

APPENDIX A

SAMPLE CONTRACT



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

FOR

NETWORKED LOGGING RECORDER SYSTEM

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
RECITALS	1
1.0 APPLICABLE DOCUMENTS	1
2.0 DEFINITIONS	3
2.1 Standard Definitions.....	3
3.0 WORK	11
3.3 Scope of Work.....	12
3.4 Addition and Deletion of Hardware.....	14
3.5 Technology Refresh.....	14
3.6 Testing of Work.....	15
3.7 Integration/Interfacing.....	15
3.8 Approval of Work.....	15
3.9 No Offshore Work.....	15
4.0 PROJECT PLANNING	16
4.2 Deliverable Milestones, Deliverables.....	16
5.0 TERM OF CONTRACT	17
5.3 Notice of Expiration.....	17
6.0 CONTRACT SUM	18
6.1 Maximum Contract Sum.....	18
6.2 Solution Implementation.....	19
7.0 INVOICES AND PAYMENTS	21
7.1 Invoices.....	21
7.2 Default Method of Payment: Direct Deposit or Electronic Funds Transfer.....	25
7.3 Invoice Discrepancy Report.....	25
8.0 ADMINISTRATION OF CONTRACT - COUNTY	25
8.1 County Administration.....	25
8.2 County Personnel.....	26
8.3 County Personnel, Other.....	26
9.0 ADMINISTRATION OF CONTRACT - CONTRACTOR	26
9.1 Contractor Administration.....	26
9.2 Contractor Personnel.....	26

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
9.3 Approval of Contractor's Staff	27
9.4 Contractor's Staff Identification	28
9.5 Background and Security Investigations	28
9.6 Reports by Contractor	29
9.7 Rules and Regulations	30
10.0 STANDARD TERMS AND CONDITIONS	30
10.1 Amendments and Change Notices.....	30
10.2 Project Control Documentation	31
10.3 Extensions of Time.....	31
11.0 OWNERSHIP AND LICENSE	32
11.1 Solution Ownership	32
11.2 License.....	32
12.0 SYSTEM ACCEPTANCE	35
12.1 Acceptance Tests.....	35
13.0 REPRESENTATIONS AND WARRANTIES	37
13.1 General Warranties	37
13.2 Standard of Services.....	38
13.3 System Warranties and Problem Resolution.....	39
13.4 Continuous Product Support	39
14.0 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE	41
14.1 General Insurance Requirements	41
14.2 Evidence of Coverage and Notice to County.....	41
14.3 Additional Insured Status and Scope of Coverage.....	42
14.4 Cancellation of or Changes in Insurance	43
14.5 Failure to Maintain Insurance	43
14.6 Insurer Financial Ratings	43
14.7 Contractor's Insurance Must Be Primary.....	43
14.8 Waivers of Subrogation	43
14.9 Subcontractor Insurance Coverage Requirements	43
14.10 Deductibles and Self-Insured Retentions (SIRs)	44

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
14.11 Claims Made Coverage.....	44
14.12 Application of Excess Liability Coverage.....	44
14.13 Separation of Insureds	44
14.14 Alternative Risk Financing Programs	44
14.15 County Review and Approval of Insurance Requirements	44
15.0 INSURANCE COVERAGE	45
15.1 Commercial General Liability Insurance.....	45
15.2 Automobile Liability	45
15.3 Workers Compensation and Employers' Liability	45
15.4 Property Coverage	45
15.5 Technology Errors & Omissions Insurance	45
15.6 Cyber Liability Insurance	46
15.7 Intellectual Property Warranty and Indemnification	46
16.0 LIQUIDATED DAMAGES.....	48
17.0 CONFIDENTIALITY.....	49
17.1 Confidential Information	49
17.2 Disclosure of Information.....	50
17.3 Disclosure Restrictions of Non-Public Information	51
17.4 Individual Requests.....	51
17.5 Retention of County Information.....	51
18.0 SECURITY.....	51
18.1 System Security	51
18.2 Solution Data Security.....	52
18.3 Protection of Electronic County Information – Data Encryption.....	52
19.0 ASSIGNMENT AND DELEGATION/MERGERS OR ACQUISITIONS.....	54
20.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	54
21.0 TERMINATION FOR CONVENIENCE	55
22.0 TERMINATION FOR DEFAULT.....	55
23.0 TERMINATION FOR IMPROPER CONSIDERATION	56

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
24.0 TERMINATION FOR INSOLVENCY	57
25.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE	57
26.0 TERMINATION FOR NON-APPROPRIATION OF FUNDS	57
27.0 EFFECT OF TERMINATION	58
27.1 Termination by County	58
27.2 Termination Transition Services	59
28.0 ACCESS TO COUNTY FACILITIES	59
29.0 AUTHORIZATION WARRANTY	60
30.0 BUDGET REDUCTIONS	60
31.0 COMPLAINTS	60
31.2 Complaint Procedures	60
32.0 COMPLIANCE WITH APPLICABLE LAWS	61
33.0 COMPLIANCE WITH CIVIL RIGHTS LAWS.....	61
34.0 COMPLIANCE WITH THE COUNTY’S JURY SERVICE PROGRAM	62
34.1 Jury Service Program.....	62
34.2 Written Employee Jury Service Policy.....	62
35.0 CONFLICT OF INTEREST	63
36.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ARE ON A COUNTY RE-EMPLOYMENT LIST	63
37.0 CONSIDERATION OF HIRING GAIN/START PARTICIPANTS	64
38.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER.....	64
39.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT	64
39.1 Responsible Contractor.....	64
39.2 Chapter 2.202 of the County Code.....	64
39.3 Non-responsible Contractor	65
39.4 Contractor Hearing Board	65
39.5 Subcontractors of Contractor	66
40.0 CONTRACTOR’S ACKNOWLEDGEMENT OF COUNTY’S COMMITMENT TO SAFELY SURRENDERED BABY LAW.....	66

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
41.0 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM.....	66
42.0 COUNTERPARTS AND ELECTRONIC SIGNATURES AND REPRESENTATIONS	67
43.0 COUNTY FACILITY OFFICE SPACE	67
44.0 COUNTY'S QUALITY ASSURANCE PLAN	67
45.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS	68
46.0 DISPUTE RESOLUTION PROCEDURE	68
47.0 EMPLOYMENT ELIGIBILITY VERIFICATION.....	69
48.0 FAIR LABOR STANDARDS	70
49.0 FORCE MAJEURE.....	70
50.0 GOVERNING LAW, JURISDICTION AND VENUE.....	70
51.0 INDEMNIFICATION.....	70
52.0 INDEPENDENT CONTRACTOR STATUS	71
53.0 MOST FAVORED PUBLIC ENTITY	71
54.0 NEW TECHNOLOGY	71
55.0 NO THIRD-PARTY BENEFICIARIES.....	72
56.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION.....	72
57.0 NON-EXCLUSIVITY	73
58.0 NOTICE OF DELAYS.....	73
59.0 NOTICE OF DISPUTES	73
60.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT	73
61.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW.....	74
62.0 NOTICES.....	74
63.0 PHYSICAL ALTERATIONS	74
64.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION	74
65.0 PUBLIC RECORDS ACT	74
66.0 PUBLICITY.....	75
67.0 RECORD RETENTION AND INSPECTION-AUDIT SETTLEMENT	75

TABLE OF CONTENTS

<u>PARAGRAPH</u>	<u>PAGE</u>
68.0 RECYCLED BOND PAPER	76
69.0 RISK OF LOSS.....	76
70.0 SUBCONTRACTING.....	76
71.0 VALIDITY	77
72.0 WAIVER	77
73.0 WARRANTY AGAINST CONTINGENT FEES.....	78
74.0 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM.....	78
75.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM	78
76.0 TIME OFF FOR VOTING	78
77.0 COMPLIANCE WITH COUNTY'S ZERO TOLERANCE POLICY ON HUMAN TRAFFICKING.....	79
78.0 COMPLIANCE WITH FAIR CHANCE EMPLOYMENT HIRING PRACTICES.....	79
79.0 COMPLIANCE WITH THE COUNTY POLICY OF EQUITY	79
80.0 PROHIBITION FROM PARTICIPATION IN FUTURE SOLICITATION(S)	79
81.0 CAMPAIGN CONTRIBUTION PROHIBITION FOLLOWING FINAL DECISION IN CONTRACT PROCEEDING.....	80
82.0 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT.....	80
83.0 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION.....	81
84.0 DATA DESTRUCTION	81
85.0 LOCAL SMALL BUSINESS ENTERPRISE (LSBE) PREFERENCE PROGRAM (IF APPLICABLE)	82
86.0 SOCIAL ENTERPRISE (SE) PREFERENCE PROGRAM (IF APPLICABLE).....	83
87.0 DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PREFERENCE PROGRAM (IF APPLICABLE).....	83
88.0 COMPLIANCE WITH COUNTY'S WOMEN IN TECHNOLOGY HIRING INITIATIVE	84
89.0 Survival.....	84

TABLE OF CONTENTS

STANDARD EXHIBITS

- A** Statement of Work
 - Attachment A.1 – Tasks and Deliverables
 - Attachment A.2 – Deliverable Acceptance Process
 - Attachment A.3 – System Interfaces
 - Attachment A.4 – Hardware and Software Delivery List and Specification Sheet [Not Attached to Sample Contract Exhibits; see Exhibit 7 (Hardware and Software Delivery List and Specification Sheet) of Appendix B (Required Forms)]
 - Attachment A.5 – Project Control Document and Specification List (Placeholder)
- B** Solution Requirements
- C** Service Level Agreement
 - Attachment C.1 - County Information Security and Privacy Requirements
 - Attachment C.2 - Departmental Information Security Requirements
 - Attachment C.3 - Compliance with Departmental Encryption Requirements
 - Attachment C.4 - Departmental Application Security Requirements
- D** County Administration
- E** Contractor Administration
- F1** Contractor Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- F2** Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- F3** Contractor Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- G** Safely Surrendered Baby Law
- H** Pricing Schedule [Not Attached to Sample Contract Exhibits; see Exhibit 6 (Cost Proposal Form) of Appendix B (Required Forms)]
 - Schedule H.1 – Optional Work Schedule
- I** Contract Discrepancy Report
- J** Invoice Discrepancy Report

**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
(CONTRACTOR)
FOR
NETWORKED LOGGING RECORDER SYSTEM**

This Contract (Contract) made and entered into this ____ day of _____, 20____ by and between the County of Los Angeles (County) on behalf of its Sheriff's Department and _____ (Contractor). Contractor is located at _____.

RECITALS

WHEREAS, Contractor is qualified by reason of experience, preparation, equipment, organization, qualifications, and staffing to provide to the County the Work, as defined below and contemplated by this Contract; and

WHEREAS, the County is authorized by, inter alia, California Government Code sections 26227 and 31000 to contract for goods and services, including the Work (as defined below) contemplated herein; and

WHEREAS, the County issued a Request for Proposals (RFP) for the provision, implementation, maintenance, and support of a Networked Logging Recorder System (NLRS) Solution (Solution or NLRS Solution) for the Los Angeles County Sheriff's Department (Department); and

WHEREAS, Contractor has submitted a proposal to the County for the provision, implementation, maintenance, and support of the NLRS Solution, based on which Contractor has been selected for recommendation for award of this Contract.

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

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F1, F2, F3, G, H, and I are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any Task, Deliverable, goods, Service, or other Work, or otherwise between the base Contract and the Exhibits, or between Exhibits and Attachments, such conflict or inconsistency will be resolved by giving precedence first to the terms and conditions of this Contract and then to the Exhibits and Attachments according to the following priority.

Standard Exhibits (Priority List):

- Exhibit A Statement of Work
 - Attachment A.1 – Tasks and Deliverables
 - Attachment A.2 – Deliverable Acceptance Process
 - Attachment A.3 – System Interfaces
 - Attachment A.4 – Hardware and Software Delivery List and Specification Sheet [Not Attached to Sample Contract Exhibits; see Exhibit 7 (Hardware and Software Delivery List and Specification Sheet) of Appendix B (Required Forms)]
 - Attachment A.5 – Project Control Document and Specification List (Placeholder)
- Exhibit B Solution Requirements
- Exhibit C Service Level Agreement
 - Attachment C.1 - County Information Security and Privacy Requirements
 - Attachment C.2 - Departmental Information Security Requirements
 - Attachment C.3 - Compliance with Departmental Encryption Requirements
 - Attachment C.4 - Departmental Application Security Requirements
- Exhibit D County Administration
- Exhibit E Contractor Administration
- Exhibit F1 Contractor Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- Exhibit F2 Contractor Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- Exhibit F3 Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement
- Exhibit G Safely Surrendered Baby Law
- Exhibit H Pricing Schedule [Not Attached to Sample Contract Exhibits; see Exhibit 6 (Cost Proposal Form) of Appendix B (Required Forms)]
 - Schedule H.1 – Optional Work Schedule
- Exhibit I Contract Discrepancy Report
- Exhibit J Invoice Discrepancy Report

This Contract constitutes the complete and exclusive statement of understanding between the parties, and supersedes all previous contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract will be valid unless prepared pursuant to Paragraph 10.1

(Amendments and Change Notices) below and signed by authorized representatives of both parties.

2.0 DEFINITIONS

2.1 Standard Definitions

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

- 2.1.1 Acceptance: The County's written approval of any Tasks, Subtasks, Deliverables, goods, Services or other Work, including Acceptance Tests and any work orders, provided by Contractor to the County pursuant to this Contract.
- 2.1.2 Acceptance Criteria: Criteria for the County's Acceptance of Contractor's Work under this Contract, including any Change Notices executed hereunder.
- 2.1.3 Acceptance Test: The meaning set forth in Paragraph 12.1 (Acceptance Tests) of this Contract.
- 2.1.4 Additional Products: Additional components of System Software, System Hardware, and related Documentation that Contractor must provide upon the County's request therefor in accordance with Paragraph 3.3.4 (Optional Work) of this Contract, for the System to meet both existing or future Solution Requirements specified by the County, which will update Schedule H.1 (Optional Work Schedule) to Exhibit H (Pricing Schedule) to this Contract. Once accepted and approved by the County, Additional Products will become part of, and be deemed, the Solution (as defined herein below) for the purpose of this Contract.
- 2.1.5 Amendment: A written instrument prepared and executed by the authorized representatives of the parties, which revises and/or adds terms and conditions to this Contract affecting the scope of Work, Term, payments or any term or condition. All Amendments must be approved and executed by the parties in accordance with Paragraph 10.1 (Amendments and Change Notices) of this Contract.
- 2.1.6 Application Modifications: Programming, Programming Modifications, Replacement Products, Software Updates, and any Additional Products that may be provided by Contractor to the County under this Contract. Once accepted and approved by the County, Application Modifications will become part of, and be deemed, Application Software for the purpose of this Contract.
- 2.1.7 Application Software (Networked Logging Recorder System or NLRS): The Baseline Software, Application Modifications, Replacement Products and as applicable, any Third-Party Software provided therefor, and/or all

Documentation thereto, having achieved Final Acceptance, and any other software that Contractor licenses, develops, provides, implements, maintains, and/or supports in accordance with the requirements under this Contract.

- 2.1.8 Baseline Software: The commercially available version(s) of Contractor's proprietary software, related Documentation, and any updates, enhancements, or new versions commercially released during Solution Implementation, which Contractor must modify and implement as part of Solution Implementation to meet some or all Solution Requirements.
- 2.1.9 Business Day: Any day of eight working hours from 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, excluding County-observed holidays.
- 2.1.10 Change Notice: A written instrument prepared and executed by County Project Manager identifying any change requested by the County and or Contractor, including for acquisition of Optional Work using Pool Dollars, which does not affect the scope of Work, Term, payments or any term or condition of this Contract. All Change Notices must be approved and executed in accordance with Paragraph 10.1 (Amendments and Change Notices) of this Contract.
- 2.1.11 Client Environment: The computers, including all workstations, equipment, devices and peripherals together with all associated Operating Software and Application Software connected to the Production Environment for accessing and using the Solution, including all associated System Hardware and System Software.
- 2.1.12 Configurations: The modifications to, or functional arrangement of, data within the Application Software and related Documentation that may be provided by Contractor to the County during this Contract or as part of Optional Work for the Solution to meet existing or future Solution Requirements specified by the County.
- 2.1.13 Contract: This agreement executed between the County and Contractor. Included are all supplemental agreements amending or extending the Services to be performed. This Contract sets forth the terms and conditions for the issuance and performance of all Tasks, Subtasks, Deliverables, goods, Services, and other Work.
- 2.1.14 Contract Sum: The total monetary amount authorized to be payable by the County to Contractor under this Contract, as set forth in Paragraph 6.0 (Contract Sum) of this Contract. The Contract Sum cannot be adjusted for any costs or expenses whatsoever by Contractor.
- 2.1.15 Contractor: The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the Work covered by this Contract.

- 2.1.16 Contractor Authorized Official(s): The individuals(s) designated by Contractor to ensure Work performance and compliance to this Contract after the award of this Contract.
- 2.1.17 Contractor Project Director: The person designated by Contractor responsible for Contractor's performance of all Work and ensuring compliance with this Contract.
- 2.1.18 Contractor Project Manager: The person designated by Contractor to administer the Contract operations under this Contract.
- 2.1.19 County Counsel: The County's Office of the County Counsel.
- 2.1.20 County Materials: The meaning set forth in Paragraph 82.0 (Ownership of Materials, Software and Copyright) of this Contract.
- 2.1.21 County Project Director: Person designated by the County with authority for the County on contractual or administrative matters relating to this Contract that cannot be resolved by County Project Manager. All references here forward to County Project Director will mean, "County Project Director or his/her authorized designee."
- 2.1.22 County Project Manager: Person designated by County Project Director to manage the operations under this Contract. All references here forward to County Project Manager will mean, "County Project Manager or his/her authorized designee."
- 2.1.23 Customizations: Same as Programming or Programming Modifications made to the Baseline Software, including related Documentation, and which are provided by Contractor upon the County's request as part of this Contract or Optional Work for the Solution to meet existing or future Solution Requirements specified by the County. Customizations will become part of, and be deemed, Application Software for the purpose of this Contract.
- 2.1.24 Data Conversion: Tasks and Deliverables associated with the conversion of the County's existing data as part of Solution Implementation Services, as further specified in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.
- 2.1.25 Day(s): Calendar day(s) unless otherwise specified.
- 2.1.26 Deficiency; Deficiencies; Defect(s): Any material malfunction, error or defect in the design, development, implementation, materials, and/or workmanship; any failure to meet or comply with or deviation from Solution Requirements, specifications, County approved Deliverables, any published and/or mutually agreed upon standards or any other representations or warranties by Contractor under this Contract regarding the Solution; and/or any other problem which results in the Solution, or any component thereof, not performing in compliance with the provisions of this Contract, including, but not limited to, the specifications and Solution Requirements.

- 2.1.27 Deficiency Credits or "Service Credits": Credits or any other form of discount to be applied to the applicable Service Fees for Contractor's failure to correct a Solution Deficiency within a prescribed period, including, but not limited to, Unscheduled Downtime or any Solution/System Performance Deficiency, as further specified in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.28 Deliverable: Items and/or Services provided or to be provided by Contractor under this Contract, including any of the numbered Deliverables set forth in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.
- 2.1.29 Disabling Device: Any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of the County's confidential or proprietary information; or of causing any unplanned interruption of; or accessibility of the Solution or any component to the County or any User, or which could alter, destroy or inhibit the use of the Solution or any component, or the data as further specified in Paragraph 13.1 (General Warranties) of this Contract.
- 2.1.30 Disaster: The meaning set forth in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.31 Documentation: Any and all written and electronic materials provided or made available by Contractor under this Contract, including, but not limited to, documentation relating to software and hardware specifications and functions, training course materials, specifications including Solution Requirements, technical manuals, handbooks, flow charts, technical information, reference materials, user manuals, operating manuals, quick reference guides, FAQs, and all other instructions and reference materials relating to the capabilities, operation, installation and use of the Solution and/or applicable components. Documentation in electronic form must be in software formats acceptable to the County.
- 2.1.32 Downtime: The period during which a Solution component cannot be accessed due to a Deficiency, as further specified in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.33 Final Acceptance: The County's Acceptance of full Solution Implementation consistent with the Solution Requirements hereunder as evidenced by the County's written approval in accordance with the terms of this Contract of the designated Deliverables under Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.
- 2.1.34 Fiscal Year: The 12-month period beginning July 1st and ending the following June 30th.

- 2.1.35 Go-Live or "Production Cutover": The cutover of the Solution to the Production Environment pursuant to Attachment A.1. (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.
- 2.1.36 Hardware Upgrade: Any addition to, or replacement of, any component of the Solution Hardware available or made available after the initial Go-Live of the Solution, in order to comply with Exhibit A (Statement of Work), Attachment A.1 (Tasks and Deliverables), Exhibit B (Solution Requirements), Exhibit C (Service Level Agreement), and/or any of the specifications set forth in this Contract.
- 2.1.37 Holdback: The meaning set forth in Paragraph 7.1.13 (Holdback) of this Contract.
- 2.1.38 Implementation Period: The period from the effective date of this Contract through the Solution's Final Acceptance by the County.
- 2.1.39 Interface: The set of software mechanisms used for the transfer of electronic data and/or software commands among and between computer systems including the Solution and any interfaced system, networks, applications, modules and Users, and related Documentation, previously provided or to be provided by Contractor to the County during the entire Term of this Contract as part of Solution or Optional Work.
- 2.1.40 License: The terms and conditions granting the County and its Users rights to use the Application Software licensed by Contractor for use under this Contract as specified in Paragraph 11.2 (License) of this Contract.
- 2.1.41 Licensed Software: The Application Software licensed by Contractor to the County under this Contract, and related Documentation, including any pre-developed or newly developed software and other tools, Replacements Products, and any additional software.
- 2.1.42 Maintenance and Support (M&S): Maintenance Services and Support Services provided by Contractor in accordance with this Contract, as further specified in Exhibit A (Statement of Work), Attachment A.1 (Tasks and Deliverables) and Exhibit C (Service Level Agreement) to this Contract.
- 2.1.43 Maintenance Period: The period from Final Acceptance through the end of the Term of the Contract.
- 2.1.44 Maximum Fixed Price: The maximum amount to be paid by the County to Contractor for any Optional Work approved by the County to be provided by Contractor in accordance Paragraph 3.3.4 (Optional Work) of this Contract.
- 2.1.45 Operating Software: The operating and database software and other products which are necessary and must be provided by Contractor or the County as part of the Solution Environment.
- 2.1.46 Optional Work: Programming Modifications, Professional Services and/or Additional Products that may be provided by Contractor to the County

throughout the entire Term of this Contract upon the County's request and approval in accordance with Paragraph 3.3.4 (Optional Work) and identified appropriately in Schedule H.1 (Optional Work Schedule) to Exhibit H (Pricing Schedule) to this Contract.

- 2.1.47 Performance Deficiency: The meaning set forth in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.48 Pool Dollars: The amount allocated under this Contract for the provision by Contractor of Optional Work throughout the entire Term of this Contract.
- 2.1.49 Production Environment: The Solution Environment set up by Contractor as part of Solution Implementation pursuant to Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, for the Production Use of the Solution.
- 2.1.50 Production; Production Use: The actual use of the Solution by the County and its Users for the performance of their operations commencing upon Production Cutover.
- 2.1.51 Professional Services: Training, consulting Services, programming and/or other Services requiring professional expertise that Contractor provides upon the County's request in the form of Optional Work in accordance with Paragraph 3.3.4 (Optional Work) of this Contract.
- 2.1.52 Programming Modifications: Modifications to Application Software, including Configurations, Customizations and Interfaces, and related Documentation that Contractor will provide throughout the entire Term of this Contract, upon the County's election, for the Solution to meet existing or future Requirements specified by the County or other governing bodies. Once accepted and approved by the County, all Programming Modifications will become part of, and be deemed, Application Software for the purpose of this Contract.
- 2.1.53 Project: The maintenance and support for the Solution, and any other related Work provided by Contractor in accordance with the terms of this Contract.
- 2.1.54 Replacement Product: Any software or maintained hardware product for which Contractor must replace any or all components of the Licensed Software or hardware during the Term of this Contract, as further specified in Paragraph 13.4 (Continuous Product Support) of this Contract.
- 2.1.55 Service Fees: The fees to be paid by the County to Contractor for the provision of M&S Services under this Contract in accordance with the terms of this Contract, including Exhibit C (Service Level Agreement) to this Contract.
- 2.1.56 Service Levels: Contractor's Service obligations to the County during Production Use of the Solution as specified in Exhibit C (Service Level Agreement) to this Contract.

- 2.1.57 Services: Services related to Solution Implementation, M&S, any Services that are part of Optional Work, and any other Services that may be provided by Contractor under this Contract.
- 2.1.58 Software Updates: Any additions to and/or replacements to the Solution Software, available or made available subsequent to the first Go-Live of the Solution, and will include all Application Software and firmware performance and functionality enhancement releases, new Version Releases, Solution Software upgrades, improvements, interim updates, including fixes and patches, Deficiency corrections, and any other modifications to the Application Software, including, but not limited to, those required for the Solution to remain in compliance with applicable federal and state laws and regulations and the terms of this Contract, provided by Contractor in accordance with Exhibit A (Statement of Work) and Exhibit C (Service Level Agreement) to this Contract, with all respective Attachments and Schedules thereto.
- 2.1.59 Solution: The combination of the software, hardware, and tools which comprise the Solution Environment, provided by Contractor to the County to meet the Solution Requirements.
- 2.1.60 Solution Availability: During any calendar month wherein, the Solution is not experiencing Scheduled or Unscheduled Downtime, as described in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.61 Solution Environment: The architectural and operational environment(s), (whether cloud-based and/or Contractor-installed County-owned hardware) for the Solution provided by Contractor to the County as part of the Solution, and related Documentation, which includes, but is not limited to, the Production Environment, Test Environment, and Client Environment.
- 2.1.62 Solution Hardware: All hardware that is part of the Solution and provided by Contractor to the County pursuant to this Contract, and related Documentation, all of which is provided, maintained, and supported by Contractor under this Contract.
- 2.1.63 Solution Implementation: All goods and Services for implementing the Solution, including, but not limited to, Solution Environment setup, installation of the System Hardware, Licenses for Solution Software, installation of Solution Software, Solution migration and Data Conversion, Acceptance Tests, training and any other Work to be provided by Contractor as part of the Solution Implementation pursuant to Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, in order to meet the requirements of this Contract up to and including Final Acceptance.
- 2.1.64 Solution Migration: Tasks and Deliverables associated with the migration from the County's existing systems to the Solution, as further specified in

Attachment A.1. (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.

- 2.1.65 Solution Requirements: The “Requirements” as listed in Exhibit B (Solutions Requirements) to this Contract.
- 2.1.66 Solution Software: All System Software and firmware that is part of the Solution provided by Contractor pursuant to this Contract, and related Documentation, including Application Software and Operating Software.
- 2.1.67 Statement of Work (SOW): The directions, provisions, and requirements provided herein as Exhibit A (Statement of Work), and special provisions herein and therein pertaining to the method, frequency, manner, and place of performing the Services described in this Contract.
- 2.1.68 Subcontract: An agreement between Contractor and a third party to provide goods and/or services to fulfill Contractor’s performance under this Contract.
- 2.1.69 Subcontractor: Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.
- 2.1.70 System: The hardware, software and data comprising the Solution (whether cloud-based and/or Contractor-installed County-owned hardware), including, but not limited to, the System Hardware, System Software and System data, provided by Contractor or the County in accordance with the applicable system design Documentation or as detailed in Exhibit A (Statement of Work), and the terms of this Contract.
- 2.1.71 System Hardware: All computer servers, networking equipment, connectivity hardware, and storage racks as applicable, and any related Documentation, provided by Contractor or the County for the Solution.
- 2.1.72 System Software: All Application Software and Operating Software, and related Documentation, provided by Contractor to the County as part of the Solution, this Contract, and residing in the Solution Environment, and does not include the firmware.
- 2.1.73 Task; Subtask: One of the areas of Work to be performed under this Contract, including but not limited to those enumerated as Tasks and Subtasks in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.
- 2.1.74 Term: The meaning set forth in Paragraph 5.0 (Term of Contract) of this Contract.
- 2.1.75 Test Environment: The component of the Solution Environment set up by Contractor as part of the Solution Implementation Services pursuant to

Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, for non-Production Use of the Solution, including software development, installation, testing of software and Interfaces, and training.

- 2.1.76 Third-Party Software: Any software of third parties that may be provided, maintained and/or supported by Contractor under this Contract as part of the Solution, including Application Software and Operating Software provided by third parties.
- 2.1.77 Unscheduled Downtime: The meaning set forth in Exhibit C (Service Level Agreement) to this Contract.
- 2.1.78 Updates: Any and all upgrades, enhancements, revisions, bug fixes, patches, modifications, and replacements to the software, including without limitation those required to keep current with Contractor's technology standards and industry standards and to achieve and maintain System's compliance with applicable federal, state, and local laws, rules, regulations, and ordinances.
- 2.1.79 User: Any person authorized by the County to access or use the Solution in accordance with this Contract.
- 2.1.80 Version Release: Contractor's Application Software major version upgrade which may contain new software functionalities and features and/or System compatibilities.
- 2.1.81 Warranty Period: Contractor's 90 Days of support demonstrating Solution operates free from defects.
- 2.1.82 Work: All Tasks, Subtasks, Deliverables, goods, Services, and other Work provided, or to be provided, by or on behalf of Contractor pursuant to this Contract, including Solution components, Solution Implementation Services, M&S Services, and Optional Work.
- 2.1.83 Work Product: Any intellectual property, including concepts, ideas, methods, methodologies, procedures, processes, know-hows, techniques, inventions, analysis frameworks, software, models, Documentation, templates, User Interfaces and screen designs, utilities, routines, and tools, that was developed by Contractor prior to performance or independent of this Contract, as further specified in Paragraph 11.1.4 (Work Product) of this Contract.

3.0 WORK

- 3.1 Pursuant to the provisions of this Contract, Contractor must fully perform, complete, and deliver on time, all Tasks, Subtasks, Deliverables, goods, Services, and other Work as set forth in herein.
- 3.2 If Contractor provides any Tasks, Deliverables, goods, Services, or other Work, other than as specified in this Contract, the same will be deemed to be a gratuitous

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

3.3 Scope of Work

3.3.1 Solution Components

Contractor must provide to the County: (i) Licenses to all Solution Software provided hereunder, Third-Party Software, Application Software, and Operating Software, and (ii) ownership of, and other proprietary rights to, all Solution Hardware, including, but not limited to, System Hardware and Hardware Upgrades, all as necessary for the Solution to meet all Solution Requirements and the specifications under this Contract as such may be revised during the Term of this Contract, and in accordance with the provisions of Paragraph 11.0 (Ownership and License) of this Contract.

3.3.2 Implementation

Contractor must provide Solution Implementation Services, including, but not limited to, System Environment setup, software installation, Programming Modifications, Data Conversion, testing, training, Cloud-based hosting services (if applicable), direct network connectivity to the County's data center, and any other Services through Final Acceptance of the Solution, as required for the successful implementation of the Solution and specified in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work), and elsewhere in this Contract.

3.3.3 Maintenance and Support (M&S)

Contractor must provide to the County M&S in accordance with the terms of this Contract, Exhibit A (Statement of Work), Exhibit C (Service Level Agreement) and all Attachments thereto. M&S obligations will commence upon the Go-Live, will continue through the Warranty Period, Final Acceptance of the Solution, and until the termination or expiration of this Contract.

3.3.4 Optional Work

Upon the County's written request and execution of a Change Notice pursuant to the terms of this Contract, Contractor must provide Optional Work, including Programming Modifications, Additional Products, Training, and/or hardware installation and Configurations Services, in accordance with this Paragraph 3.3.4 and Exhibit A (Statement of Work) to this Contract. Programming Modifications, Additional Products, and training will only include those products and Services relating to the requirements which were not reflected in the specifications and/or Solution Requirements on the effective date, as determined by County Project Director. Future hardware purchases, installation, and configuration Services for the four-year anniversary Technology Refresh [see Paragraph 3.5 (Technology Refresh)]

below] must be delivered by Contractor as Optional Work pursuant to an executed Change Notice.

Notwithstanding the above, any programming gaps that are discovered during implementation that were not identified by Contractor as part of their proposal submission must be remedied by Contractor and will not be considered Optional Work nor require any additional payment from the County.

Upon the County's request and Contractor's concurrence to provide the Optional Work, Contractor must provide to the County within ten Business Days of such request, or as agreed to by the parties, a proposed work order including, if necessary, any supporting documentation, and a quote for a Maximum Fixed Price calculated in accordance with the applicable fixed hourly rate set forth in Exhibit H (Pricing Schedule) to this Contract. Contractor's quotation will be valid for a minimum 90 Days from submission. Contractor must commence the Optional Work following agreement by the parties with respect to the scope of Optional Work and the Maximum Fixed Price, utilizing an executed Change Notice pursuant to Paragraph 10.1 (Amendments and Change Notices) of this Contract.

Upon completion by Contractor and approval by the County of Optional Work: (i) any Programming Modifications and/or Additional Products provided by Contractor in the form of Optional Work will become part of and be incorporated into the Solution, (ii) additional/new Solution Hardware will become part of and be incorporated into the Solution Environment, (iii) the Solution Requirements and specifications will be updated to include the new and/or updated requirements, specifications, and/or Additional Products, as applicable, as a result of such Optional Work, and (iv) Schedule H.1 (Optional Work Schedule) to Exhibit H (Pricing Schedule) to this Contract will be updated accordingly to add the items of such completed and approved Optional Work.

Optional Work must be performed by Contractor: a) at no additional cost to the County as part of Solution Implementation or M&S, or b) at the applicable pricing terms set forth in Exhibit H (Pricing Schedule) to this Contract, payable by the County utilizing Pool Dollars. Absent an Amendment in accordance with Paragraph 10.1 (Amendments and Change Notices), the Pool Dollars are the aggregate amount available during the Term of this Contract for Optional Work.

Delivered products resulting from Optional Work provided by Contractor will not increase M&S fees under this Contract.

Any Change Notice executed pursuant to this Paragraph 3.3.4 prior to the expiration of this Contract, will survive this Contract as though this Contract remained in full force and effect. The expiration of this Contract will not

relieve Contractor of its obligation to perform Optional Work resulting from such Change Notice.

3.4 Addition and Deletion of Hardware

- 3.4.1 Contractor agrees that any addition or deletion of hardware before completion of Solution Implementation, as solely determined by County Project Manager, requires a Change Notice. Any added hardware must be invoiced at the equipment unit prices stated in Exhibit H (Pricing Schedule) to this Contract.
- 3.4.2 Contractor agrees that any addition or deletion of hardware after NLRS Solution Acceptance requires a Change Notice. Any added hardware after Final Acceptance must be invoiced at the lowest available market price plus a not-to-exceed handling fee of 10%.

3.5 Technology Refresh

- 3.5.1 The parties will agree to a written Technology Refresh Implementation Strategy (TRIS) pursuant to Paragraph 1.1.13 (Technology Refresh Implementation Strategy) of Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract. The TRIS will, among other things, be devised to minimize disruption to County operations. The Technology Refresh is intended to update key solution components (hardware/software) with the most contemporaneous and advanced technologies currently available.
- 3.5.2 At the conclusion of the third year of this Contract following Final Acceptance, the County and Contractor agree to conduct an assessment of new and emerging technology (Technology Refresh) for all or any subset of the Solution components third-party software as determined solely by County Project Director. Presuming the Contract has been extended beyond the current Term by the County, a Technology Refresh will be implemented every four years thereafter. Notwithstanding, the County makes no guarantee that the Technology Refresh(es) will occur, nor does the County guarantee that the Technology Refresh will be conducted in one single deployment during the Term of this Contract.
- 3.5.3 The cost for the Technology Refresh will be borne by the County by means of an approved and executed Change Notice utilizing Pool Dollars. Contractor must secure the lowest possible pricing for the Technology Refresh, minus any bulk purchase discounts as applicable, plus a not-to-exceed 10% markup for handling (e.g., purchasing and administration, setup/configuration, and removal of old replacement hardware). The not-to-exceed 10% markup is calculated based on actual equipment/software costs prior to the inclusion of sales/use tax.
- 3.5.4 Contractor must ensure that all key Solution components (hardware/software) for both the primary and secondary data centers remain

under manufacturer and/or extended warranty throughout the entire Term of this Contract following Final Acceptance. Any Work performed as a result of Contractor's failure to procure and maintain warranties for all key Solution components, will not be billable to the County.

- 3.5.5 The County and Contractor agree that Contractor will not be subject to remedies for any Downtime resulting from any Technology Refresh, provided Contractor is fully compliant with the agreed-upon processes described in the TRIS.

3.6 Testing of Work

Contractor must conduct all appropriate testing of the Solution before providing any Work hereunder, including Optional Work, to ensure the Solution's continued compliance with all Solution Requirements set forth in this Contract. The Solution must be free of any material Deficiencies and Optional Work must meet the requirements of the applicable Change Notice. Solution tests must test, among others, the Solution's functionality, integration and interfacing, volume endurance, System performance, and User Acceptance, as applicable.

3.7 Integration/Interfacing

From time to time, Contractor may be responsible for developing and incorporating into the Solution, Application Modifications in the form of Optional Work. If such Application Modifications are to be integrated and/or interfaced with other software and/or systems by Contractor or at the direction of Contractor, the Application Modifications will not be deemed accepted by the County until the Application Modifications and such other systems have been successfully integrated and interfaced, as applicable, in accordance with the terms of this Contract. Contractor will neither assert or obtain any ownership interest in any other systems merely because they were interfaced, integrated or used with the Solution.

3.8 Approval of Work

All Tasks, Subtasks, Deliverables, and other Work provided by Contractor under this Contract must have the County's prior written approval from County Project Director. In no event will the County be liable or responsible for any payment prior to such written approval. Furthermore, the County reserves the right to reject any Work not approved by the County.

If Contractor provides any Tasks, Subtasks, Deliverables, goods, Services, or other Work to the County other than those specified in this Contract, or if Contractor provides such items requiring the County's prior written approval without first having obtained such written approval, the same will be deemed to be a gratuitous effort on the part of Contractor, and Contractor will not assert any claim whatsoever against the County.

3.9 No Offshore Work

Contractor warrants: (i) that all Services will be performed and rendered within and from within the United States, and (ii) that Contractor will not transmit or make

available any of the County's Confidential Information, the County's intellectual property or any County property, including County Materials, to any entity or individual outside the United States.

Specifically, no Programming Modifications for the County, including Customizations, Configurations, and Interfaces, may be developed, or provided by personnel on behalf of Contractor outside or from outside the United States. Contractor may perform Services relating to standard product development or revisions, if such Services are provided without, or do not require access to, County's Confidential Information, County's intellectual property, or any County property including County Materials, outside or from outside the United States.

4.0 PROJECT PLANNING

4.1 Contractor must implement the Solution in accordance with the Detailed Work Plan set forth in the Project Control Document (PCD), developed and delivered pursuant to Task 1 (Project Planning – Project Control Document) of Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract. The Detailed Work Plan must, at a minimum, include the following items:

- a. Tasks,
- b. Subtasks,
- c. Deliverable Number,
- d. Description,
- e. Due date,
- f. Milestones achieved,
- g. Pay points,
- h. Task relationships including where applicable finish to start (FS), start to start (SS), finish to finish (FF), start to finish (SF), and critical path,
- i. Associated or dependent Deliverable,
- j. Timeline, and
- k. Any other items reasonably required for the Solution, by the County, under this Contract.

4.2 Deliverable Milestones, Deliverables

The PCD must identify certain critical Deliverables as "milestones", as determined by the County. Approval of Deliverables will not be unreasonably withheld or delayed by the County. The County will use reasonable efforts to provide the necessary assistance to Contractor for Contractor to meet the due dates specified in the Project Schedule.

All Deliverables, including all Deliverable milestones, will be deemed completed for purposes of this Paragraph 4.2, on the earliest date that all of the Tasks, Subtasks,

Deliverables, goods, Services and other Work required for the completion of such Deliverable are completed and delivered to the County, provided that all of such Tasks, Subtasks, Deliverables, goods, Services and other Work required for the completion of such Deliverable are thereafter approved in writing by the County pursuant to Paragraph 3.6 (Testing of Work) above, without prior rejection by the County or significant delay in the County's approval thereof, which delay is the result of Contractor's failure to deliver such Tasks, Subtasks, Deliverables, goods, Services and other Work in accordance with the terms hereof.

For purposes of this Paragraph 4.2, the determination of whether a Deliverable has been completed and is approved, and of the date upon which such Deliverable was completed, will be made by County Project Director as soon as practicable after the County is informed by Contractor that such Deliverable has been completed and is given all the necessary information, data and documentation to verify such completion.

5.0 TERM OF CONTRACT

- 5.1 The Term of this Contract will commence upon the County's Final Acceptance of the Solution, for a Term of five years unless sooner terminated or extended, in whole or in part, as provided in this Contract (Initial Term).
- 5.2 At the end of the Initial Term, the County may, at its sole option, extend the Term of this Contract for two one-year periods (Option Terms), subject to, among others, the County's right to terminate earlier for convenience, non-appropriation of funds, default of Contractor, substandard performance of Contractor, non-responsibility of Contractor and any other term or condition of this Contract providing for early termination of this Contract by the County. If the County elects not to exercise its option to extend at the end of the Initial Term, the remaining option(s) will lapse. Each such option period will be exercised at the sole discretion of the County, as authorized by the County's Board of Supervisors (Board) in accordance with Paragraph 10.1 (Amendments and Change Notices) to this Contract.

The County maintains a database that track/monitor Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a Contract term extension option.

5.3 Notice of Expiration

Contractor must notify the Department when this Contract is within six months of the expiration of the Term as provided for hereinabove. Upon occurrence of this event, Contractor must send written notification to County Project Director, with a copy to County Project Manager, at the address herein provided in Exhibit D (County Administration) to this Contract.

6.0 CONTRACT SUM

6.1 Maximum Contract Sum

The Maximum Contract Sum under this Contract will be the maximum total monetary amount payable by the County to Contractor for supplying all the Tasks, Subtasks, Deliverables, goods, Services, and other Work specified under this Contract, inclusive of all parts, taxes, and other expenses for the Term and all Option Terms, will not exceed the total amount detailed in Exhibit H (Pricing Schedule) to this Contract. No out-of-pocket fees, costs, or expenses will be reimbursed by the County to Contractor under this Contract. There is no guarantee that the entire Contract Sum amount will be paid to Contractor under this Contract.

Any additional programming gaps that are discovered during Implementation that were not identified by Contractor as part of their proposal submission, must be remedied by Contractor at Contractor's sole expense and without any unnecessary delay.

6.1.1 Written Approval for Reimbursement

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

6.1.2 Notification of 75% of Total Contract Sum

Contractor must maintain a system of record keeping that will allow Contractor to determine when it has incurred 75% of the total Contract Sum, including Pool Dollar expenditures, authorized under this Contract. Upon occurrence of this event, Contractor must send written notification to Department at the address herein provided in Exhibit D (County Administration) to this Contract.

6.1.3 No Payment for Services Provided Following Expiration-Termination of Contract

Contractor will have no claim against the County for payment of any money or reimbursement, of any kind whatsoever, for any Service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it must immediately notify the County and must immediately repay all such funds to the County. Payment by the County for Services rendered after expiration-termination of this Contract

will not constitute a waiver of the County's right to recover such payment from Contractor. Notwithstanding the above, Contractor will be entitled to payment for Work that is satisfactorily completed after the expiration or other termination of this Contract provided that any such Work was validly executed during the Term of the Contract. This provision will survive the expiration or other termination of this Contract.

6.2 Solution Implementation

6.2.1 Cost of Solution Implementation

The County will reimburse Contractor for the cost of Solution Implementation, which will include, but not be limited to, all goods and Services for implementing the Solution (e.g., Solution Environment setup, installation of the System Hardware, License(s) for the Solution Software, installation of Solution Software, Solution Migration and Data Conversion, Acceptance Tests, training, and any other Work provided by Contractor hereunder). All payments by the County to Contractor for Solution Implementation will be paid on a per-Deliverable basis, as applicable, in accordance with the payable Deliverables identified in the PCD as "milestones", and pricing set forth in Exhibit H (Pricing Schedule) to this Contract.

6.2.2 Deliverable Milestones

A milestone will be deemed completed for purposes of this Paragraph 6.2.2 on the earliest date that all the Tasks, Subtasks, Deliverables, goods, Services, and other Work required for completion of such milestone are completed and delivered to the County, and thereafter approved in writing by the County pursuant to Paragraph 3.6 (Testing of Work) above. The determination of whether a Deliverable milestone has been completed, and the date upon which such Deliverable was approved, will be made by County Project Director as soon as practicable in accordance with Paragraph 3.6 (Testing of Work) above, after the County is informed by Contractor that such Deliverable has been completed, and is given all the necessary information, data, and documentation to verify such completion.

6.2.3 Credits to County

Contractor agrees that delayed performance by Contractor will cause damages to the County, which are uncertain and would be impracticable or extremely difficult to ascertain in advance. Contractor further agrees that, in conformity with California Civil Code Section 1671, Contractor will be liable to the County for liquidated damages in the form of credits as specified in this Paragraph 6.2.3. Parties agree these credits are fair and reasonable estimate(s) of such damages. Any amount of such damages is not and will not be construed as penalties and, when assessed, will be deducted from the County's payment that is due.

The County will be entitled to receive credit against any or all amounts due to Contractor under this Contract or otherwise, in the total amount of \$500 for each day after the due date for each occasion upon which a payable Deliverable identified in the PCD as a "milestone" has not been completed by Contractor within 15 Days after the due date. Notwithstanding the foregoing, the County will not demand any credit for Contractor's delays which are a result of delays caused by acts or omissions of the County, nor for any delays regardless of cause that may otherwise be approved in writing at the sole discretion of County Project Director. All the foregoing credits will apply separately, and cumulatively, to each milestone in the project schedule. Pursuant to this Paragraph 6.2.3, County Project Director, in their sole discretion, will assess whether credits are due to the County.

6.2.4 Termination

In addition to any other remedies available to the County under this Contract, if any Deliverable identified as a milestone is not completed within 30 Days after the applicable due date set forth in the project schedule and thereafter is not approved in writing by the County pursuant to Paragraph 3.6 (Testing of Work) above, other than as a result of delays caused solely by acts or omissions of the County, and unless County Project Director and Contractor Project Director have otherwise agreed in writing prior to such date scheduled for completion to extend such due date, then the County may, upon notice to Contractor, terminate this Contract for default in accordance with Paragraph 22.0 (Termination for Default) or for convenience in accordance with Paragraph 21.0 (Termination for Convenience) of this Contract, as determined in the sole discretion of the County.

6.2.5 Maintenance & Support (M&S)

Service Fees for provision of M&S Services by Contractor to the County, will be paid to Contractor by the County commencing upon Final Acceptance, as provided in Exhibit H (Pricing Schedule) to this Contract. Service Fees, including all components thereof, will not exceed the amounts specified in Exhibit H (Pricing Schedule) to this Contract.

6.2.6 Non-Appropriation of Funds

The County's obligation may be limited if it is payable only and solely from funds appropriated for the purpose of this Contract. Notwithstanding any other provision of this Contract, the County will not be obligated for Contractor's performance hereunder or by any provision of this Contract during any of County's future Fiscal Years unless and until the Board appropriates funds for this Contract in the County's budget for each such future Fiscal Year. In the event that funds are not appropriated for this Contract, then the County will, at its sole discretion, either: (i) terminate this Contract as of June 30 of the last Fiscal Year for which funds were

appropriated or (ii) reduce the Work provided hereunder in accordance with the funds appropriated, as mutually agreed to by the parties. The County will notify Contractor in writing of any such non-appropriation of funds at its election at the earliest possible date.

6.2.7 County's Obligation for Future Fiscal Years

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

7.0 INVOICES AND PAYMENTS

7.1 Invoices

7.1.1 Contractor must invoice the County only for providing the Tasks, Subtasks, Deliverables, goods, Services, and other Work specified in Exhibit A (Statement of Work), Attachment A.1 (Tasks and Deliverables) and elsewhere hereunder. Contractor must prepare invoices, which will include the charges owed to Contractor by the County under the terms of this Contract.

7.1.2 Contractor's invoices must be priced in accordance with Exhibit H (Pricing Schedule) to this Contract. Contractor will be paid only for the Tasks, Subtasks, Deliverables, goods, Services, and other Work approved in writing by the County. If the County does not approve Work in writing no payment will be due to Contractor for that Work.

7.1.3 Contractor must submit the monthly invoices to the County by the 15th Day of the month following the month of Service.

7.1.4 All invoices and supporting documents under this Contract must be submitted to the person designated and the address specified in Exhibit D (County Administration) as County Project Manager.

7.1.5 Invoice Details

Each invoice submitted by Contractor must indicate, at a minimum:

- a. Contract Name and Number,

- b. The Tasks, Subtasks, Deliverables, goods, Services or other Work for which payment is claimed, including Solution Implementation Deliverables, M&S Services and any Optional Work,
- c. The price of such Tasks, Subtasks, Deliverables, goods, Services or other Work calculated based on the pricing terms set forth in Exhibit H (Pricing Schedule) to this Contract, or the Change Notice including the Maximum Fixed Price, as applicable,
- d. If applicable, the date of written approval of the Tasks, Subtasks, Deliverables, goods, Services or other Work by County Project Director,
- e. Indication of any applicable withhold or Holdback amounts for payments claimed or reversals thereof,
- f. Indication of any applicable credits due to the County under the terms of this Contract or reversals thereof,
- g. If applicable, a copy of any required Acceptance Certificates signed by County Project Director, and
- h. Any other information required by County Project Director.

7.1.6 Approval of Invoices

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

7.1.7 Delivery System Software

It is the intent of the parties that if any System Software or Documentation provided by Contractor under this Contract, including any product of M&S Services and any Optional Work, is delivered to the County, such System Software and Documentation will be delivered: (i) in an electronic format (e.g., via electronic mail or internet download) or (ii) personally by Contractor staff who must load such System Software and Documentation onto the County's hardware, but who will retain possession of all originals and copies of such tangible media (e.g., USB flash drive, printed manuals, external hard drive) used to deliver the System Software and Documentation to the County.

Any System Software and Documentation that is provided or delivered by Contractor to the County in a tangible format will be F.O.B. Destination. The Contract Sum in Paragraph 6.1 (Maximum Contract Sum) above, includes all amounts necessary for the County to reimburse Contractor for all transportation and related insurance charges, if any, on System Software Components and Documentation procured by the County from Contractor pursuant to this Contract. All transportation and related insurance charges, if any, will be paid directly by Contractor to the applicable carrier. Contractor

is solely liable and responsible for, and must indemnify, defend, and hold harmless the County from, any and all such transportation and related insurance charges.

7.1.8 Delivery of System Hardware

It is the intent of the parties that all System Hardware or Documentation provided by Contractor under this Contract is provided or delivered by Contractor to the County F.O.B. Destination. Hardware delivery, set-up, installation, configuration, and optimization services are provided by Contractor to the County as specified in the Implementation Assessment Document, and pursuant to Paragraph 5.1.2 (Hardware – Contractor's Hardware Deployment Approach, Updated) of Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract.

The Contract Sum in Paragraph 6.1 (Maximum Contract Sum) above includes all amounts necessary for the County to reimburse Contractor for all transportation and related insurance charges, if any, for all System Hardware Components and Documentation procured by the County from Contractor pursuant to this Contract. All transportation and related insurance charges, if any, must be paid directly by Contractor to the applicable carrier. Contractor is solely liable and responsible for, and must indemnify, defend, and hold harmless the County from, any and all such transportation and related insurance charges.

7.1.9 Sales/Use Tax

The Contract Sum in Paragraph 6.0 (Contract Sum) above, will be deemed to include all amounts necessary for the County to reimburse Contractor for all applicable California and any other applicable state and local sales/use taxes on all Solution components and other Work provided by Contractor to the County pursuant to or otherwise due as a result of this Contract, including, but not limited to, any product of Solution Implementation, M&S Services and any Optional Work, to the extent applicable. All California sales/use taxes must be paid directly by Contractor to the State or other taxing authority.

Contractor is solely liable and responsible for, and must indemnify, defend, and hold harmless the County from, any and all such California and other state and local sales/use taxes. Further, Contractor is solely liable and responsible for, and must indemnify, defend, and hold harmless the County from, all applicable California and other state and local sales/use tax on all other items provided by Contractor pursuant to this Contract and must pay such tax directly to the State or other taxing authority. In addition, Contractor is solely responsible for all taxes based on Contractor's income or gross revenue, or personal property taxes levied or assessed on Contractor's personal property to which the County does not hold title.

7.1.10 Payments

Provided that Contractor is not in default under any provision of this Contract, the County will pay all invoice amounts to Contractor within 30 Days of receipt of invoices that have not been disputed in accordance with Paragraph 7.1.7 (Invoice Discrepancies) above. The County's failure to pay within the 30-Day period, however, will not be deemed as automatic invoice approval or Acceptance by the County of any deliverable for which payment is sought, nor will it entitle Contractor to impose an interest or other penalty on any late payment.

7.1.11 County's Right to Withhold Payment

Notwithstanding any other provision of this Contract, and in addition to any rights of the County given by law or provided in this Contract, the County may upon written notice to Contractor withhold payment for any deliverable while Contractor, with no fault of the County, is in default hereunder or default related to Work.

7.1.12 Holdbacks

7.1.13.1 The County will withhold an amount equal to 20% of each Deliverable invoice submitted by Contractor under this Contract (Holdbacks) and approved by the County pursuant to Paragraph 3.6 (Testing of Work) above, for all Work outlines in Exhibit A (Statement of Work) to this Contract, during Solution Implementation through Final Acceptance, as further specified in Exhibit H (Pricing Schedule) to this Contract, as may be amended from time to time. Holdback amounts will not apply to invoices for Optional Work, nor for ongoing M&S Services.

7.1.13.2 The cumulative amount of such Holdbacks will be due and payable to Contractor upon Final Acceptance, subject to adjustment for any amounts arising under this Contract owed to the County by Contractor, including, but not limited to, any amounts arising from Paragraphs 7.1.7 (Invoice Discrepancies) and 7.1.12 (County's Right to Withhold Payment) above, and any partial termination of any Task, Subtask or Deliverable set forth in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, as provided herein.

7.1.13 Preference Program Enterprises - Prompt Payment Program (if applicable)

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

consistent with Board Policy 3.035 ([Preference Program Payment Liaison and Prompt Payment Program](#)).

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

- 7.2.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).
- 7.2.2 Contractor must submit a direct deposit authorization request via the website <https://directdeposit.lacounty.gov> with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.
- 7.2.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.
- 7.2.4 At any time during the duration of this Contract, Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.

7.3 Invoice Discrepancy Report

- 7.3.1 County Project Manager will review all invoices for any discrepancies and issue Exhibit J [Invoice Discrepancy Report (IDR)] of this Contract to Contractor within ten Business Days of receipt of invoice if payment amounts are disputed. Contractor must review the disputed charges and submit to County Project Manager a written explanation detailing the basis for the charges within ten Business Days of receipt of the IDR from County Project Manager. If County Project Manager does not receive a written response from Contractor within ten Business Days of the County's notice to Contractor of an IDR, then County payment will be made, less the disputed charges. None of the foregoing will preclude County from seeking remedy from Contractor for invoice discrepancies discovered at any time during the term of this Contract.

8.0 ADMINISTRATION OF CONTRACT - COUNTY

8.1 County Administration

All persons administering this Contract on behalf of the County and described in this Paragraph 8.1 are identified in Exhibit D (County Administration). Unless otherwise specified, reference to each of the persons listed in such Exhibit D

(County Administration) to this Contract, will also include any authorized designee. The County will notify Contractor in writing of any change in the names and/or addresses of the persons listed in Exhibit D (County Administration) to this Contract. No member of the County is authorized to make any changes in any of the terms and conditions of this Contract other than those specifically authorized under Paragraph 10.1 (Amendments and Change Notices) below.

8.2 County Personnel

8.2.1 County Project Director

County Project Director is responsible for ensuring that the objectives of this Contract are met and for overseeing the Contract in general. County Project Director will have the right at all times to inspect any and all Work provided by or on behalf of Contractor.

8.2.2 County Project Manager

County Project Manager is responsible for ensuring that the technical, business, and operational standards and requirements of this Contract are met. County Project Manager will interface with Contractor Project Manager on a regular basis. County Project Manager will report to County Project Director regarding Contractor's performance with respect to business and operational standards and requirements of the Contract.

8.3 County Personnel, Other

All County personnel assigned to this Contract will be under the exclusive supervision of the County. Contractor understands and agrees that all such County personnel are assigned only for the convenience of the County. Contractor hereby represents that its price and performance hereunder are based solely on the Work of Contractor's personnel, except as otherwise expressly provided in this Contract.

9.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

9.1 Contractor Administration

All persons administering this Contract on behalf of Contractor and described in Paragraph 9.0 (Administration of Contract-Contractor) are identified in Exhibit E (Contractor Administration) to this Contract. All staff employed by and/or on behalf of Contractor, including the persons listed in such Exhibit E (Contractor Administration) to this Contract, must be adults who are 18 years of age or older, authorized to work in the United States, and fully fluent in both spoken and written English. Contractor must notify the County in writing of any change in the names and/or addresses of Contractor Personnel.

9.2 Contractor Personnel

9.2.1 Contractor Project Director

Contractor Project Director is responsible for Contractor's performance of all Work and ensuring Contractor's compliance with this Contract.

Contractor Project Director must meet and confer with County Project Director on a regular basis as required by the County and specified in Exhibit A (Statement of Work) to this Contract, regarding the overall maintenance of the System. Such meetings will be conducted via teleconference or in person at a time and place agreed to by County Project Director and Contractor Project Director.

9.2.2 Contractor Project Manager

Contractor Project Manager is responsible for Contractor's day-to-day activities as related to this Contract and for reporting to the County in the manner set forth in Paragraph 9.6 (Reports by Contractor) below. Contractor Project Manager must communicate with County Project Manager on a regular basis and must be available on Business Days, during Business hours, or as otherwise required by the County and this Contract, to teleconference and/or to meet with County personnel regarding the operation of this Contract, as required by County Project Director. Contractor Project Director must meet and confer with County Project Director on a regular basis, at least weekly or as otherwise required by the County. Such meetings will be conducted via teleconference or in person at a time and place agreed to by the parties.

9.3 Approval of Contractor's Staff

- 9.3.1 In fulfillment of its responsibilities under this Contract, Contractor must only utilize, or permit the utilization of, staff who are fully trained and experienced, and as appropriate, licensed or certified in the Tasks required by this Contract. Contractor must supply sufficient and competent staff at all times to discharge its responsibilities hereunder in a timely and efficient manner.
- 9.3.2 The County will have the right to approve or disapprove each member or proposed member of Contractor's key staff providing Services or on-site Work to the County under this Contract or with access to any County data or information, including County's confidential information, System data and other County materials, prior to and during their performance of any Work hereunder, as well as to approving or disapproving any proposed deletions from or other changes in such Contractor key staff. County Project Manager, exercising reasonable discretion may require replacement of any member of Contractor key staff performing or offering to perform Work hereunder. Contractor must provide the County with a resume of each proposed initial key staff member as well as a proposed substitute, and an opportunity to vet any such person prior to performance of any Work hereunder. Contractor has 30 Days from the date of the County's written request to replace such key staff.
- 9.3.3 In addition, Contractor must provide to County Project Director an executed Confidentiality and Assignment Agreement [Exhibit F2 (Contractor

Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement) to this Contract], for each member of Contractor's key staff performing Work under this Contract on or immediately after the effective date, but in no event later than the date such member of Contractor key staff first performs Work under this Contract.

- 9.3.4 Contractor must, to the maximum extent possible, take all necessary steps to ensure continuity over time of the membership of the group constituting Contractor key staff. Contractor must promptly fill any Contractor key staff vacancy with personnel having qualifications (i.e., relevant experience) at least equivalent to those of Contractor key staff member(s) being replaced.
- 9.3.5 In the event Contractor should ever need to remove any member of Contractor key staff from performing Work under this Contract, Contractor must provide the County with notice at least 15 Days in advance, except in circumstances when such notice is not possible, and must work with the County on a mutually agreeable transition plan to provide an acceptable replacement and ensure project continuity. Should the County be dissatisfied with any member of Contractor staff during the Term of the Contract, Contractor must replace such person with another whose qualifications satisfy the County, and without undue delay.

9.4 Contractor's Staff Identification

- 9.4.1 All Contractor staff, including Subcontractors and agents, who successfully complete a background investigation, as set forth in Paragraph 9.5 (Background and Security Investigations) below, must prominently display a photo identification badge on the upper part of the body when entering any County facility or grounds.
- 9.4.2 Contractor will be responsible for costs associated with any lost or stolen identification badge(s).

9.5 Background and Security Investigations

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

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

9.5.2 The County may immediately, in its sole discretion, deny or terminate all access to both physical facilities and County systems and/or data, to any member of Contractor's staff, including Subcontractor's staff, who do not pass such background investigation(s) to the satisfaction of the County and/or whose background or conduct is incompatible with the County's facility access.

9.5.3 These terms will also apply to Subcontractors of County Contractors.

9.5.4 Disqualification of any member of Contractor's staff, including Subcontractor's staff, pursuant to Paragraph 9.5 (Background and Security Investigations) will not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Contract, and without undue delay.

9.6 Reports by Contractor

In addition to any reports required elsewhere under this Contract, including Exhibit A (Statement of Work) and Attachment A.1 (Tasks and Deliverables) to this Contract, in order to control expenditures and to ensure the reporting of all Work provided by Contractor, Contractor must provide to County Project Manager, as frequently as may be requested by County Project Manager, but in no event more frequently than weekly, written reports which must include, at a minimum, the following information:

- a. Period covered by the report,
- b. Summary of Project status as of reporting date,
- c. Overview of the Work provided during the reporting period,
- d. Progress status of each Work component scheduled for the reporting period,
- e. Issues/problems encountered, proposed resolutions and projected completion dates for problem resolution,
- f. Status of contractually defined Deliverables, milestones and walk-throughs scheduled in the Project Schedule,
- g. Action items and decisions from the previous meeting,
- h. Planned activities for the next two reporting periods, and
- i. Any other information which the County may from time-to-time require.

9.7 Rules and Regulations

During the time when Contractor's employees, Subcontractors or agents are at County facilities, such persons will be subject to the applicable rules and regulations of County facilities. It is the responsibility of Contractor to acquaint such persons, who are to provide Work, with such rules and regulations. In the event that the County determines that an employee, Subcontractor or agent of Contractor has violated any applicable rule or regulation, the County will notify Contractor, and Contractor must undertake such remedial or disciplinary measures as Contractor determines appropriate. If the problem is not thereby corrected, then Contractor must permanently withdraw its employee, Subcontractor or agent from the provision of Work upon receipt of written notice from the County that: (i) such employee, Subcontractor or agent has violated such rules or regulations, or (ii) such employee's, Subcontractor's or agent's actions, while on County premises, indicate that the employee, Subcontractor or agent may adversely affect the provision of Work. Upon removal of any employee, Subcontractor or agent, Contractor must immediately replace the employee, Subcontractor or agent and must continue uninterrupted Work hereunder.

10.0 STANDARD TERMS AND CONDITIONS

10.1 Amendments and Change Notices

No representative of either the County or Contractor, including those named in this Contract, is authorized to make any changes in any of the terms, obligations, or conditions of this Contract, except through the procedures set forth in this Paragraph 10.1. The County reserves the right to change any portion of the Work required under this Contract, or amend such other terms and conditions, as may become necessary. Any such revision must be accomplished in the following specific manner:

10.1.1 For any change which does not materially affect the scope of Work, Term, Contract Sum, payments, or any material term or any other condition included under this Contract, or for any change requiring expenditure of Pool Dollars, a Change Notice to this Contract must be prepared and executed by County Project Director and Contractor Project Manager.

Change Notices requiring the expenditure of Pool Dollars will require Contractor to prepare a written scope of Work statement and quotation as the basis of the Change Notice and seek written approval of County Project Director with concurrence of County Counsel prior to commencement of any Work relating to such Change Notice, including any Optional Work. County Project Director will be authorized on behalf of the County to approve all Change Notices.

10.1.2 For any change which materially affects the scope of Work, Term, Contract Sum, payments, or any material term or condition included under this

Contract, an Amendment to this Contract must be prepared and executed by Contractor and by the Board.

10.1.3 The Board or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Contract during the Term of this Contract. The County reserves the right to add and/or change such provisions as required by the Board or Chief Executive Officer. To implement such changes, an Amendment to this Contract must be prepared and executed by Contractor and by the Sheriff, or his authorized designee.

Notwithstanding the foregoing, the Sheriff or his authorized designee, is specifically authorized to issue Contract non-renewal notices for the option Terms. Furthermore, the Sheriff is specifically authorized to prepare and execute Amendments on behalf of the County to: (i) add and/or update terms and conditions as required by the Board or the Chief Executive Office, (ii) execute any of the Option Terms if it is in the best interest of the County, (iii) delete or add equipment, provided such change does not increase the Maximum Contract Sum, (iv) effectuate Contract modifications that do not materially affect the Term of this Contract, and (v) affect assignment of rights and or delegation of duties as required under Paragraph 19.0 (Assignment and Delegation/Mergers or Acquisitions) below.

10.2 Project Control Documentation

Pursuant to Task 1 (Project Planning – Project Control Document) of Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to the Contract, Contractor must deliver to the County a Project Control Document (PCD) which includes a Detailed Work Plan (DWP). The DWP will be derived for all Work relating to Solution Implementation Services and to the extent necessary, for System Maintenance, as described in Exhibit A (Statement Work) to this Contract.

Changes to the PCD must only be made upon mutual written agreement, by both the County and Contractor via an executed Change Notice to this Contract, provided that both parties agree to alter the project schedule such that it does not prejudice either party's right to claim that such alterations constitute an Amendment to this Contract that will be governed by the terms of Paragraph 10.1 (Amendments and Change Notices) above.

10.3 Extensions of Time

Notwithstanding any other provision of Paragraph 10.1 (Amendments and Change Notices), and to the extent that extensions of time for Contractor's performance do not impact either the scope of Work or cost of this Contract, County Project Director, in his/her sole discretion, may grant Contractor extensions of time in writing for the Work listed in the PCD, provided such extensions, in the aggregate, do not exceed a total of 90 Days beyond the agreed to Final Acceptance date for the Solution.

In such event, and prior to granting any such extension(s) of time, the County will initiate a formal Project Review pursuant to Paragraph 6.0 (Project Review) of Exhibit A (Statement of Work) to this Contract. In like manner, the County will initiate a formal Project Review for each subsequent 90-Day extension thereafter. Each Project Review may result in: i) an assessment of the Project's progress to-date, ii) an assessment of the future success of the Project, iii) remedial recommendations for continued Work, or iv) a recommendation for termination of this Contract.

11.0 OWNERSHIP AND LICENSE

11.1 Solution Ownership

11.1.1 Solution Environment

Contractor acknowledges that the County or the rightful owner owns all Solution Environment components, including Solution Hardware, and all software provided by the County; while Contractor or the rightful owner will retain ownership of all Solution Environment components provided by Contractor.

11.1.2 Application Software

All Application Software provided by Contractor to the County pursuant to this Contract, including Licensed Software and Application Modifications, and related Documentation, is and will remain the property of Contractor or any rightful third-party owner with which all proprietary rights will reside, and which will be subject to the terms of the License granted pursuant to Paragraph 11.2 (License) below.

11.1.3 Solution Data

All Solution data that is provided or made accessible by the County to Contractor or is generated by the Solution or is the product of the Solution provided by Contractor hereunder, is and will remain the property of the County.

11.1.4 Work Product

Contractor or the rightful owner will remain the sole owner of Contractor's Application Software and all derivative works therein (hereinafter collectively "Work Product"). Work Product does not include any County Materials whether previously owned by the County or designed or developed by Contractor for the County.

11.2 License

11.2.1 License Grant

Subject to the provisions of Paragraph 11.1 (Solution Ownership) above, Contractor hereby grants to the County a perpetual, irrevocable, non-exclusive License to use the Solution Software or any component thereof,

as applicable, and Work Product, including any related Documentation (hereinafter "License"), by all Users in accordance with the scope set forth in Paragraph 11.2.3 (Scope of License) below and subject to the restrictions set forth in Paragraph 11.2.4 (License Restrictions) below for the period specified in Paragraph 11.2.2 (License Term) below. Notwithstanding the foregoing, upon mutual agreement of the parties, the County may obtain its own license for any third-party Software that may be provided by Contractor as part of the System Environment, the term and scope of which will be subject to the terms of the County's agreement with the provider of such Third-Party Software.

11.2.2 License Term

The License granted under this Contract will commence upon the earlier of County's access to any Solution Software component or the effective date and will continue in perpetuity and without regard to the end of the Term of this Contract.

11.2.3 Scope of License

The License granted by Contractor under this Contract provides the County with the following rights:

- a. To use, access, install, integrate with other software, operate and execute the Solution Software in the System Environment on an unlimited number of computers, servers, mobile devices, workstations, local-area networks and wide-area networks, including web connections, by an unlimited number of Users in the conduct of the business of the County as provided in this Contract,
- b. To use, modify, copy and display the Documentation, including, but not limited to the Solution and User manuals and any other specifications or Documentation provided or made accessible by Contractor to the County as necessary or appropriate for the County to fully enjoy and exercise the rights granted under this Contract and the License granted hereunder,
- c. To permit third-party access to any Solution components and Documentation, including Solution Software, or any part thereof, as necessary or appropriate for the County to fully enjoy and exercise the rights granted under this Contract and the License, including for the provision of M&S Services, Software Updates, Application Modifications, Professional Services, and other business use or support of the Solution Software as contemplated by this Contract; provided, however, without limiting the County's rights under this Paragraph 11.2.3(c), the County covenants, and agrees that it will not exercise any of the rights contained in this Paragraph 11.2.3(c) unless and until any one of the following release conditions occurs:

- i. The insolvency of Contractor, including as set forth in Paragraph 24.0 (Termination for Insolvency) of this Contract, or
 - ii. Contractor is unwilling or unable to provide all System Maintenance Services in accordance with the terms of this Contract, including Exhibit A (Statement of Work), or
 - iii. Contractor ceasing to maintain or support the current version or the last two prior Version Releases of the Application Software for reasons other than the County's failure to pay for, or election not to receive, Contractor's System Maintenance Services, and no other qualified entity will assume the obligation to provide such System Maintenance Services, which may result in County's termination of the Contract for default in accordance with Paragraph 22.0 (Termination for Default) below, or
 - iv. Successor ceasing to do business with the County with respect to this Contract, and
- d. To reproduce and use a reasonable number of copies of the Solution Software provided by Contractor: (i) by the County and permitted assignees for archive and backup purposes, and (ii) by the County for use by permitted assignees so long as all copies of the Solution Software contain the proprietary notices appearing on the copies initially furnished to the County by Contractor.

11.2.4 License Restrictions

The County acknowledges and agrees: (i) that the System Software provided by Contractor to the County under this Contract, including related Documentation, is the confidential and copyrighted property of Contractor, or its licensors, and all rights therein not expressly granted to the County are reserved to Contractor, or its licensors, as applicable, and (ii) that Contractor, or its licensors, must retain all proprietary rights in and to the foregoing. Subsequently, the License to the System Software provided by Contractor hereunder is limited by the restrictions set forth in this Paragraph 11.2.4. Accordingly, the County will not:

- a. Reverse engineer, disassemble or decompile the Application Software provided by Contractor,
- b. Transfer, sublicense, rent, lease, convey or assign the System Software provided by Contractor,
- c. Copy or reproduce the System Software provided by Contractor in any way except as reasonably necessary for backup, archival or business continuity purposes, and as specified in Paragraph 11.2.3(c) (Scope of License) above,

- d. Use the System Software provided by Contractor on a timesharing, service bureau, subscription service or rental basis for any third party, or
- e. Remove, modify or obscure any copyright, trademark or other proprietary rights notices that appear on, or during the use of, the System Software provided by Contractor.

12.0 SYSTEM ACCEPTANCE

12.1 Acceptance Tests

Contractor, with the County's assistance where applicable, must conduct all Acceptance Tests specified in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, to ensure the Solution's compliance with the requirements set forth in this Contract, including, but not limited to Exhibit A (Statement of Work), Exhibit B (Solution Requirements), and Exhibit C (Service Level Agreement), as well as all Attachments thereto. Such Acceptance Tests must test, among other things, the System's functionality, integration and interfacing, volume endurance and User Acceptance. An Acceptance Test will be deemed completed and ready for payment when Contractor provides to the County results of a successful completion of such Acceptance Test and the County approves the Acceptance Test in writing.

12.1.1 Production Use

The Solution will achieve the Go-Live Project Phase and will be ready for Production Use when County Project Director, approves in writing all Acceptance Tests under Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, leading to such Go-Live. Contractor's obligations to provide M&S, as specified in this Contract, will commence upon Go-Live for each Project Phase, as applicable.

12.1.2 Final Acceptance

The Solution will achieve Final Acceptance when County Project Director approves in writing the Solution Implementation under Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract, for all phases of the Project, as applicable. In the event the Solution fails to successfully achieve Final Acceptance in accordance with the Project Schedule, Contractor must provide to the County a diagnosis of the Deficiencies and proposed remedy(ies) for the County's approval and submit the Solution to County for re-testing as required under Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work) to this Contract. The County and Contractor must agree upon all such proposed remedies prior to their implementation.

12.1.3 Failed Testing

- 12.1.3.1 If County Project Director makes a good faith determination at any time an Acceptance Test that the Solution as a whole, or any component thereof, has not successfully completed an Acceptance Test or has not achieved Final Acceptance [collectively referred to for purposes of Paragraph 12.1.3 (Failed Testing) as "Designated Test"], County Project Director will promptly notify Contractor in writing of such failure, specifying with as much detail as possible the manner in which the Solution component or the Solution failed to pass the applicable Designated Test. Contractor must immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the Solution component or the Solution as will permit the Solution component or the Solution to be ready for retesting. Contractor must notify County Project Director in writing when such corrections, repairs and modifications have been completed, and when the applicable Designated Test will begin again. If, after the applicable Designated Test has been completed for a second time, County Project Director makes a good faith determination that the Solution component or the Solution again fails to pass the applicable Designated Test, County Project Director will promptly notify Contractor in writing, specifying with as much detail as possible the manner in which the Solution component or the Solution again failed to pass the applicable Designated Test. Contractor must immediately commence all reasonable efforts to complete, as quickly as possible, such necessary corrections, repairs and modifications to the Solution component or the Solution as will permit the Solution component or the System to be ready for additional retesting.
- 12.1.3.2 Such procedure will continue, subject to the County's rights under Paragraph 6.2.4 (Termination) above, in the event Contractor fails to timely complete any Deliverable identified as a milestone, until such time as the County notifies Contractor in writing either: (i) of the successful completion of such Designated Test or (ii) that the County has concluded that satisfactory progress toward such successful completion of such Designated Test is not being made, in which latter event, the County will have the right to make a determination, which will be binding and conclusive on Contractor, that a non-curable default has occurred and to terminate this Contract in accordance with Paragraph 22.0 (Termination for Default) below on the basis of such non-curable default. In the event Contractor, using good faith effort, is unable to cure a Deficiency by re-performance after two attempts, the

County and Contractor will work together to agree on a mutually acceptable resolution, provided that if the County and Contractor cannot agree on a resolution, the County may terminate this Contract for default pursuant to Paragraph 22.0 (Termination for Default) below.

- 12.1.3.3 Such a termination for default by the County will be either, as determined by the County in its sole judgment: (i) a termination with respect to one or more of the components of the Solution, or (ii) if the County believes the failure to pass the applicable Designated Test materially affects the functionality, performance or desirability to the County of the Solution as a whole, this entire Contract. In the event of a termination under Paragraph 12.1.3 (Failed Testing), the County will have the right to receive from Contractor reimbursement of all payments made to Contractor by the County under this Contract for the Solution component(s) and related Deliverables as to which the termination applies or if the entire Contract is terminated, all amounts paid by the County to Contractor under this Contract. If the termination applies only to one or more Solution component(s), at the County's sole option, any reimbursement due to it may be credited against other sums due and payable by the County to Contractor. The foregoing is without prejudice to any other rights that may accrue to the County or Contractor under the terms of this Contract or by law.

12.1.4 System Use

Subject to the County's obligations of Acceptance set forth in Attachment A.1 (Tasks and Deliverables) to Exhibit A (Statement of Work), and this Contract, following Solution Implementation by Contractor and prior to Final Acceptance by the County, the County will have the right to use, in a Production Use mode, any completed portion of the System, without any additional cost to the County where County determines that it is necessary for County's operations. Such Production Use will not restrict Contractor's performance under this Contract and will not be deemed Final Acceptance of the Solution.

13.0 REPRESENTATIONS AND WARRANTIES

13.1 General Warranties

Contractor represents warrants, covenants, and agrees that throughout the entire Term of this Contract:

- a. Contractor must comply with the description and representations (including, but not limited to, Deliverable documentation, performance capabilities, accuracy, completeness, characteristics, specifications, Configurations, standards, functions and requirements applicable to professional software design meeting

industry standards) set forth in this Contract, Exhibit A (Statement of Work) to this Contract, and all Attachments thereto and Solution Requirements.

- b. Unless specified otherwise herein, the Solution must be free from material Deficiencies.
- c. The M&S Service Levels must not degrade during the entire Term of this Contract.
- d. Contractor must not intentionally cause any unplanned interruption of or accessibility to the Solution or any component through any device, method or means including, without limitation, the use of any "virus", "lockup", "time bomb", "key lock", "worm", "back door" or "Trojan Horse" device or program, or any disabling code, which has the potential or capability of compromising the security of County's confidential or proprietary information or of causing any unplanned interruption of the operations of, or accessibility of the Solution or any component to the County or User or which could alter, destroy, or inhibit the use of the System or any component, or the data contained therein (collectively referred to as "Disabling Device(s)"), which could block access to or prevent the use of the Solution or any component by the County or Users. Contractor represents, warrants, and agrees that it has not purposely placed, nor is it aware of, any Disabling Device in any Solution component provided to the County under this Contract, nor must Contractor knowingly permit any subsequently delivered or provided Solution component to contain any Disabling Device.

In addition, Contractor must prevent viruses from being incorporated or introduced into the Solution or updates or enhancements thereto prior to the installation onto the Solution and must prevent any viruses from being incorporated or introduced in the process of Contractor's performance of on-line support.

13.2 Standard of Services

Contractor's Services and other Work required by this Contract must, during the Term of this Contract, conform to reasonable commercial industry standards as they exist in Contractor's profession or field of practice. If Contractor's Services or other Work provided under this Contract fail to conform to such industry standards, upon notice from the County specifying the failure of performance, Contractor must also, at Contractor's sole expense, provide the applicable remedy as specified in this Contract, including Exhibit A (Statement of Work) and Exhibit C (Service Level Agreement) to this Contract. Contractor must, at its own expense, correct any data in which (and to the extent that) errors have been caused by Contractor or malfunctions of the Solution or by any other tools introduced by Contractor into the Solution for the purpose of performing Services or other Work under this Contract or otherwise.

13.3 System Warranties and Problem Resolution

Contractor hereby warrants to the County that the Solution must be free from any and all Deficiencies commencing from Production Use of the System through the Term of the Contract. All Deficiencies reported or discovered must be corrected in accordance with the Exhibit A (Statement of Work) and Exhibit C (Service Level Agreement) to this Contract and will be at no cost to the County beyond the payment of the applicable M&S fees under this Contract.

Contractor also represents, warrants, covenants and agrees that throughout the entire Term of this Contract:

- a. All Solution components must be compatible with each other and, to the extent applicable or required, must interface with each other; and the Solution components, when taken together, must be capable of delivering all the functionality as set forth in this Contract, including any Third-Party Software and Interfaces, as applicable.
- b. Any Solution enhancements or upgrades must be backward compatible with the County's standard browser(s) and operating system version(s) operated on County workstations.
- c. The Solution, including the System, must be capable of delivering all the functionality and meeting all requirements as set forth in this Contract, including the Solution Requirements, security requirements and the specifications.
- d. The Solution must meet the Solution Performance Requirements within Contractor's control, including, but not limited to, those relating to response time and Solution Availability, as further specified in Exhibit A (Statement of Work), Attachment A.1 (Tasks and Deliverables), and Exhibit C (Service Level Agreement) to this Contract. All Solution Performance Deficiencies, for the purpose of determining the applicable Deficiency Resolution Time and County remedies, including Service Credits, will be deemed Severity Level 1 or Severity Level 2, as determined by County Project Director.

13.4 Continuous Product Support

13.4.1 In the event that Contractor replaces any or all components of the Application Software with other software modules or components (hereinafter "Replacement Product") during the entire Term of the Contract in order to fulfill its obligations under this Contract and to meet the Solution Requirements, then the License will be deemed to automatically include such Replacement Product without cost or penalty to the County even if such Replacement Product contains greater functionality than the Application Software it replaced. If required by the County, Contractor must provide the necessary training to County personnel to utilize the Replacement Product at no cost to the County.

13.4.2 In the event any or all components of the Application Software are migrated to the Replacement Product as a result of an acquisition, sale, assignment,

transfer or other change in control of Contractor, then any assignee or successor, by taking benefit (including, without limitation, acceptance of any payment under this Contract), will be deemed to have ratified this Contract, subject to the requirements of Paragraph 19.0 (Assignment and Delegation/Mergers or Acquisitions) below. All terms and conditions of this Contract will continue in full force and effect for the Replacement Product.

13.4.3 The following terms and conditions will apply if the County elects to transfer the License to a Replacement Product:

- a. Contractor, or its assignee or successor, must at no cost to the County, implement the Replacement Product in the Solution Environment, convert and migrate all of the Solution data from the Application Software format to the Replacement Product format to ensure Production Use of such Replacement Product,
- b. Any prepaid Service Fees for the Solution must transfer in full force and effect for the balance of the Replacement Product's maintenance and support term (or equivalent service) at no additional cost. If the prepaid amount is greater than the Replacement Product's maintenance and support fees for the same Term, the credit balance must be applied to future M&S fees or returned to the County, at the County's option,
- c. All modules offered separately must match the original Application Software's level of functionality, must be supplied by Contractor, or its assignee or successor, without additional cost or penalty to the County, and must not affect the calculation of any annual fees,
- d. Contractor must provide to the County the necessary training for purposes of learning the Replacement Product. Such training must be provided at no cost to the County and without undue delay,
- e. All License terms and conditions, at a minimum, must remain as granted herein with no additional fees imposed on the County, and
- f. The definition of Application Software must include the Replacement Product.

13.4.4 Warranty Pass-Through

Contractor must assign to the County to the fullest extent permitted by law or by this Contract, and must otherwise ensure that the benefits of any applicable warranty or indemnity offered by any manufacturer of any Solution component or any other Solution product or Service provided hereunder must fully extend to and be enjoyed by the County.

13.4.5 Remedies

The Contractor acknowledges that a breach by Contractor of this Paragraph 13.4.5 may result in irreparable injury to the County that may not be adequately compensated by monetary damages and that, in addition to the

County's other rights under this Paragraph 13.4.5 and at law and in equity, the County will have the right to seek injunctive relief to enforce the provisions of this Paragraph 13.4.5. The provisions of this Paragraph 13.4.5 will survive the expiration and/or termination of this Contract.

Contractor must take all reasonable actions necessary or advisable to protect the Solution from loss or damage by any cause. Contractor bears the full risk of loss or damage to the Solution and any Solution data by any cause other than resulting from force majeure or the County's sole fault, to include the repair or replacement by Contractor, at its own expense, of the non-conforming Solution component(s), as well as an assessment of Service Credits and any other corrective measures specified in Exhibit A (Statement of Work), Attachment A.1 (Task and Deliverables) and Exhibit C (Service Level Agreement) to this Contract.

13.4.6 Breach of Warranty Obligations

Failure by Contractor to timely perform its obligations set forth in Paragraph 13.4 (Continuous Product Support) will constitute a material breach, upon which, in addition to the County's other rights and remedies set forth herein, the County may, after written notice to Contractor and provision of a reasonable cure period, terminate this Contract in accordance with Paragraph 22.0 (Termination for Default) below.

14.0 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

14.1 General Insurance Requirements

Without limiting Contractor's indemnification of the County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 14.0 (General Provisions for all Insurance Coverage) and 15.0 (Insurance Coverage) of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Contract.

14.2 Evidence of Coverage and Notice to County

14.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to the County, and a copy of an Additional Insured endorsement confirming the County and its Agents (defined below) has been given Insured status under Contractor's General Liability policy, must be delivered to the County as stated in Paragraph 14.2.2 below and provided prior to commencing services under this Contract.

- 14.2.2 Renewal Certificates must be provided to the County not less than ten Days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.
- 14.2.3 Certificates must identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate must match the name of the contractor identified as the contracting party in this Contract. Certificates must provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- 14.2.4 Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by Contractor, its insurance broker(s) and/or insurer(s), will be construed as a waiver of any of the Required Insurance provisions.
- 14.2.5 Certificates and copies of any required endorsements must be sent to County Project Director, with a copy to County Project Manager, at the address herein provided in Exhibit D (County Administration) to this Contract.
- 14.2.6 Contractor also must promptly report to the County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also must promptly notify the County of any third-party claim or suit filed against Contractor or any of its Subcontractors which arises from or relates to this Contract and could result in the filing of a claim or lawsuit against Contractor and/or the County.

14.3 Additional Insured Status and Scope of Coverage

The County, its Special Districts, Elected Officials, Officers, Agents, employees, and volunteers (collectively the County and its Agents) must be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. The County and its Agents additional insured status will 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 the County. The full policy limits and scope of protection also must apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance

specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

14.4 Cancellation of or Changes in Insurance

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

14.5 Failure to Maintain Insurance

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

14.6 Insurer Financial Ratings

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

14.7 Contractor's Insurance Must Be Primary

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

14.8 Waivers of Subrogation

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

14.9 Subcontractor Insurance Coverage Requirements

Contractor must include all Subcontractors as insureds under Contractor's own policies or must provide the County with each Subcontractor's separate evidence of insurance coverage. Contractor will be responsible for verifying each Subcontractor complies with the Required Insurance provisions herein and must

require that each Subcontractor name the County and Contractor as additional insureds on the Subcontractor's General Liability policy. Contractor must obtain the County's prior review and approval of any Subcontractor request for modification of the Required Insurance.

14.10 Deductibles and Self-Insured Retentions (SIRs)

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

14.11 Claims Made Coverage

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

14.12 Application of Excess Liability Coverage

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

14.13 Separation of Insureds

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

14.14 Alternative Risk Financing Programs

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

14.15 County Review and Approval of Insurance Requirements

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

15.0 INSURANCE COVERAGE

15.1 Commercial General Liability Insurance

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

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

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

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

15.4 Property Coverage

If Contractor is given exclusive use of County owned or leased property, Contractor must carry property coverage at least be as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents must be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment must be insured for their actual cash value. Real property and all other personal property must be insured for their full replacement value.

15.5 Technology Errors & Omissions Insurance

Insurance for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render computer or information technology services and technology products. Coverage for violation of software copyright should be included. Technology services should at a minimum include (i) systems analysis, (ii) systems

programming, (iii) data processing, (iv) systems integration, (v) outsourcing including outsourcing development and design, (vi) systems design, consulting, development, and modification, (vii) training services relating to computer software or hardware, (viii) management, repair and maintenance of computer products, networks, and systems, (ix) marketing, selling, servicing, distributing, installing, and maintaining computer hardware or software, (x) data entry, modification, verification, maintenance, storage, retrieval or preparation of data output, and (xi) any other services provided by the vendor with limits of not less than \$10 million.

15.6 Cyber Liability Insurance

Contractor must secure and maintain cyber liability insurance coverage with limits of \$10 million per occurrence and in the aggregate during the term of the Contract, including coverage for: (i) network security liability, (ii) privacy liability, (iii) privacy regulatory proceeding, defense, response, expenses and fines, (iv) technology professional liability (errors and omissions), (v) privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs), (vi) system breach, (vii) denial or loss of service, (viii) introduction, implantation, or spread of malicious software code, (ix) unauthorized access to or use of computer systems, (x) Data/Information loss and business interruption, and (xi) any other liability or risk that arises out of this Contract. The Contractor must add the County and its Agents as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, will not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

15.7 Intellectual Property Warranty and Indemnification

15.7.1 Indemnification – General

Notwithstanding any provision to the contrary, whether expressly or by implication, Contractor must indemnify, defend, and hold harmless the County and its Agents from and against any and all liability, including, but not limited to, demands, claims, actions, fees, damages, costs, and expenses (including attorneys and expert witness fees) arising from any alleged or actual infringement of any third party's patent or copyright, or any alleged or actual unauthorized trade secret disclosure, arising from or related to this Contract and/or the operation and use of the System (collectively referred to for purposes of this Paragraph 15.7.1 as "Infringement Claim(s)").

Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 15.7.1 must be conducted by Contractor and performed by counsel selected by Contractor. The County will provide Contractor with information, reasonable assistance, and authority to defend

or settle the claim. Notwithstanding the foregoing, the County will retain the right to participate in any such defense at its sole cost and expense.

15.7.2 Indemnification – Intellectual Property

- 15.7.2.1 Notwithstanding any provision to the contrary, whether expressly or by implication, from and against any and all third-party liability, including, but not limited to, demands, claims, actions, fees, damages, costs, and expenses (including attorneys and expert witness fees) arising from any alleged or actual infringement of any third party's patent or copyright, or any alleged or actual unauthorized trade secret disclosure, arising from or related to this Contract and/or the operation and use of the System (collectively referred to for purposes of Paragraph 15.7.2 (Indemnification – Intellectual Property) as "Infringement Claim(s)").
- 15.7.2.2 Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 15.7.2 (Indemnification – Intellectual Property) must be conducted by Contractor and performed by counsel selected by Contractor. The County will provide Contractor with information, reasonable assistance and authority to defend or settle the claim. Notwithstanding the foregoing, the County will retain the right to participate in any such defense at its sole cost and expense.
- 15.7.2.3 Contractor must pay and is solely responsible for the amount of any resulting adverse final judgement issued by a court of competent jurisdiction, or of any settlement made by Contractor in writing.
- 15.7.2.4 Contractor will have no liability hereunder if the claim of infringement or an adverse final judgment rendered by a court of competent jurisdiction results from: (i) the County's use of a previous version of the Solution, and the claim would have been avoided had the County used the current version of the software, (ii) the County's combining the Solution with devices or products not intended or approved by Contractor, (iii) use of the Solution in applications, business environments or processes for which the Solution was not designed or contemplated, and where use of the Solution outside of such application, environment or business process would not have given rise to the claim, (iv) corrections, modifications, alterations or enhancements that the County made to the Solution and such correction, modifications, alterations or enhancements is determined by a court of competent jurisdiction to be a contributing (e.g., material and/or substantive) cause of the infringement, (v) use of the Solution by any person or entity other than Users, or (vi) subject to

Contractor's remedial measures, the County's willful infringement, including continued use of Contractor's infringing Solution after being notified by Contractor that such infringing Solution is, or is likely to become, the subject of a third-party claim.

- 15.7.2.5 Contractor must, at its option and at no cost to the County, engage in remedial measures by, either: (i) disabling without delay, the affected Software component, as applicable, and either (ii) procuring the right, by license or otherwise, for the County to continue to use the Solution or affected component(s) thereof, or part(s) thereof, to the same extent of County's License, or (iii) replacing or modifying the Solution or any component(s) thereof with another software or component(s) thereof of at least equivalent quality and performance capabilities, as mutually determined and agreed to by the County and Contractor, until the Solution and all components thereof become non-infringing, non-misappropriating and non-disclosing [hereinafter collectively for the purpose of Paragraph 15.7 (Intellectual Property Warranty and Indemnification) "Remedial Act(s)"]. The foregoing states Contractor's entire liability and County's sole and exclusive remedy with respect to Paragraph 15.7 (Intellectual Property Warranty and Indemnification).
- 15.7.2.6 Failure by Contractor to provide and complete the Remedial Acts described in Paragraph 15.7.2.5 above will constitute a material breach of this Contract, upon which the County will be entitled to terminate this Contract for default pursuant to Paragraph 22.0 (Termination for Default) below.

16.0 LIQUIDATED DAMAGES

- 16.1 If, in the judgment of the Sheriff, or his authorized designee, Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Sheriff, or his authorized designee, at their option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from Contractor's invoice for Work not performed. A description of the Work not performed and the amount to be withheld or deducted from payments to Contractor from the County, will be forwarded to Contractor by the Sheriff, or his authorized designee, in a written notice describing the reasons for said action.
- 16.2 If the Sheriff, or his authorized designee, determines that there are deficiencies in the performance of this Contract that the Sheriff, or his authorized designee, deems are correctable by Contractor over a certain time span, the Sheriff, or his authorized designee, 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 Sheriff, or his authorized designee, may:

- (a) deduct from Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of 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 \$500 per Day per infraction, hereunder, and that Contractor will be liable to the County for liquidated damages in said amount. Said amount will be deducted from the County's payment to the Contractor; and/or (c) upon giving five Business Days' notice to Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the Work by an alternate source, whether it be the County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from the County, as determined by the County.
- 16.3 The action noted in Paragraph 16.2 above must not be construed as a penalty, but as adjustment of payment to Contractor to recover the County cost due to the failure of Contractor to complete or comply with the provisions of this Contract.
- 16.4 Paragraph 16.0 (Liquidated Damages) must not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in Paragraph 16.2 above, and must not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

17.0 CONFIDENTIALITY

17.1 Confidential Information

- 17.1.1 Contractor must maintain the confidentiality of all records and information in accordance with all applicable federal, state, and local laws, rules, regulations, ordinances, directives, guidelines, policies, and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 17.1.2 Contractor must indemnify, defend, and hold harmless the County, its officers, elected officials, 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 Paragraph 17.0 (Confidentiality), as determined by the County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 17.0 (Confidentiality) will be conducted by Contractor and performed by counsel selected by Contractor and approved by the County. Notwithstanding the preceding sentence, the County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor

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

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

17.1.4 Contractor must sign and adhere to the provisions of Exhibit F1 (Contractor Acknowledgment, Confidentiality, and Copyright Assignment Agreement) to this Contract.

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

17.1.6 Contractor will cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit F3 (Contractor Non-Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement) to this Contract.

17.2 Disclosure of Information

With respect to any of County's Confidential Information or any other records, materials, data or information that is obtained by Contractor (hereinafter collectively for the purpose of this Paragraph 17.2 "information"), Contractor must: (i) not use any such information for any purpose whatsoever other than carrying out the express terms of this Contract, (ii) promptly transmit to the County all requests for disclosure of any such information, (iii) not disclose, except as otherwise specifically permitted by this Contract, any such information to any person or organization other than the County without prior written approval of County's contract administrator in consultation with County's Chief Information Security Officer and/or Chief Privacy Officer, and (iv) at the expiration or termination of this Contract, return all such information to the County or maintain such information according to the written procedures provided or made available to Contractor by the County for this purpose. If required by a court of competent jurisdiction or an administrative body to disclose County Information, Contractor must notify County Project Director immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.

17.3 Disclosure Restrictions of Non-Public Information

While performing Work under this Contract, Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals, sealed court records, and other materials described and/or identified as "Internal Use", "Confidential" or "Restricted" as defined in Board of Supervisors Policy 6.104 – Information Classification Policy as NPI. Contractor must not disclose or publish any County NPI and material received or used in performance of this Contract. This disclosure obligation is perpetual for Contractor, its officers, employees, agents and Subcontractors.

17.4 Individual Requests

Contractor must acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. Contractor must have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from County within seven Days. If an individual makes a request directly to Contractor involving County Information, Contractor must notify County within five Days and County will coordinate an appropriate response, which may include instructing Contractor to assist in fulfilling the request. Similarly, if Contractor receives a privacy or security complaint from an individual regarding County Information, Contractor must notify County as described in Paragraph 18.0 (Security) below, and County will coordinate an appropriate response.

17.5 Retention of County Information

Contractor must not retain any County Information for any period longer than necessary for Contractor to fulfill its obligations under this Contract and applicable law.

18.0 SECURITY

18.1 System Security

Notwithstanding anything to the contrary herein, Contractor must provide all Work utilizing security technologies and techniques in accordance with the industry standards, Contractor's best practices and applicable County security policies, procedures and requirements provided by the County to Contractor in writing as part of the RFP (and incorporated by this reference), this Contract or otherwise as required by law, including those relating to the prevention and detection of fraud or other inappropriate use or access of Systems and networks. Without limiting the generality of the foregoing, Contractor must implement and use network management and maintenance applications and tools and fraud prevention and detection and encryption technologies and prevent the introduction of any Disabling Device into the Solution, as further specified in this Contract and Attachment C.1 (County Information Security and Privacy Requirements) to this Contract. In no event must Contractor's actions or inaction result in any situation

that is less secure than the security that Contractor then provides for its own Systems and data.

18.2 Solution Data Security

Contractor hereby acknowledges the right of privacy of all persons whose information is stored in the Solution data or any other County data. Contractor must protect, secure and keep confidential all Solution data in compliance with all federal, state and local laws, rules, regulations, ordinances, guidelines and directives relating to confidentiality and information security, and Attachment C.1 (County Information Security and Privacy Requirements), including any breach of the security of the Solution, such as any unauthorized acquisition of Solution data that compromises the security, confidentiality or integrity of personally identifiable information. Further, Contractor must take all reasonable actions necessary or advisable to protect all Solution data in its possession, custody or control from loss or damage by any cause, including fire, theft or other catastrophe. In addition, if requested by County Project Director, Contractor must provide notification to all persons whose unencrypted personal information was, or is reasonably believed to have been, acquired by any unauthorized person, and the content, method and timing of such notification will be subject to the prior approval of County Project Director. Contractor must not use Solution data for any purpose or reason other than to fulfill its obligations under this Contract.

18.3 Protection of Electronic County Information – Data Encryption

Contractor that electronically transmits or stores Personal Information (hereinafter “PI”), Protected Health Information (hereinafter “PHI”) and/or Medical Information (hereinafter “MI”) must comply with the encryption standards set forth below and incorporated into this Contract and all Amendments thereto (collectively, the “Encryption Standards”), as required by the Board of Supervisors Policy Number 5.200 (hereinafter “Policy”). For purposes of this Paragraph 18.3, “PI” is defined in California Civil Code Section 17910.29(g); “PHI” is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations; and “MI” is defined in California Civil Code Section 56.05(j).

18.3.1 Encryption Standards – Stored Data

Contractor’s and Subcontractors’ workstations and portable devices that are used to access, store, receive and/or transmit County PI, PHI or MI (e.g., mobile, wearables, tablets, thumb drives, external hard drives) require encryption (i.e., software and/or hardware) in accordance with: (a) Federal Information Processing Standard Publication (FIPS) 140-2, (b) National Institute of Standards and Technology (NIST) Special Publication 800-57 Recommendation for Key Management – Part 1: General (Revision 3), (c) NIST Special Publication 800-57 Recommendation for Key Management – Part 2: Best Practices for Key Management Organization; and (d) NIST Special Publication 800-111 Guide to Storage Encryption Technologies for End User Devices. Advanced Encryption Standard (AES) with cipher

strength of 256-bit is minimally required. Contractor's and Subcontractors' use of remote servers (e.g., cloud storage, Software-as-a-Service or SaaS) for storage of County PI, PHI and/or MI will be subject to written pre-approval by the County's Office of the Chief Information Officer.

18.3.2 Encryption Standards – Transmitted Data

All transmitted (e.g., network) County PI, PHI and/or MI require encryption in accordance with: (a) NIST Special Publication 800-52 Guidelines for the Selection and Use of Transport Layer Security Implementations, and (b) NIST Special Publication 800-57 Recommendation for Key Management – Part 3: Application-Specific Key Management Guidance. Secure Sockets Layer (SSL) is minimally required with minimum cipher strength of 128-bit.

18.3.3 Definition References

- a. As used in this Policy, the phrase "Personal Information" will have the same meaning as set forth in subdivision (g) of California Civil Code section 17910.29.
- b. As used in this Policy, the phrase "Protected Health Information" will have the same meaning as set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and implementing regulations.
- c. As used in this Policy, the phrase "Medical Information" will have the same meaning as set forth in subdivision (j) of California Civil Code section 56.05.

18.3.4 Compliance

By executing this Contract, Contractor (on behalf of itself and any and all County-approved Subcontractors) certifies its compliance with the Policy and the data encryption requirements specified in this Paragraph 18.3.4 as of the effective date of this Contract, during the Term of this Contract and for as long as Contractor (or any of its Subcontractors) is in possession of County PI, PHI and/or MI. Such certification will be evidenced by submission of a completed and signed form set forth in Attachment C.3 (Compliance with Departmental Encryption Requirements) to this Contract, prior to being awarded this Contract by the Board. In addition to the foregoing, Contractor must maintain any validation or attestation reports that it or its County-approved Subcontractors' data encryption product(s) generate, and such reports will be subject to audit in accordance with this Contract. The County requires that, if non-compliant, Contractor develop and execute a corrective action plan. Failure on the part of Contractor to comply with any of the provisions of this Paragraph 18.3.4 Compliance will constitute a material breach of this Contract, upon which the County may terminate or suspend this Contract, deny Contractor access to the County IT resources and/or take such other actions as deemed necessary or appropriate by the County.

18.3.5 No Policy Exceptions

There are no exceptions to this Policy, except as expressly approved by the Board in writing.

19.0 ASSIGNMENT AND DELEGATION/MERGERS OR ACQUISITIONS

- 19.1 Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.
- 19.2 Contractor cannot assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior express written consent of the County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of Paragraph 19.0 (Assignment and Delegation/Mergers or Acquisitions), the County consent will require a written Amendment to this Contract, which must be formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract will be deductible, by the County against the claims Contractor may have against the County.
- 19.3 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than Contractor, whether through assignment, Subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the County's express prior written approval, will be a material breach of this Contract which may result in the termination of this Contract. In the event of such termination, the County will be entitled to pursue the same remedies against Contractor under this Contract as in the event of default by Contractor.

20.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 41.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) below will constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within 90 Days of written notice will be grounds upon which the County may terminate this Contract pursuant to Paragraph 22.0 (Termination for Default) below and pursue debarment of the Contractor, pursuant to [County Code Chapter 2.202](#).

21.0 TERMINATION FOR CONVENIENCE

- 21.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of Work hereunder will be effected by notice of termination to Contractor specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective will be no less than ten Days after the notice is sent.
- 21.2 After receipt of a notice of termination and except as otherwise directed by the County, Contractor must:
 - a. Stop Work under this Contract on the date and to the extent specified in such notice, and
 - b. Complete performance of such part of the Work as would not have been terminated by such notice.
- 21.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract must be maintained by Contractor in accordance with Paragraph 67.0 (Record Retention and Inspection-Audit Settlement) below.

22.0 TERMINATION FOR DEFAULT

- 22.1 The County may, by written notice to Contractor, terminate the whole or any part of this Contract, if, in the judgment of County Project Director:
 - a. Contractor has materially breached this Contract, or
 - b. Contractor fails to timely provide and/or satisfactorily perform any Task, Subtask, goods, Deliverable, Service, or other Work required either under this Contract, or
 - c. Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five Business Days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.
- 22.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 22.1 above, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. Contractor will be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and

services. Contractor must continue the performance of this Contract to the extent not terminated under the provisions of Paragraph 22.0 (Termination for Default).

- 22.3 Except with respect to defaults of any Subcontractor, Contractor will not be liable for any such excess costs of the type identified in Paragraph 22.2 above, if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: (i) acts of God or of the public enemy, (ii) acts of the County in either its sovereign or contractual capacity, (iii) acts of federal or state governments in their sovereign capacities, (iv) fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and (v) unusually severe weather; but in every case, the failure to perform must be beyond the control and without the 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 the fault or negligence of either of them, Contractor will not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in Paragraph 22.0 (Termination for Default), the term "Subcontractor(s)" means Subcontractor(s) at any tier.
- 22.4 If, after the County has given notice of termination under the provisions of Paragraph 22.0 (Termination for Default) it is determined by the County that Contractor was not in default under the provisions of Paragraph 22.0 (Termination for Default) or that the default was excusable under the provisions of Paragraph 22.3 above, the rights and obligations of the parties will be the same as if the notice of termination had been issued pursuant to Paragraph 21.0 (Termination for Convenience) above.
- 22.5 The rights and remedies of the County provided in Paragraph 22.0 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

23.0 TERMINATION FOR IMPROPER CONSIDERATION

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

be made to the Los Angeles County Fraud Hotline at (800) 544-6861 or <https://fraud.lacounty.gov/>.

- 23.3 Improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, tangible gifts, or other such items and means.

24.0 TERMINATION FOR INSOLVENCY

- 24.1 The County may terminate this Contract immediately and without delay if any of the following occur:
- a. Insolvency of Contractor. Contractor will be deemed to be insolvent if it has ceased to pay its debts for at least 60 Days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code,
 - b. The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code,
 - c. The appointment of a Receiver or Trustee for Contractor, or
 - d. The execution by Contractor of a general assignment for the benefit of creditors.
- 24.2 The rights and remedies of the County provided in Paragraph 24.0 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

25.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

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

26.0 TERMINATION FOR NON-APPROPRIATION OF FUNDS

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

27.0 EFFECT OF TERMINATION

27.1 Termination by County

In the event that the County, upon written notice to Contractor, terminates this Contract in whole or in part as provided herein, then:

- a. Contractor and the County will continue the performance of this Contract to the extent not terminated,
- b. Contractor must stop Work under this Contract on the date and to the extent specified in such notice and provide to the County all completed Work and Work in progress, in a medium reasonably requested by the County,
- c. Contractor must: (i) promptly return to the County any and all County Confidential Information, County Materials and any other County data relating to that portion of this Contract and Work terminated by the County, and (ii) destroy all such Confidential Information, County Materials and other County data as required in and in accordance with the provisions of Attachment C.1 (County Information Security and Privacy Requirements) to this Contract,
- d. The County will pay Contractor all monies due, upon receiving Contractor's invoice(s), in accordance with the terms of this Contract for the Work completed up to the time of termination,
- e. Contractor must return to the County all monies paid by County, yet unearned by Contractor, including any prorated prepaid Service Fees calculated depending on the date of termination, if applicable,
- f. Upon termination by the County for default pursuant to Paragraph 22.0 (Termination for Default) above or for insolvency pursuant to Paragraph 24.0 (Termination for Insolvency) above, the County will have the right to procure, upon such terms and in such a manner as the County may deem appropriate, goods, Services and other Work, similar to those so terminated, and Contractor must be liable to the County for, and must promptly pay to the County by cash payment, any and all excess costs incurred by the County, as determined by the County, to procure and furnish such similar goods, Services and other Work, and
- g. Contractor understands and agrees that the County has obligations that it cannot satisfy without use of the Solution provided to the County hereunder or an equivalent solution, and that a failure to satisfy such obligations could result in irreparable damage to the County and the entities it serves. Therefore, Contractor agrees that in the event of any termination of this Contract, Contractor must fully cooperate with the County in the transition of the County to a new solution, toward the end that there be no interruption of the County's day-to-day operations due to the unavailability of the Solution during such transition. Upon written notice to Contractor, Contractor must allow the County or a County-selected Subcontractor a transition period until expiration of the term of this Contract, or in all other cases, at a date specified by the County,

for the orderly turnover of Contractor's Contract activities and responsibilities without any additional cost to the County.

27.2 Termination Transition Services

Contractor must assist the County in transitioning from the Solution by providing Transition Services, as provided below. Upon the expiration or termination of this Contract, the County may require Contractor to provide Services in the form of Optional Work to assist the County to transition System operations from Contractor to the County or the County's designated third party ("Transition Services"). Upon the County's request for Transition Services, the County and Contractor agree to negotiate in good faith the scope of work and the price for such Transition Services.

Contractor agrees that if the County terminates this Contract for any breach by Contractor or for insolvency of Contractor, Contractor must perform all Transition Services as required by the County at no cost to the County. Contractor must provide the County with all the Transition Services as provided in this Paragraph 27.2. The duty of Contractor to provide any Transition Services pursuant to this Paragraph 27.2 will be conditioned on the County continuing to comply with its obligations under this Contract, including payment of all applicable fees. Contractor has no right to withhold or limit its performance of the Transition Services based on any alleged breach of this Contract by the County, other than a failure by the County to timely pay Contractor the invoiced amounts due and payable hereunder. The County will have the right to seek specific performance of this Paragraph 27.2 in any court of competent jurisdiction and Contractor hereby waives any defense that damages are an adequate remedy. Compliance with this Paragraph 27.2 by either party will not constitute a waiver or estoppel regarding any rights or remedies available to the parties. In the event of termination for default based on a breach by Contractor, the value of Transition Services provided to the County, based on the most recent prices applicable under this Contract to similar Services, will be applied in mitigation of any damages that may be awarded.

28.0 ACCESS TO COUNTY FACILITIES

Contractor, its employees, and agents, may be granted access to County facilities, subject to Contractor's prior notification to County Project Manager, for the purpose of executing Contractor's obligations hereunder. Access to County facilities may be restricted to normal business hours, 8:00 a.m. until 5:00 p.m., Pacific Time, Monday through Friday, County-observed holidays excepted. Access to County facilities outside of normal business hours must be approved in writing in advance by County Project Manager, which approval will not be unreasonably withheld. Contractor must have no tenancy, or any other property or other rights, in County facilities. While present at County facilities, Contractor's personnel will be accompanied by County personnel at all times, unless this requirement is waived in writing prior to such event by County Project Manager.

29.0 AUTHORIZATION WARRANTY

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

30.0 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, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that Fiscal Year and any subsequent Fiscal Year during the Term of this Contract (including any extensions), and the Services to be provided by Contractor under this Contract will also be reduced correspondingly. The County's notice to Contractor regarding said reduction in payment obligation will be provided within 30 Days of the Board's approval of such actions. Except as set forth in the preceding sentence, Contractor must continue to provide all of the Services set forth in this Contract.

31.0 COMPLAINTS

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

31.2 Complaint Procedures

- a. Within ten Business Days after the Contract effective date, Contractor must provide the County with Contractor's policy for receiving, investigating, and responding to user complaints.
- b. The County will review Contractor's policy and provide Contractor with approval of said plan or with requested changes.
- c. If the County requests changes in Contractor's policy, Contractor must make such changes and resubmit the plan within five Business Days for the County approval.
- d. If, at any time, Contractor wishes to change Contractor's policy, Contractor must submit proposed changes to the County for approval before implementation.
- e. Contractor must preliminarily investigate all complaints and notify County Project Manager of the status of the investigation within two Business Days of receiving the complaint.
- f. When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.

- g. Copies of all written responses must be sent to County Project Manager within three Business Days of mailing to the complainant.

32.0 COMPLIANCE WITH APPLICABLE LAWS

- 32.1 In the performance of this Contract, Contractor must comply with all applicable federal, state, and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 32.2 Contractor must indemnify, defend, and hold harmless the County, its elected officials, 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 the County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Paragraph 32.0 (Compliance with Applicable Laws) must be conducted by Contractor and performed by counsel selected by Contractor and approved by the County. Notwithstanding the preceding sentence, the County will have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide the County with a full and adequate defense, as determined by the County in its sole judgment, the County will be entitled to retain its own counsel, including, without limitation, County Counsel, and receive reimbursement from Contractor for all such costs and expenses incurred by the County in doing so. Contractor will not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of the County without the County's prior express written approval.

33.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

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

- a. Contractor has a written policy statement prohibiting discrimination in all phases of employment.
- b. Contractor periodically conducts a self-analysis or utilization analysis of its work force.

- c. Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- d. Where problem areas are identified in employment practices, Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.

34.0 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

34.1 Jury Service Program

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

34.2 Written Employee Jury Service Policy

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

34.2.2 For purposes of Paragraph 34.2 (Written Employee Jury Service Policy), "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a Subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or Subcontracts. "Employee" means any California resident who is a full-time employee of 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 the 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 the County under this Contract, the Subcontractor will also be subject to the provisions of Paragraph 34.2 (Written Employee Jury Service Policy). The provisions of Paragraph 34.2 (Written Employee Jury Service Policy) must be inserted into any such Subcontract agreement and a copy of the Jury Service Program must be attached to the agreement.

34.2.3 If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor must have a continuing obligation to

review the applicability of its “exception status” from the Jury Service Program, and Contractor must immediately notify the County if Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor must immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate, to the County’s satisfaction that Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that Contractor continues to qualify for an exception to the Program.

34.2.4 Contractor’s violation of Paragraph 34.2 (Written Employee Jury Service Policy) may constitute a material breach of this Contract. In the event of such material breach, the County may, in its sole discretion, terminate this Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

35.0 CONFLICT OF INTEREST

- 35.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing contract, and no spouse or economic dependent of such employee, will be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of Contractor who may financially benefit from the performance of Work hereunder will in any way participate in the County’s approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence the County’s approval or ongoing evaluation of such Work.
- 35.2 Contractor must comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it must immediately make full written disclosure of such facts to County Project Director. Full written disclosure must include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of Paragraph 35.0 (Conflict of Interest) will be a material breach of this Contract upon which the County may terminate or suspend this Contract.

36.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ARE ON A COUNTY RE-EMPLOYMENT LIST

Should Contractor require additional or replacement personnel after the effective date of this Contract to perform the Services set forth herein, Contractor must give first consideration for such employment openings to qualified, permanent County employees

who are targeted for layoff or qualified, former County employees who are on a re-employment list during the entire Term of this Contract.

37.0 CONSIDERATION OF HIRING GAIN/START PARTICIPANTS

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

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

38.0 CONTRACTOR PERFORMANCE DURING CIVIL UNREST AND DISASTER

Contractor recognizes that the 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 Contract, 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 or Subcontractors' employees and 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.

39.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

39.1 Responsible Contractor

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

39.2 Chapter 2.202 of the County Code

Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing

Work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanently barred if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with the County.

39.3 Non-responsible Contractor

The 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 with the County or a nonprofit corporation created by the County, b) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, c) committed an act or offense which indicates a lack of business integrity or business honesty, or d) made or submitted a false claim against the County or any other public entity.

39.4 Contractor Hearing Board

39.4.1 If there is evidence that Contractor may be subject to debarment, the 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.

39.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and County Project Director will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.

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

39.4.4 If a Contractor has been debarred for a period longer than five years, that Contractor may after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: a) elimination of the grounds for which the debarment was imposed, b) a bona fide change in ownership or management, c)

material evidence in favor of Contractor is discovered after debarment was imposed, or d) any other reason that is in the best interests of the County.

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

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

39.5 Subcontractors of Contractor

The terms and procedures of this Paragraph 39.5 will also apply to Subcontractors, consultants, and partners of Contractor performing Work under this Contract.

40.0 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO SAFELY SURRENDERED BABY LAW

Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is the County's policy to encourage all County contractors to voluntarily post the County's poster, Exhibit G (Safely Surrendered Baby Law) to this Contract 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. Information and posters for printing are available at:

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

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

41.1 Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family, and spousal support obligations

in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

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

42.0 COUNTERPARTS AND ELECTRONIC SIGNATURES AND REPRESENTATIONS

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

The County and Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 10.1 (Amendments and Change Notices) above, and received via communications facilities (facsimile, email, or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Contract.

43.0 COUNTY FACILITY OFFICE SPACE

For Contractor to perform Services hereunder and only for the performance of such Services, the County may elect, subject to the County's standard administrative and security requirements, to provide Contractor with office space and equipment, as determined at the discretion of the applicable County Project Manager at County facilities, on a non-exclusive use basis. The County will also provide Contractor with reasonable telephone service in such office space for use only for purposes of this Contract. The County disclaims all responsibility for the loss, theft or damage of any property or material left at such County office space by Contractor.

44.0 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent(s) will monitor Contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board and

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

45.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

- 45.1 Contractor must repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor, its employees or its agents. Such repairs will be made immediately after Contractor has become aware of such damage, but in no event later than 30 Days after the occurrence.
- 45.2 If Contractor fails to make timely repairs, the County may make any necessary repairs. All costs incurred by the County, as determined by the County, for such repairs will be repaid by Contractor by cash payment upon demand or without limitation of all the County's other rights and remedies provided by law or under this Contract, the County may deduct such costs from any amounts due Contractor from the County under this Contract.

46.0 DISPUTE RESOLUTION PROCEDURE

- 46.1 Contractor and the County agree to act immediately to mutually resolve any disputes which may arise with respect to this Contract. All such disputes will be subject to the provisions of Paragraph 46.0 (Dispute Resolution Procedure) and other provisions in this Contract (such provisions will be collectively referred to as the "Dispute Resolution Procedure"). Time is of the essence in the resolution of disputes.
- 46.2 Contractor and the County agree that the existence and details of a dispute notwithstanding, both parties will continue without delay their performance hereunder.
- 46.3 Neither party will delay or suspend its performance during the Dispute Resolution Procedure.
- 46.4 In the event of any dispute between the parties with respect to this Contract, Contractor and the County will submit the matter to their respective Project Managers for the purpose of endeavoring to resolve such dispute.
- 46.5 If the Project Managers are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter will be immediately submitted to the parties' respective Project Directors for further consideration and discussion to attempt to resolve the dispute.
- 46.6 If the Project Directors are unable to resolve the dispute within a reasonable time not to exceed ten Days from the date of submission of the dispute to them, then the matter will be immediately submitted to Contractor's chief operating officer or

designee, and the Department's chief information officer. These persons will have ten Days to attempt to resolve the dispute.

- 46.7 If at these levels, there is not a resolution of the dispute acceptable to both parties, then each party may assert its other rights and remedies provided under this Contract and/or its rights and remedies as provided by law.
- 46.8 All disputes utilizing this Dispute Resolution Procedure must be documented in writing by each party and will state the specifics of each alleged dispute and all actions taken. The parties will act in good faith to resolve all disputes. At all three levels described in Paragraph 46.0 (Dispute Resolution Procedure), the efforts to resolve a dispute will be undertaken by conference between the parties' respective representatives, either orally, face-to-face meeting, by telephone, or in writing by exchange of correspondence.
- 46.9 Notwithstanding the foregoing, in the event of the County's infringement of Contractor's intellectual property rights under this Contract or violation by either party of the confidentiality obligations hereunder, the violated party will have the right to seek injunctive relief against the other without waiting for the outcome of the Dispute Resolution Procedure.
- 46.10 Notwithstanding any other provision of this Contract, the County's right to seek injunctive relief to enforce the provisions of Paragraph 17.0 (Confidentiality) above, will not be subject to this Dispute Resolution Procedure. The preceding sentence is intended only as a clarification of the County's rights and will not be deemed to impair any claims that the County may have against Contractor or the County's rights to assert such claims after any such injunctive relief has been obtained.

47.0 EMPLOYMENT ELIGIBILITY VERIFICATION

- 47.1 Contractor and its Subcontractors warrant that they fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under this Contract meet the citizenship or alien status requirements set forth in federal and state statutes and regulations. Contractor must obtain from all employees and Subcontractors performing Work hereunder, all verification and other documentation of employment eligibility status required by federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. Contractor must retain all such documentation for all covered employees for the period prescribed by law.
- 47.2 Contractor must indemnify, defend, and hold harmless, the County, its elected officials, agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or the County or both in connection with any alleged violation of any federal or state statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Contract.

48.0 FAIR LABOR STANDARDS

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

49.0 FORCE MAJEURE

- 49.1 Neither party will be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's Subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party [such events are referred to in Paragraph 49.0 (Force Majeure) as "force majeure events"].
- 49.2 Notwithstanding the foregoing, a default by a Subcontractor of Contractor will not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such Subcontractor, and without any fault or negligence of either of them. In such case, Contractor will not be liable for failure to perform, unless the goods or Services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in Paragraph 49.0 (Force Majeure), the term "Subcontractor" and "Subcontractors" mean Subcontractors at any tier.
- 49.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

50.0 GOVERNING LAW, JURISDICTION AND VENUE

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

51.0 INDEMNIFICATION

Contractor must indemnify, defend, and hold harmless the County, its Special Districts and its Agents (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss

or damage arising from the sole negligence or willful misconduct of the County indemnitees.

52.0 INDEPENDENT CONTRACTOR STATUS

- 52.1 This Contract is by and between the County and Contractor and is not intended, and must not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and Contractor. The employees and agents of one party must not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 52.2 Contractor will be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this Contract all compensation and benefits. The County will have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, state, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.
- 52.3 Contractor understands and agrees that all persons performing Work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of the County. Contractor will be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to this Contract.

53.0 MOST FAVORED PUBLIC ENTITY

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

54.0 NEW TECHNOLOGY

Contractor and the County acknowledge the probability that the technology of the software and hardware which comprise the System will change and improve during the Term of this Contract. The County desires the flexibility to incorporate into the System any new technologies as they may become available. Accordingly, Contractor Project Manager must, promptly upon discovery and on a continuing basis, apprise County Project Director of all new technologies, methodologies, and techniques which Contractor considers to be applicable to the System. Specifically, upon the County's request, Contractor must provide, in writing, a description of such new technologies, methodologies and techniques, indicating the advantages and disadvantages of incorporating same into the System, and provide an estimate of the impact such incorporation will have on the performance, scheduling and price of the System. The County, at its sole discretion, may request that this Contract be amended to incorporate the new technologies, methodologies, and techniques into the System.

55.0 NO THIRD-PARTY BENEFICIARIES

Notwithstanding any other provision of this Contract, Contractor and the County do not in any way intend that any person or entity will acquire any rights as a third-party beneficiary of this Contract, except that this provision will not be construed to diminish Contractor's indemnification obligations hereunder.

56.0 NONDISCRIMINATION AND AFFIRMATIVE ACTION

- 56.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable federal and state anti-discrimination laws and regulations.
- 56.2 Contractor certifies to the County each of the following:
 - a. Contractor has a written policy statement prohibiting discrimination in all phases of employment.
 - b. Contractor periodically conducts a self-analysis or utilization analysis of its work force.
 - c. Contractor has a system for determining if its employment practices are discriminatory against protected groups.
 - d. Where problem areas are identified in employment practices, Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables.
- 56.3 Contractor must take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable federal and state anti-discrimination laws and regulations. Such action must include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 56.4 Contractor certifies and agrees that it will deal with its Subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 56.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies will comply with all applicable federal and state laws and regulations to the end that no person will, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be

otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

- 56.6 Contractor must allow County representatives access to Contractor's employment records during regular business hours to verify compliance with the provisions of Paragraph 56.0 (Nondiscrimination and Affirmative Action) when so requested by the County.
- 56.7 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, the County will, at its sole option, be entitled to the sum of \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.
- 56.8 The terms and procedures of Paragraph 56.0 (Nondiscrimination and Affirmative Action) will also apply to Subcontractors, consultants and partners of Contractor performing Work under this Contract.

57.0 NON-EXCLUSIVITY

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

58.0 NOTICE OF DELAYS

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

59.0 NOTICE OF DISPUTES

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

60.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

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

61.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

Contractor must notify and provide to its employees, and will require each Subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in the County, and where and how to safely surrender a baby. The information is set forth in Exhibit G (Safely Surrendered Baby Law) of this Contract. Additional information is available at:

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

62.0 NOTICES

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

63.0 PHYSICAL ALTERATIONS

Contractor must not in any way physically alter or improve any County facility without the prior written approval of County Project Director and Director of County's Internal Services Department, in their discretion.

64.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

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

65.0 PUBLIC RECORDS ACT

65.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 67.0 (Record Retention and Inspection-Audit Settlement) below, as well as those documents which were required to be submitted in response to the RFP used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and will be regarded as public records. Exceptions will be those elements in the [California Government Code Section 7921 et seq.](#) (Public Records Act) and which are marked "trade secret," "confidential," or "proprietary." The County will not in any way be liable or responsible for the disclosure of any such

records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

66.0 PUBLICITY

- 66.1 Contractor must not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Contractor's need to identify its services and related clients to sustain itself, the County will not inhibit Contractor from publishing its role under this Contract within the following conditions:
- a. Contractor must develop all publicity material in a professional manner, and
 - b. During the Term of this Contract, Contractor may not, and must not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of County Project Director. The County will not unreasonably withhold written consent.
- 66.2 Contractor may, without the prior written consent of the County, indicate in its proposals and sales materials that it has been awarded this Contract with the County, provided that the requirements of Paragraph 66.0 (Publicity) will apply.

67.0 RECORD RETENTION AND INSPECTION-AUDIT SETTLEMENT

- 67.1 Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. Contractor must also maintain accurate and complete employment and other records relating to its performance of this Contract. Contractor agrees that the County, or its authorized representatives, will have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, must be kept and maintained by Contractor and must be made available to the County during the Term of this Contract and for a period of five years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material must be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside of Los Angeles County, then, at the County's option, Contractor must pay the County for travel,

per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 67.2 In the event that an audit of Contractor is conducted specifically regarding this Contract by any federal or state auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor must file a copy of such audit report with the County's Auditor Controller within 30 Days of Contractor's receipt thereof, unless otherwise provided by applicable federal or state law or under this Contract. Subject to applicable law, the County will make a reasonable effort to maintain the confidentiality of such audit report(s).
- 67.3 Failure on the part of Contractor to comply with any of the provisions of Paragraph 67.0 (Record Retention and Inspection-Audit Settlement) will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 67.4 If, at any time during the Term of this Contract or within five years after the expiration or termination of this Contract, representatives of the County conduct an audit of Contractor regarding the Work performed under this Contract, and if such audit finds that the County's dollar liability for any such Work is less than payments made by the County to Contractor, then the difference must be either: a) repaid by Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such Work is more than the payments made by the County to Contractor, then the difference will be paid to Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

68.0 RECYCLED BOND PAPER

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

69.0 RISK OF LOSS

Contractor bears the full risk of loss due to total or partial destruction of any software products loaded on CDs or other computer media, until such items are delivered to and accepted in writing by the County as evidenced by the County's signature on delivery documents.

70.0 SUBCONTRACTING

- 70.1 The requirements of this Contract may not be subcontracted by Contractor **without the advance approval of the County**. Any attempt by Contractor to Subcontract

without the prior consent of the County may be deemed a material breach of this Contract.

- 70.2 If Contractor desires to Subcontract, Contractor must provide the following information promptly at the County's request:
- a. A description of the Work to be performed by the Subcontractor,
 - b. A draft copy of the proposed Subcontract, and
 - c. Other pertinent information and/or certifications requested by the County.
- 70.3 Contractor must indemnify, defend, and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.
- 70.4 Contractor will remain fully responsible for all performances required of it under this Contract, including those that Contractor has determined to Subcontract, notwithstanding the County's approval of Contractor's proposed Subcontract.
- 70.5 The County's consent to Subcontract will not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. Contractor must notify its Subcontractors of this County right.
- 70.6 County Project Director is authorized to act for and on behalf of the County with respect to approval of any Subcontract and Subcontractor employees. After approval of the Subcontract by the County, Contractor must forward a fully executed Subcontract to the County for their files.
- 70.7 Contractor will be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to Subcontract.
- 70.8 Contractor must obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. Before any Subcontractor employee may perform any Work hereunder, Contractor must ensure delivery of all such documents to County Project Director at the address herein provided in Exhibit D (County Administration) to this Contract.

71.0 VALIDITY

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

72.0 WAIVER

No waiver by the County of any breach of any provision of this Contract will constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any

time, or from time to time, any provision of this Contract will not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 72.0 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

73.0 WARRANTY AGAINST CONTINGENT FEES

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

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

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

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

74.2 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 this contract will maintain compliance, with [Los Angeles County Code Chapter 2.206](#).

75.0 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 Paragraph 74.0 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) above will constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of Contractor to cure such default within ten Days of notice will be grounds upon which County may terminate this Contract and/or pursue debarment of Contractor, pursuant to [Los Angeles County Code Chapter 2.206](#).

76.0 TIME OFF FOR VOTING

Contractor must notify its employees and must require each Subcontractor to notify and provide to its employees, information regarding the time off for voting law ([Elections Code Section 14000](#)). Not less than ten Days before every statewide election, every Contractor

and Subcontractors must keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of [Section 14000](#).

77.0 COMPLIANCE WITH COUNTY'S ZERO TOLERANCE POLICY ON HUMAN TRAFFICKING

- 77.1 Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting Contractors from engaging in human trafficking.
- 77.2 If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County will require that the Contractor or member of Contractor's staff be removed immediately from performing Services under this Contract. The County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.
- 77.3 Disqualification of any member of Contractor's staff pursuant to Paragraph 77.0 (Compliance with County's Zero Tolerance Policy on Human Trafficking) will not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Contract.

78.0 COMPLIANCE WITH FAIR CHANCE EMPLOYMENT HIRING PRACTICES

Contractor, and its Subcontractors, must comply with fair chance employment hiring practices set forth in [California Government Code Section 12952](#). Contractor's violation of this Paragraph 78.0 may constitute a material breach of this Contract. In the event of such material breach, the County may, in its sole discretion, terminate this Contract.

79.0 COMPLIANCE WITH THE COUNTY POLICY OF EQUITY

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

80.0 PROHIBITION FROM PARTICIPATION IN FUTURE SOLICITATION(S)

A Proposer, or a Contractor or its subsidiary or Subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if Proposer/Contractor

has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract. This provision will survive the expiration or termination of this Contract.

81.0 CAMPAIGN CONTRIBUTION PROHIBITION FOLLOWING FINAL DECISION IN CONTRACT PROCEEDING

Pursuant to [Government Code Section 84308](#), Contractor and its Subcontractors, are prohibited from making a contribution of more than \$500 to a County officer for 12 months after the date of the final decision in the proceeding involving this Contract. Failure to comply with the provisions of [Government Code Section 84308](#) and of this Paragraph 81.0, may be a material breach of this Contract as determined in the sole discretion of the County.

82.0 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT

- 82.1 The County will be the sole owner of all right, title, and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "County Materials") which are originated or created through Contractor's Work pursuant to this Contract. Contractor, for valuable consideration herein provided, must execute all documents necessary to assign and transfer to, and vest in the County all of Contractor's right, title and interest in and to such original materials, including any copyright, patent, and trade secret rights which arise pursuant to Contractor's Work under this Contract.
- 82.2 During the Term of this Contract and for five years thereafter, Contractor must maintain and provide security for all of Contractor's working papers prepared under this Contract. The County will have the right to inspect, copy, and use at any time during and subsequent to the Term of this Contract, any and all such working papers and all information contained therein.
- 82.3 Any and all materials, software, and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County Project Manager as proprietary or confidential, and must be plainly and prominently marked by Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 82.4 The County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute, or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 82.5 Notwithstanding any other provision of this Contract, the County will not be obligated to Contractor in any way under Paragraph 82.4 above for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Paragraph 82.3 above

or for any disclosure which the County is required to make under any federal or state law or order of court.

83.0 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION

- 83.1 Contractor must indemnify, hold harmless, and defend the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's Work under this Contract. The County will inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and will support Contractor's defense and settlement thereof.
- 83.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that the County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that the County's continued use of the system is not materially impeded, must either:
- a. Procure for the County all rights to continued use of the questioned equipment, part, or software product, or
 - b. Replace the questioned equipment, part, or software product with a non-questioned item, or
 - c. Modify the questioned equipment, part, or software so that it is free of claims.
- 83.3 Contractor will have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

84.0 DATA DESTRUCTION

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

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

The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the County's boundaries. The County must receive within ten Business Days, a signed document from Contractor that certifies and validates the data and information were

placed in one or more of the following stored states: unusable, unreadable, and/or indecipherable.

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

85.0 LOCAL SMALL BUSINESS ENTERPRISE (LSBE) PREFERENCE PROGRAM (IF APPLICABLE)

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

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

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

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

- a. Pay to the County any difference between this Contract amount and what the County's costs would have been if this Contract had been properly awarded,
- b. In addition to the amount described in subdivision (a) above, Contractor will be assessed a penalty in an amount of not more than ten percent of the amount of this Contract, and
- c. Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

86.0 SOCIAL ENTERPRISE (SE) PREFERENCE PROGRAM (IF APPLICABLE)

- 86.1 This Contract is subject to the provisions of the County's ordinance entitled SE Preference Program, as codified in [Chapter 2.205 of the Los Angeles County Code](#).
- 86.2 Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.
- 86.3 Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a SE.
- 86.4 If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor must:
 - a. Pay to the County any difference between this Contract amount and what the County's costs would have been if this Contract had been properly awarded,
 - b. In addition to the amount described in subdivision (a) above, Contractor will be assessed a penalty in an amount of not more than ten percent of the amount of this Contract, and
 - c. Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

87.0 DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PREFERENCE PROGRAM (IF APPLICABLE)

- 87.1 This Contract is subject to the provisions of the County's ordinance entitled DVBE Preference Program, as codified in [Chapter 2.211 of the Los Angeles County Code](#).
- 87.2 Contractor must not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.
- 87.3 Contractor must not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official

or employee for the purpose of influencing the certification or denial of certification of any entity as a DVBE.

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

- a. Pay to the County any difference between this Contract amount and what the County's costs would have been if this Contract had been properly awarded,
- b. In addition to the amount described in subdivision (a) above, Contractor will be assessed a penalty in an amount of not more than ten percent of the amount of this Contract, and
- c. Be subject to the provisions of [Chapter 2.202 of the Los Angeles County Code](#) (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

88.0 COMPLIANCE WITH COUNTY'S WOMEN IN TECHNOLOGY HIRING INITIATIVE

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

89.0 Survival

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

- | | |
|-----------------|---|
| Paragraph 1.0 | Applicable Documents |
| Paragraph 2.0 | Definitions |
| Paragraph 3.0 | Work |
| Paragraph 6.1.3 | No Payment for Services Provided Following Expiration-Termination of Contract |

Paragraph 10.1	Amendments and Change Notices
Paragraph 13.4.5	Remedies
Paragraph 14.0	General Provisions for all Insurance Coverage
Paragraph 15.0	Insurance Coverage
Paragraph 16.0	Liquidated Damages
Paragraph 17.0	Confidentiality
Paragraph 19.0	Assignment and Delegation/Mergers or Acquisitions
Paragraph 21.0	Termination for Convenience
Paragraph 22.0	Termination for Default
Paragraph 32.0	Compliance with Applicable Law
Paragraph 48.0	Fair Labor Standards
Paragraph 49.0	Force Majeure
Paragraph 50.0	Governing Law, Jurisdiction, and Venue
Paragraph 51.0	Indemnification
Paragraph 62.0	Notices
Paragraph 67.0	Record Retention and Inspection-Audit Settlement
Paragraph 71.0	Validity
Paragraph 72.0	Waiver
Paragraph 80.0	Prohibition from Participation in Future Solicitation(s)
Paragraph 81.0	Campaign Contribution Prohibition Following Final Decision in Contract Proceeding
Paragraph 82.0	Ownership of Materials, Software and Copyright
Paragraph 83.0	Patent, Copyright and Trade Secret Indemnification
Paragraph 89.0	Survival

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

CONTRACTOR

(_____)

By

Name

Title

COUNTY OF LOS ANGELES

By

Chair, Board of Supervisors

ATTEST:

EDWARD YEN

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

By _____

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By _____

Cammy C. DuPont
Principal Deputy County Counsel