

19.4.1 Title VII, Civil Rights Act of 1964;

19.4.2 Section 504, Rehabilitation Act of 1973;

- 19.4.3 Age Discrimination Act of 1975;
- 19.4.4. Title IX, Education Amendments of 1973, as applicable; and
- 19.4.5 Title 43, part 17, Code of Federal Regulations, subparts a & b;
- 19.4.6 Fair Employment and Housing Act (California Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated hereunder (California Code of Regulations, Title 2, Section 7285 et seq.)

And that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, or 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 the Agreement, or under any project, program, or activity supported by the Agreement.

19.5 Contractor shall allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of this Section 19.0 (Nondiscrimination, Affirmative Action, and Assurances) when so requested by County; provided that County's access to such employment records of Contractor shall be limited to access that does not constitute an unlawful invasion of the privacy rights of any such employee. If County finds that any of the provisions of this Section 19.0 (Nondiscrimination, Affirmative Action, and Assurances) have been violated, such violation shall, at the election of County, constitute a material breach of the Agreement upon which County may immediately terminate or suspend the Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or Federal anti-discrimination laws or regulations such determination shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of the Agreement. All determinations of violations made pursuant to this Paragraph 19.5 shall be appealable by Contractor in accordance with applicable laws and regulations, and separately pursuant to Paragraph 2.3 (Dispute Resolution Procedures) of this Exhibit.

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

20.0 NONDISCRIMINATION IN SERVICES

Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap, in

accordance with all applicable requirements of Federal and State law. For the purpose of this Section 20.0 (Nondiscrimination in Services), discrimination in the provision of services may include the following: (a) denying any person any service or benefit or the availability of the facility, (b) providing any service or benefit to any person which is not equivalent or is not provided in an equivalent manner or at an equivalent time to that provided to others, (c) subjecting any person to segregation or separate treatment in any manner related to the receipt of any service, (d) restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit, and (e) treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit.

21.0 EMPLOYMENT ELIGIBILITY VERIFICATION

21.1 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 the Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for the period prescribed by law.

21.2 Contractor shall indemnify, defend, and hold harmless County Indemnitees pursuant to Paragraph 12.1 (Indemnification) of this Exhibit from and against any and all liability (alleged or actual), including damages, losses, fees, costs, and expenses (including defense costs and legal, accounting and other expert witness, consulting or professional fees) arising out of or in connection with any employer sanctions and any other liability which may be assessed against Contractor or County 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 hereunder.

22.0 HIRING OF EMPLOYEES

Contractor and County agree that, during the Term of the Agreement and for a period of one (1) year thereafter, except with the prior written consent of the other party, neither party shall in any way intentionally induce or solicit any Project Director, Project Manager or other employee, of one party to become an employee or agent of the other party. Notwithstanding the foregoing, County shall be entitled to make offers of employment to employees of Contractor necessary or desirable to perform Work described in the Agreement, in the event that: (a) County has the right to terminate the Agreement pursuant to Section 4.0 (Termination for Insolvency) of this Exhibit, (b) the Agreement is terminated by County due to Contractor's default pursuant to Section 5.0 (Termination for Default) of this Exhibit, (c) without resolution acceptable to both parties,

Contractor and County have followed Paragraph 2.3 (Dispute Resolution Procedures) of this Exhibit, or (d) Contractor either announces the withdrawal of support of, or otherwise no longer provides services County deems essential to, the ongoing support of the Work as applicable.

23.0 CONFLICT OF INTEREST

23.1 No County employee whose position with County enables such employee to influence the award of the Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in the Agreement. No officer or employee of Contractor, who may financially benefit from the performance of Work hereunder, shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

23.2 Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the Term of the Agreement. Contractor warrants that it is not now aware of any facts that do or could create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Section 23.0 (Conflict of Interest) shall be a material breach of the Agreement.

24.0 RESOLICITATION OF BIDS, PROPOSALS, OR INFORMATION

24.1 Contractor acknowledges that, prior to the expiration or earlier termination of the Agreement, County, in its discretion, may exercise its right to invite bids, request information, or request proposals for the continued provision of the goods and services delivered or contemplated under the Agreement. County shall make the determination to re-solicit bids, request information, or request proposals in accordance with applicable County policies.

24.2 Contractor acknowledges that County, in its discretion, may enter into an agreement for the future provision of goods and services, based upon the bids, information, or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids, request for information, or request for proposals by virtue of its present status as Contractor.

25.0 TERMINATION FOR NON-ADHERENCE TO COUNTY LOBBYIST ORDINANCE

Contractor and each County Lobbyist or County Lobbying Firm as defined in Los Angeles County Code Section 2.160.010 retained by Contractor, shall fully comply with

the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying Firm retained by Contractor to fully comply with County Lobbyist Ordinance shall constitute a material breach of the Agreement upon which County may immediately terminate or suspend the Agreement.

26.0 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS

Should Contractor require additional or replacement personnel after the effective date of the Agreement, Contractor shall give consideration for any such employment openings to participants in County's Department of Public Social Services' Greater Avenues for Independence (in this Paragraph, "GAIN") or General Relief Opportunity for Work (in this Paragraph, "GROW") programs who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN participants by job category to Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first opportunity. Contractor shall report all job openings with job requirements to GainGrow@dpss.lacounty.gov to obtain a list of qualified GAIN/GROW job candidates.

27.0 STAFF PERFORMANCE WHILE UNDER THE INFLUENCE

Subject to all applicable laws and regulations, Contractor shall use reasonable efforts to ensure that no employee will perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance, which might reasonably, or have been observed to, impair such person's physical or mental performance.

28.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST

Contractor recognizes that County provides services essential to the residents of the communities it serves, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster or similar event. Notwithstanding any other provision of this Exhibit or the Agreement, full performance by Contractor during any riot, insurrection, civil unrest, natural disaster or similar event is not excused if such performance remains physically possible without related danger to Contractor's employees or suppliers. During any such event in which the health or safety of any of Contractor's staff members would be endangered by performing their services on-site, such staff members may perform any or all of their services remotely. Failure to comply with this requirement shall be considered a material breach of the Agreement by Contractor, for which County may immediately terminate the Agreement.

29.0 CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT

29.1 Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor

understands that it is County's policy to encourage all County Contractors to voluntarily post County's "L. A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County's Child Support Services Department (CSSD) will supply Contractor with the poster to be used.

29.2 The CSSD will maintain and periodically update the "L.A.'s Most Wanted: Delinquent Parents" list on the Internet. The list may be televised before and after Board meetings.

30.0 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

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

30.2 As required by County's Child Support Compliance Program (Los Angeles County Code chapter 2.200) and without limiting Contractor's duty under the Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the Term of the Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 U.S.C. Section 653a) and California Unemployment Insurance Code Section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or County's CSSD 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).

30.3 Failure of Contractor to maintain compliance with the requirements set forth in this Section 30.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute a default under the Agreement. Without limiting the rights and remedies available to County under any other provision of the Agreement, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate the Agreement pursuant to Section 5.0 (Termination for Default) of the Agreement and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

31.0 RECYCLED-CONTENT PAPER

Consistent with the Board's policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible in Contractor's provision of Work pursuant to the Agreement.

32.0 COMPLIANCE WITH JURY SERVICE PROGRAM

32.1 Jury Service Program

The Agreement is subject to the provisions of 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, a copy of which is attached as Exhibit F (Jury Service Ordinance) and incorporated by reference into and made a part of the Agreement.

32.2 Written Employee Jury Service Policy.

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

32.2.2 For purposes of this Section 32.0 (Compliance with Jury Service Program), "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: (a) the lesser number is a recognized industry standard as determined by County, or (b) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under the Agreement, the subcontractor shall also be subject to the provisions of this Section 32.0 (Compliance with Jury Service Program). The provisions of this Section 32.0 (Compliance with Jury Service Program) shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

32.2.3 If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the

Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Term and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" or that Contractor continues to qualify for an exception to the Jury Service Program.

32.2.4 Contractor's violation of this Section 32.0 (Compliance with Jury Service Program) of this Exhibit may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

33.0 BACKGROUND AND SECURITY INVESTIGATIONS

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

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

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

33.4 Disqualification of any member of Contractor's staff pursuant to this Section 33.0 (Background and Security Investigations) shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of the Agreement.

34.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees, and agents will be granted access to County facilities, subject to Contractor's prior notification to and approval by the County Project Director, for the purpose of executing Contractor's obligations hereunder. Contractor shall have no tenancy, or any other property or other rights in County facilities. While present at County facilities, Contractor's personnel shall be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by the County Project Director.

35.0 COUNTY FACILITY OFFICE SPACE

In order for Contractor to perform services hereunder and only for the performance of such services, County may elect, subject to County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the County Project Director, at County facilities, on a non-exclusive use basis. County shall also provide Contractor with reasonable telephone service and network connections in such office space for use only for purposes of the Agreement. County disclaims any and all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

36.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS, OR GROUNDS

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

36.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand, or without limitation of all County's other rights and remedies provided at law or equity, or under the Agreement, County may deduct such costs from any amounts due to Contractor from County under the Agreement.

37.0 LICENSE AND OWNERSHIP OF DATA

37.1 License

Contractor hereby grants to County a non-exclusive, unrestricted, irrevocable license ("License") to use and access any software provided or made available by Contractor as a result of providing work under the Agreement by County's authorized users, including providers, on an unlimited number of computers, servers, local area networks and wide area networks.

37.2 County Data

As between County and Contractor, County shall be the sole and exclusive owner of any and all information and/or data entered or accessed by County, its authorized users or Contractor ("County Data") during provision of work under the Agreement. All County Data shall be deemed the County Confidential Information, as that term is defined in Paragraph 3.1 (Confidentiality) above. Upon any expiration or termination of this Agreement, and continuously throughout its term, Contractor, at its sole cost and expense, will make available to and otherwise provide County with a complete copy of the most recent back up of any County Data maintained by Contractor, in a mutually agreed upon, commercially standard format that is compatible with County's then existing systems and will make commercially reasonable efforts to assist County in the transition of such County Data as reasonably requested by County. This Agreement shall not be construed as granting any ownership rights in Contractor to any County Data or any other County Confidential Information, which means any information disclosed to County or any employee or contractor of County that is designated by Contractor as confidential or proprietary. The County Data shall not be used by Contractor for any purpose other than as required under this Agreement or applicable law, statute or regulation, nor shall the County Data or any part of the County Data 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 Contractor, its officers, directors, employees, subcontractors or agents.

38.0 **FEDERAL EARNED INCOME TAX CREDIT**

Contractor shall notify its employees and shall require each subcontractor to notify its employees that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015. Copies of the Notice can be obtained by calling 1-800-829-3676 or from the IRS website at www.irs.gov.

39.0 **ASSIGNMENT BY CONTRACTOR**

39.1 Contractor shall not assign its rights or delegate its duties under the Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 39.1, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties, and which may be executed by the Sheriff, on behalf of the County with the written concurrence of County Counsel. Any payments by County to any approved delegate or assignee on any claim under the Agreement shall be deductible, at County's discretion, against claims which Contractor may have against County.

- 39.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person, corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with Paragraph 39.1, of this Exhibit.
- 39.3 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 County's express prior written approval, shall be a material breach of the Agreement which may result in the termination of the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

40.0 INDEPENDENT CONTRACTOR STATUS

- 40.1 The Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever. Contractor shall function as, and in all respects is, an independent Contractor.
- 40.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to the Agreement all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.
- 40.3 Contractor understands and agrees that all persons performing Work pursuant to the Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. County shall have no obligation to furnish, or liability for, 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 the Agreement.
- 40.4 Contractor shall adhere to the provisions stated in Section 3.0 (Confidentiality), of this Exhibit.

41.0 RECORDS AND AUDITS

- 41.1 Contractor shall maintain accurate and complete financial records of its activities and operations relating to the Agreement, including any termination hereof, in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete employment and other records relating to its performance of the Agreement. Contractor agrees that County, or its authorized representatives, shall, with reasonable notice and during regular business hours, have access to and the right to examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records of Contractor relating to the Agreement. Should the examination and audit be performed by a non-County entity or should a non-County entity be requested by County to review information received pursuant to an audit or examination under this Section 41.0 (Records and Audits), Contractor may require the non-County examiner or auditor, as the case may be, to execute a nondisclosure contract prior to any disclosure. The nondisclosure Agreement shall limit the non-County entity's use of information received or reviewed in connection with the examination and audit to work performed specifically for the benefit of County. All such material, including all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets, and other time and employment records, shall be kept and maintained by Contractor and shall be made available to County during the Term of the Agreement and for a period of five (5) years thereafter unless County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then at Contractor's option, Contractor shall either (a) provide County with access to such material at a mutually agreed upon location inside Los Angeles County, or (b) pay County for travel, per diem, and other costs and expenses incurred by County to examine, audit, excerpt, copy or transcribe such material at such outside location.
- 41.2 If an audit is conducted of Contractor specifically regarding the Agreement by any Federal or State auditor, or by an auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Auditor Controller and the County Project Director within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided by applicable federal or state law or under the Agreement.
- 41.3 If, at any time during or after the Term of the Agreement, representatives of County conduct an audit of Contractor, as and to the extent permitted hereunder, regarding the Work performed under the Agreement, the results of such audit, including any final determination in respect of an underpayment or overpayment, if any by County under the Agreement, shall be provided in writing to Contractor. Contractor shall have thirty (30) calendar days to review the findings contained in such audit and notify County of any objection to the same. Such notice must include, in reasonable detail, the basis for Contractor's objection and any

supporting documentation and analysis for Contractor's objection. If the parties cannot agree, within fifteen (15) calendar days of receipt of Contractor's objection to the findings contained in County's audit, on the amount of underpayment or overpayment, if any, by County to Contractor hereunder, then either party may submit such matter to the Dispute Resolution Procedure, provided such matter shall be submitted initially, directly to the County Project Director and the Contractor Project Director. If Contractor fails to notify County of any objection it has to the findings of County's audit within the thirty (30) day period set forth above, Contractor waives any right to object to the findings of such audit, including any determination of overpayment by County. If such audit, whether initially following a waiver by Contractor of its right of objection or upon final determination pursuant to the Dispute Resolution Procedure, finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference, together with County's reasonable costs of audit, shall be either repaid by Contractor to County by cash payment upon demand or, at the discretion of the County Project Director, deducted from any amounts due to Contractor from County. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County, but in no event shall County's payments to Contractor exceed the Maximum Contract Sum.

41.4 Failure on the part of Contractor to comply with any of the provisions of this Section 41.0 (Records and Audits) of this Exhibit, shall constitute a material breach upon which County may terminate or suspend the Agreement.

42.0 LICENSES, PERMITS, REGISTRATIONS, ACCREDITATION, AND CERTIFICATES

Contractor shall obtain and maintain in effect during the Term of the Agreement, all licenses, permits, registrations, accreditation, and certificates required by all Federal, State, and local laws, ordinances, rules, and regulations, which are applicable to Contractor's services under the Agreement. Contractor shall further ensure that all of its officers, employees, and agents who perform services hereunder, obtain and maintain in effect during the Term of the Agreement all licenses, permits, registrations, accreditation, and certificates which are applicable to their performance hereunder. If and to the extent requested by County, Contractor shall provide a copy of each such license, permit, registration, accreditation, and certificate, in duplicate, to:

Los Angeles County Sheriff's Department
Contracts Unit, Room 214
Attn: Contracts Manager
4700 Ramona Boulevard
Monterey Park, CA 91754

43.0 NO THIRD PARTY BENEFICIARIES

Notwithstanding any other provision of the Agreement, Contractor and County do not in any way intend that any person or entity shall acquire any rights as a third party

beneficiary of the Agreement, except that this Section 43.0 (No Third Party Beneficiaries) shall not be construed to diminish Contractor's indemnification obligations hereunder.

44.0 MOST FAVORED PUBLIC ENTITY

If Contractor's prices decline, or should Contractor, at any time during the Term of the Agreement, provide the same goods and/or substantially similar services under similar quantity, delivery, and other applicable terms and conditions to the State of California or any county, municipality, public agency, or district within California at prices below those set forth in the Agreement, then such lower prices shall be extended immediately to County.

45.0 COUNTY'S QUALITY ASSURANCE PLAN

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

46.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

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

47.0 CONTRACTOR TO NOTIFY COUNTY WHEN IT HAS REACHED 75% OF MAXIMUM CONTRACT SUM (UNDER CONTRACT SUM PROVISION)

If applicable, Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the Maximum Contract Sum. Upon occurrence of this event, Contractor shall send written notification to the County Project Director and the County Project Manager.

48.0 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF AGREEMENT

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

the Agreement, after the expiration or other termination of the Agreement. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration or termination of the Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of the Agreement.

49.0 SAFELY SURRENDERED BABY LAW

49.1 Notice to Employees

Contractor shall notify and provide to its employees and shall require each subcontractor performing Work under the Agreement to notify and provide to its employees a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit G (Safely Surrendered Baby Law) of the Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

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

Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

50.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Contractor and County agree that, during the term of the Agreement and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

51.0 PUBLIC RECORDS ACT

51.1 Any documents submitted by Contractor, all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records, pursuant to Section 41.0 (Records and Audits) of this Exhibit; as well as those documents which were required to be submitted in response to the Sole Source process used for the Agreement, become the exclusive property of County. All such documents become a matter of public

record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "Trade Secret," "Confidential," or "Proprietary." County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

52.0 TRANSITIONAL JOB OPPORTUNITES PREFERENCE PROGRAM (IF APPLICABLE)

52.1 The Agreement is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

52.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

52.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

52.4 If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded the Agreement to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Agreement amount and what the County's costs would have been if the Agreement had been properly awarded;
2. In addition to the amount described in subdivision (1) above, be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the Agreement; and

3. Be subjected to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

53.0 WAIVER

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

54.0 GOVERNING LAW, JURISDICTION, AND VENUE

The Agreement shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California applicable to contracts made and to be performed within that state. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California (except with respect to claims that are subject to exclusive Federal subject matter jurisdiction, as to which Contractor agrees and consents to the exclusive jurisdiction of the United States District Court of the Central District of California) for all purposes regarding the Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the Central District of the Superior Court for the County of Los Angeles, California.

55.0 SEVERABILITY

If any provision of the Agreement is adjudged void or invalid for any reason whatsoever, but would be valid if part of the wording thereof were deleted or changed, then such provision shall apply with such modifications as may be necessary to make it valid and effective. In the event that one or more of the provisions of the Agreement is found to be invalid, illegal or unenforceable in any respect, such provision shall be deleted here from and the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the Agreement fails of its essential purpose because of such deletion.

56.0 RIGHTS AND REMEDIES

The rights and remedies of County provided in any given Section, as well as throughout the Agreement, including throughout this Exhibit, are non-exclusive and cumulative with any and all other rights and remedies under the Agreement, at law, or in equity.

57.0 NON EXCLUSIVITY

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

58.0 FACSIMILE

Except for the parties initial signatures to the Agreement, which must be provided in "original" form, and not by facsimile, County and Contractor hereby agree to regard facsimile representations of original signatures of authorized officials of each party, when appearing in appropriate places on change notices or in other correspondence, notices, etc. requiring signatures, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed thereto, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

59.0 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

59.1 The Agreement is subject to the provisions of the County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

59.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

59.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

59.4 If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded the Agreement to which it would not otherwise have been entitled, shall:

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

- 59.4.2 In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the Agreement; and
- 59.4.3 Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).
- 59.4.4 The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and Internal Services Department of this information prior to responding to a solicitation or accepting an Agreement award.

60.0 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PROMPT PAYMENT PROGRAM

Certified Local SBEs will receive prompt payment for services they provide to County departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

61.0 TERMINATION FOR NON APPROPRIATION OF FUNDS

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

62.0 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 62.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through agreements 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.
- 62.2 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 the Agreement will maintain compliance, with Los Angeles County Code Chapter 2.206.

63.0 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 Section 62.0 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) shall constitute default under the Agreement. Without limiting the rights and remedies available to County under any other provision of the Agreement, failure of Contractor to cure such default within ten (10) Business Days of notice shall be grounds upon which County may terminate the Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206, attached as Exhibit J (Defaulted Property Tax Reduction Program) of the Agreement.

64.0 TIME OFF FOR VOTING

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

65.0 NOTICE OF DELAYS

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

66.0 COMMUNICATION SYSTEMS AND ACCESS TO INFORMATION

During the term of this Agreement, Contractor may receive access to County's software, computers, equipment, and electronic communications systems (in this Section 66.0, "County systems"), including but not limited to voicemail, email, customer databases, and internet and intranet systems. Such County systems are intended for legitimate business use related to County's business. Contractor acknowledges that Contractor does not have any expectation of privacy as between Contractor and County in the use of or access to County systems and that all communications made with such County systems or equipment by or on behalf of Contractor are subject to County's scrutiny, use, and disclosure, in County's discretion. County reserves the right, for business purposes and activities, to monitor, review, audit, intercept, access, archive, and/or disclose materials sent over, received by or from, or stored in any of its electronic County systems. This includes, without limitation, email communications sent by users across the internet and intranet from and to any domain name owned or operated by County. This also includes, without limitation, any electronic communication system that has been used to access any of County systems. Contractor further agrees that Contractor will use all appropriate security, such as, for example, encryption and

passwords (Contractor must provide passwords and keys to County), to protect County Confidential Information from unauthorized disclosure (internally or externally) and that the use of such security does not give rise to any privacy rights in the communication as between Contractor and County. County reserves the right to override any security passwords to obtain access to voicemail, email, computer (and software or other applications) and/or computer disks on County systems. Contractor also acknowledges that County reserves the right, for any business purposes and activities, to search all work areas (e.g., offices, cubicles, desks, drawers, cabinets, computers, computer disks, and files) and all personal items brought onto County property or used to access County Confidential Information or County systems.

* * * * *

EXHIBIT B

Statement of Work

(Not attached to Sample Agreement; refer to
Appendix A of the RFP)

County of Los Angeles
Sheriff's Department

Parking Citation Processing Services

EXHIBIT C

Pricing Sheet

(Not attached to Sample Agreement; refer to
Appendix B, Exhibit 11 of the RFP)

County of Los Angeles
Sheriff's Department

Parking Citation Processing Services

EXHIBIT D

Technical Exhibits

EXHIBIT D
TECHNICAL EXHIBITS
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D.2 PERFORMANCE REQUIREMENTS SUMMARY	2

Exhibit D.1

CONTRACT PERFORMANCE DISCREPANCY REPORT

TO: _____

FROM: _____

DATES: Prepared by County: _____

Received by Contractor: _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY PROBLEMS: _____

Signature of County Representative

Date

CONTRACTOR RESPONSE (Cause and Corrective Action): _____

Signature of Contractor Representative

Date

COUNTY EVALUATION OF CONTRACTOR RESPONSE: _____

Signature of County Representative

Date

COUNTY ACTIONS: _____

CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature and Date _____

Contractor Representative's Signature and Date _____

Exhibit D.2
PERFORMANCE REQUIREMENTS SUMMARY (PRS)

	SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
1	SOW: Section 3.0 (Program Implementation Plan)	Contractor shall deliver draft PCD within 10 Business Days of contract Effective Date <i>(if applicable)</i> .	Inspection & Observation	\$100 per occurrence
2	SOW: Section 3.0 (Program Implementation Plan)	Contractor shall deliver draft Training Plan within calendar 10 days of contract Effective Date <i>(if applicable)</i> .	Inspection & Observation	\$100 per occurrence
3	SOW : Paragraph 6.9	Contractor shall provide clearly readable facsimiles of all citations within seven (7) calendar days of a request from County Program Director.	Inspection & Observation	\$ 50 per occurrence
4	SOW : Paragraph 6.10	Contractor shall scan all handwritten citations to the System within two (2) Business Days of receipt.	Inspection & Observation	\$ 50 per occurrence
5	SOW : Paragraph 6.11	Contractor shall process data-entry correction, with revisions, within three (3) Business Days	Inspection & Observation	\$ 50 per occurrence
6	SOW : Subparagraph 7.3.4	Contractor shall provide additional Notices and/or Correspondences, and textual changes to such documents, when requested by LASD, must be available for use within seven (7) Business Days of such request.	Inspection & Observation	\$ 50 per occurrence

EXHIBIT D.2
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

7	SOW : Paragraph 8.4	Contractor shall submit all Management Reports (except for Item 6, Habitual Parking Violator Report, above) on or before the 25 th day of each month (or the next Business Day, if it is a Saturday, Sunday or a County holiday) for the completed prior month.	Inspection & Observation	\$100 per occurrence
8	SOW : Subparagraph 11.6.6	Contractor shall ensure that the IVR component of the telephone system will be active twenty-four (24) hours per day, seven (7) days per week.	Inspection & Observation	\$ 50 per occurrence
9	SOW : Subparagraph 11.7.5	Contractor shall ensure that the website is accessible 24 hours per day, 7 days per week.	Inspection & Observation	\$ 50 per occurrence
10	SOW : Subparagraph 12.3.1	Contractor shall provide written reconciliation control procedures to the County's Project Director for review and approval within fifteen (15) calendar days of Agreement Effective Date.	Inspection & Observation	\$100 per occurrence
11	SOW : Paragraph 15.2	Contractor shall maintain all of its Equipment in accordance with original Equipment manufacturer (OEM) standards, or other regulatory standards as they may apply, and shall check said equipment before use for safety and functionality. All damaged or malfunctioned equipment/parts shall be repaired or replaced as necessary within three (3) business days upon notification from the County Project Director/Manager.	Inspection & Observation	\$ 50 per day per device

EXHIBIT D.2
PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

12	SOW : Paragraph 16.1	Contractor shall establish and utilize a comprehensive Quality Control (Q.C.) plan. Contractor shall submit the Q.C. plan to the County Project Manager within fifteen (15) Business Days of the Agreement Effective Date.	Inspection & Observation	\$100 per occurrence
13	SOW : Section 17.0	Contractor shall establish and utilize a comprehensive Quality Assurance (Q.A.) plan. Contractor shall submit the Q.A. plan to the County Project Manager within fifteen (15) Business Days of the Agreement Effective Date.	Inspection & Observation	\$100 per occurrence

EXHIBIT E

Invoice Discrepancy Report

INVOICE DISCREPANCY REPORT

1. **INVOICE DISCREPANCY** to be completed by County Program Director

Today's Date: _____

Contractor: _____

Phone Number: _____

Date of Subject Invoice: _____

Description of Issues with Subject Invoice:

Signed: _____ Date: _____
County Program Manager (CPM)

2. **REVIEWED:**

Signed: _____ Date: _____
County Program Director (CPD)

3. **CONTRACTOR RESPONSE** (to be completed by Contractor Program Director)

Date received from CPD: _____

Explanation regarding Issues with Subject Invoice: _____

Corrective Action Taken: _____

Signed: _____ Date: _____
Contractor Program Director

4. **COUNTY EVALUATION** of Contractor's Response and Action taken.

5. **Approved by COUNTY:**

Date: _____

Date: _____

6. **Contractor Notified on** _____ (Date)

INSTRUCTIONS

CPM : Forward IDR to the Contractor for investigation and response.

Contractor: Must respond to CPD in writing within ten (10) days of receipt of IDR.

EXHIBIT F

Jury Services Ordinance

(Not attached to Sample Agreement; refer to
Appendix G of the RFP)

County of Los Angeles
Sheriff's Department

Parking Citation Processing Services

EXHIBIT G

Safely Surrendered Baby Law

(Not attached to Sample Agreement; refer to
Appendix H of the RFP)

County of Los Angeles
Sheriff's Department

Parking Citation Processing Services

**CONTRACT WITH
[CONTRACTOR]
FOR
PARKING CITATION PROCESSING SERVICES**

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME _____ Agreement 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: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

**CONTRACT WITH
[CONTRACTOR]
FOR
PARKING CITATION PROCESSING SERVICES**
(Contractor shall duplicate as necessary)

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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

CONTRACTOR NAME

Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

Initials of Signer _____

Contractor Name _____ Contract No. _____

Employee Name _____

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

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

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

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

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

**CONTRACT WITH
[CONTRACTOR]
FOR
PARKING CITATION PROCESSING SERVICES**
(Contractor shall duplicate as necessary)

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY
AGREEMENT**

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

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

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

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

Project Control Document (PCD)

[Placeholder]

Appendix J

PARKING CITATION PROCESSING SERVICES (PCPS)

Defaulted Property Tax Reduction Program

Chapter 2.206 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

2.206.010 Findings and declarations.

2.206.020 Definitions.

2.206.030 Applicability.

2.206.040 Required solicitation and contract language.

2.206.050 Administration and compliance certification.

2.206.060 Exclusions/Exemptions.

2.206.070 Enforcement and remedies.

2.206.080 Severability.

2.206.010 Findings and declarations.

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

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

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

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

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

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

E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to 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 10 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.)

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number

GENERAL

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Contractor has written policy statement prohibiting discrimination in all phases of employment.	()	()
2. Contractor periodically conducts a self-analysis or utilization analysis of its work force.	()	()
3. Contractor has a system for determining if its employment practices are discriminatory against protected groups.	()	()
4. When problem areas are identified in employment practices, Contractor has a system for taking reasonable corrective Action, to include establishment of goal and/or timetables.	()	()

Authorized Official's Printed Name and Title

Authorized Official's Signature