



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**MISSION AND PURPOSE**

P-01-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:

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## **MISSION AND PURPOSE**

### **I. Policy Overview**

The County of Los Angeles (the County) has adopted this Manual to provide a general overview of the County's construction contracting process.

### **II. Purpose and Scope**

The purpose of this Manual is to provide the underlying policy guidelines and controlling laws and County ordinances applicable to construction and construction-related service contracts. The scope of this Manual is to:

- (a) Summarize Countywide policies and guidelines for construction and construction-related services.<sup>1</sup>
- (b) Establish a common language and communicate the administrative mechanisms in place, thus making it easier for contractors and consultants to contract with the County for construction and construction-related services.
- (c) Provide consistent guidelines for County departments and agencies engaged in construction contracting.

For ease of use, this Manual consists of 28 separate Policy Guidelines, each with its own purpose, scope, and application. A review of the Manual Table of Contents will reveal that each Policy Guideline is individually numbered and titled to allow for easy reference.

### **III. Application and Responsibility**

This Manual is intended to cover the guidelines and general practices of the County departments (and separate legal entities created by the County) listed below that process construction and construction-related contracts. Contracting for general services and commodities is subject to guidance from other sources. The primary County departments and separate legal entities contracting for construction and construction-related services addressed by this Manual are:

- Department of Public Works
- Sheriff's Department

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<sup>1</sup> Includes public works (construction) contracts, architectural and engineering design services, construction-related services (such as soils and environmental engineering), job order contracts, and consulting services in support of the above listed agencies.

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- Internal Services Department
- Department of Parks & Recreation
- Department of Beaches and Harbors
- Consolidated Fire Protection District
- Community Development Commission<sup>2</sup>
- Housing Authority of the County of Los Angeles<sup>3</sup>

Each County department/agency contracting for construction and construction-related services will work to facilitate the participation of minority, women, disadvantaged, and disabled veteran business enterprises in accordance with Section 4 of this Manual, [Procedure P-04-03, Community Business Enterprise Program](#).

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<sup>2</sup> The Community Development Commission of the County of Los Angeles provides certain construction management services for the Housing Authority of the County of Los Angeles.

<sup>3</sup> Federal guidelines and mandates generally apply to Federally-funded contracts. A majority of Housing Authority of the County of Los Angeles construction and construction-related contracts are Federally-funded.

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**County of Los Angeles**  
Countywide Construction Policy Guidelines

**PUBLIC ACCESS TO  
CONTRACTING OPPORTUNITIES**

P-01-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

**PUBLIC ACCESS TO CONTRACTING OPPORTUNITIES**

Originator:	Original Issue: Date: 8/1/01	Revision Date: 03/31/03
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## I. Policy Overview

The County of Los Angeles seeks to maximize public access to contracting opportunities through the use of comprehensive programs that will make the bid and contracting process consistent and understandable, while encouraging and promoting the participation of the small and emerging business community.

## II. Purpose and Scope

The purpose of this *Public Access to Contracting Opportunities* Policy Guideline is to summarize the County’s process for selecting qualified contractors and awarding contracts.

This Policy Guideline communicates the process steps that will allow contractors the opportunity to (1) submit bids and/or proposals on County construction and construction- related service contracts, and (2) gain insight and access to Countywide resources devoted to assisting and training small business enterprises on bidding or submitting proposals on County contracts.

Since the County has separate contracting manuals for services contracting and general purchasing, the scope of this Policy Guideline (and thus this Construction Contracting Manual) is focused on the *construction and construction-related services* acquired using the following types of agreements:

<u>Type of Agreement</u>	<u>Manual Reference</u>
(a) Construction Contracts	<a href="#">(Section 5)</a>
(b) Architectural Service Contracts	<a href="#">(Policy Guideline P-06-01)</a>
(c) Construction-Related Service Contracts	<a href="#">(Policy Guideline P-06-02)</a>
(d) Consultant Service Contracts	<a href="#">(Policy Guideline P-06-03)</a>
(e) Job Order Contracting	<a href="#">(Policy Guideline P-06-04)</a>
(f) Sole Source Contracts	<a href="#">(Policy Guideline P-06-05)</a>

## III. Application and Responsibility

This *Public Access to Contracting Opportunities* Policy Guideline applies to all County departments that process construction and construction-related contracts.

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## IV. Policy Guidelines

- A. Introduction.** On September 22, 1998, the Los Angeles County Board of Supervisors (the Board) approved the recommendations in the “Bold Steps Forward” report from the Community Development Commission’s Office of Small Business (OSB). The Bold Steps recommendations are aimed at streamlining contracting practices to help equalize opportunities (i.e., “level the playing field”) for small businesses seeking County contracting opportunities.<sup>1</sup> The following general overview of County policy guidelines is presented to clarify and simplify the steps necessary to help all firms seeking to become County contractors or consultants. Throughout this Manual the term “contractor” is typically used to describe those firms or individuals that are “builders” in either general construction or the construction trades. The term “consultant” is used to describe those firms or individuals that provide professional services, i.e., architectural, engineering, environmental, consulting, or other construction and **management-related** support services.
- B. Understanding the County’s Contracting Process.** Contracting by a public agency (public contracting) is governed by State law and County ordinances. The County public contracting process is also guided by current Board actions and policies. This Policy Guideline will provide an overview of the contracting process in very general terms. The subsequent Policy Guidelines (refer to the Table of Contents) will provide greater levels of detail, process steps, and code references.
- C. Federal Requirements.** Certain County contracts may be wholly or partially Federally funded, which in turn may invoke additional Federal contracting regulations. Resulting County solicitations and contracts may incorporate applicable requirements imposed by the Federal funding agency.

Community Development Commission (CDC) construction contracts may additionally incorporate applicable Department of Housing and Urban Development (HUD) Acquisition Regulations (HUDAR). Refer to [www.hud.gov/cts/hudar](http://www.hud.gov/cts/hudar) for information on HUD contracting opportunities and acquisition regulation links.

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<sup>1</sup> Reference: David E. Janssen, Chief Administrative Officer, letter report dated January 5, 2000, entitled: *One-Year Status Report on Implementation of the Bold Steps Forward Recommendations to Streamline County Contracting and Equalize Opportunities for Small Business.*

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.
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**D. Types of County Contracting.** The County uses two distinctly different contracting processes to select and award the types of contracts covered by this Manual. The processes utilized are referred to herein as (1) the *Construction Contracting Bid Process*, described in [Section 5](#), and (2) *Negotiated Contracts*, found in [Section 6](#) of this Manual. A summary overview of the two basic contracting processes are described in this Policy Guideline.

1) Construction Contracting Bid Process. The County uses a *formally advertised sealed bid* process for public works construction contracting.<sup>2</sup> The goal of the process is to award a contract to the lowest cost “responsive” and “responsible” bidder (refer to [Appendix A](#) of this Manual, *Glossary of Terms*). California Public Contract Code mandates the use of an advertised bid process for construction contracting. The County publicly advertises its public works construction requirements as follows:

- (a) In daily or weekly newspapers of general circulation published in the County (typically a newspaper located in the general vicinity of the project).
- (b) Internet postings on the Los Angeles County Web Site at <http://camisvr.co.la.ca.us/lacobids>.

*Plans and specifications.* Often too cumbersome to load and download on the Internet, the County may instead place the plans and specifications of public works contracts in plan rooms and five regional libraries (San Fernando, Lancaster, West Covina, Compton, and Los Angeles) so that potential bidders can review the bid package to determine their interest without going to the applicable department or agency headquarters.

*References.* For details on the advertised bid process and code references, refer to [Section 5](#) of this Manual, [Policy Guideline P-05-02](#).

2) Negotiated Contracts. Service providers (or consultants) are selected under the County’s “negotiated” contracting process. County departments and agencies use Requests for Proposals (RFP) to solicit and select a service provider on the basis of qualifications including professional expertise, organization, experience, and ability to meet County needs and time commitments.<sup>3</sup> Following selection, the County department will negotiate a not-to-exceed fee with the selected service provider. The RFP process is a competitive process to select the most qualified firm for the project.

For details on the County’s negotiated contracting process, refer to [Section 6](#) of this Manual and select the applicable Policy Guideline that represents the service of interest.

<sup>2</sup> Public works or construction contracts (used synonymously herein) refer to an agreement for the erection, construction, or repair of any public structure, building, road, or other public improvement of any kind.

<sup>3</sup> See for example, [LA County Code, Title 2, Chapter 2.18.030 A2c](#).

**E. Contractor Qualifications for Selection.** Contractors and service providers (collectively referred to as “contractors”) must meet certain qualification requirements to be considered by the County for selection and contract award. A careful review of the contract documents is required for a bidder to determine the qualifications to bid. The following general selection parameters represent the minimum contractor qualification requirements based on the two contracting types covered in [D above](#).

1) Qualifications under the Construction Contracting Bid Process. Individuals seeking information about the minimum bid qualifications are directed to the County bid specification document applicable to the bid in question. This document has a section that provides instructions to bidders and sets forth the minimum qualifications and bid requirements. The minimum qualifications and bid requirements include:

- Licensing (must have proper type and class, if applicable)
- Insurance requirements (proof of liability and workers’ compensation insurance)
- Bid security, payment, and performance bond requirements
- Attendance at the pre-bid conference (if applicable)
- Federal requirements (certifications and minimum/prevaling wages, if applicable)
- Other requirements as defined in the bid specification

*Examination of Contract Documents and Project Site.* The contract documents will include the bid specifications applicable to the project. Bidders are reminded to review *SPECIFICATIONS* and the *NOTICE INVITING BIDS* carefully for possible mandatory pre-bid meetings and/or site visits that are time sensitive.

Familiarization with the site, local conditions, controlling Federal, State and local laws, ordinances, rules and regulations *that may in any manner affect cost, progress or performance of the work* is the responsibility of the bidder.



*Processing Bids for Award.* In general, bids are opened publicly at a predetermined date, time, and location. A determination will be made of the “apparent low bidder” based on the lowest bid price. Bidders, certified as a Local Small Business Enterprise at the time bids are opened, may receive a five percent bid price reduction (preference) of the lowest responsible bidder. The preference shall not exceed \$50,000 for any one solicitation and award determination (refer to [Section 4, Policy Guideline P-04-05, “Local Small Business Enterprise Preference Program”](#) for detailed program information). Whenever additive or deductive items are included in a bid, the bid solicitation will specify the method (or formula) that will be used to determine the lowest bid.<sup>4</sup> In the absence of such a specification, the low bid will be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items. The announcement of the apparent low bidder is followed by a due diligence process before contract award can be made. The County must determine if the apparent low bidder meets the (1) bid submission requirements (i.e., is “responsive”) and (2) minimum requirements for bidders, including whether the apparent low bidder is restricted from doing business by virtue of any known violations of Federal, State, County or local regulations or appearance on any applicable debarment or suspension listings (i.e., “responsible”). Refer to [Section 5, Policy Guideline P-05-03, Bid Opening & Recommendation for Award](#) for a more detailed explanation of the bid award process.

- 2) Qualifications under the Negotiated Contracting Process. The selection of firms or individuals (“service providers”) that practice the profession of architecture, landscape architecture, engineering, environmental services, land surveying, construction project management, or other related professional services, is based upon the contractor’s professional qualifications including expertise in the area of service need.<sup>5</sup> Under the “qualifications-based” process of selecting the most qualified service provider, the County solicits proposals from firms that are potentially qualified to perform the required service.

*The RFP process.* The vehicle used by the County to solicit proposals from firms is referred to as a Request for Proposal (RFP). At a minimum, the RFP will include proposal instructions, work scope, schedule, and the proposed form of contract. A major difference in the Negotiated RFP process from the Construction Bid process as defined in [D.1](#) and [D.2](#) above, is that a service provider’s proposal is rated by a selection committee and the contract is awarded to the contractor with the highest rated proposal, subject to negotiating an acceptable cost or fee. Refer to [Section 6](#) of this Manual, [Negotiated Contract](#), for details on the RFP contracting process.

<sup>4</sup> [Section 20103.8 of the Public Contract Code.](#)

<sup>5</sup> The law is contained in [§§4525-4529.20 of the Government Code](#), and is often referred to as the “Mini-Brooks Act.”

*Negotiated contracts are not always formally advertised.* Reviewing a large number of formal proposals is a labor intensive and time-consuming process. As a result, the County does not always formally advertise their consulting service contract requirements in newspapers or similar publications if a sufficient number of potentially qualified candidates are available from County maintained vendor listings. These listings may be developed through the RFP process and are generally maintained and updated on a regular basis. The listings may be segregated by specific types of services. The intent is to limit proposal submittals to a workable number by soliciting them from contractors that are presumed to be potentially qualified (see [3\)\(b\) below](#)). This process provides a workable number of proposals that allows the source selection committee to properly evaluate submitted proposals and select the contractor that is most qualified and meets the County's requirements.

3) Vendor Registration with the County of Los Angeles. All potential bidders/proposers with the County of Los Angeles are required to register in WebVen and have a valid vendor number assigned to them. The vendor number is required by the Auditor-Controller and is necessary for any payments to be made to a contractor who is awarded a County project. Vendor registration can be done online at <http://camisvr.co.la.ca.us/webven> or by calling the County's Internal Service Department Central Purchasing Vendor Relations Unit at (323) 267-2650.

(a) RFP Minimum Requirements. Minimum requirements are published in every RFP and generally require the contractor to meet the following minimum pass/fail requirements:

- Meet the proposal submittal deadline
- Attend the Pre-proposal Conference (if applicable)
- Adhere to proposal format, sequence, and content
- Include required materials, forms, and certifications
- Agree to standard terms and conditions for doing business with the County

Any proposing firm or individual failing to meet the minimum pass/fail requirements may be disqualified as non-responsive. Refer to [Section 6](#) of this Manual, [Negotiated Contracts](#), for details on the scoring and evaluation of proposals.

(b) Contractor Listings for Negotiated Contracts. The County departments may use pre-established contractor/consultant listings as a resource to invite contractors to respond to an RFP. These listings are categorized by type of service such as traffic engineering, surveying, water systems engineering, and geotechnical engineering.

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These listings vary depending on the department and the types of services they generally require. These listings are updated every two to three years using the RFP process.

For services other than architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services, the department or agency head may select a service provider without going through the formal solicitation process. For example, the Director of Public Works has the authority to directly select a service provider for services estimated at a cost of less than \$25,000.<sup>6</sup> On projects, studies and reports over \$25,000, the formal RFP solicitation process will be utilized to solicit proposals. The proposals will then be evaluated by an impartial evaluation committee.

- (c) Statement of Qualifications. The submittal of a Statement of Qualifications is a viable avenue open to contractors seeking consideration for a particular type of service or requesting a particular County solicitation package. Contractors can submit a statement of their qualifications at any time directly to the County department of interest. Several departments, including Public Works, also accept contractor registrations without the necessity of submitting a formal statement of qualifications.
- (d) Request for Statement of Qualifications (RFSQ) Process. The County may employ an RFSQ process when it is seeking a list of qualified contractors or consultants to submit a proposal for a unique or specialized service. The RFSQ process is similar to the RFP process; however, instead of responding to a set work scope, specification, and schedule, the contractor is requested to provide background and historical information that confirms his or her firm's qualifications and resources to successfully provide the designated service or services. For example, the RFSQ process would be applicable if the County was seeking one or more civil engineering firms interested in providing construction quality control inspections at various sites on a 7-day, 24-hour time-and-materials basis.
- (e) Los Angeles County Web Site Contracting Opportunities. County departments post bid/contract information on the Los Angeles County Web Site for contracts expected to exceed \$10,000. Depending on the complexity of the solicitation, some departments offer the opportunity to download the solicitation documents, request a fax or e-mail copy, or pick up a hard copy. If a contractor is interested in submitting a proposal to the County, the contractor may submit a Statement of Qualifications proposal by following the applicable web site instructions. The County will process the contractor's Statement of Qualifications submittal and make a determination

<sup>6</sup>[Title 2, Chapter 2.18, Section 2.18.030.](#)

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based on the contractor's qualifications including professional expertise in the area of service, organization, experience, and ability to meet the County's solicitation requirements and schedule. If deemed qualified, the County will send the contractor the applicable proposal solicitation.

**F. Contracting Opportunities.** The following summary recaps some of the programs discussed in this Policy Guideline and elsewhere in this Manual that are available to assist CBE, small or first time County contractors.<sup>7</sup> Also refer to [Policy Guideline P-04-03, Community Business Enterprise \(CBE\) Program](#).

- 1) Contracting and Subcontracting Opportunities via the Internet. The County provides a variety of resources via the Internet. The County posts bids/procurements/contract opportunities over \$10,000 on the Los Angeles County Web Site (<http://camisvr.co.la.ca.us/lacobids>). The County will also make a good faith effort to post *advance notifications* of future service-related contracting opportunities. Subcontractors may contact the contract administrator indicated in posted solicitations on the Los Angeles County Web Site to obtain information on contracting opportunities.
- 2) Financial Programs and Assistance. The Office of Small Business (OSB) provides small businesses a vehicle to receive information on financial programs via the Internet and refers financial information requests to various lenders (<http://osb.co.la.ca.us/>).
- 3) Workshops and Training. OSB holds workshops on how to do business on the Internet with government agencies and large corporations. OSB also keeps small businesses abreast of business-related events throughout Los Angeles County. The OSB Web Site also maintains an events page. County workshops and training sessions for businesses are posted on the OSB events page.
- 4) Community Business Enterprise Program (CBE). While opportunities are open to all firms, certain opportunities may be available to firms that are *certified* as minority, women, or disadvantaged owned businesses. Under the Veteran Empowerment Act of 1999, additional opportunities are also available for service-disabled, veteran-owned businesses. Refer to [Policy Guideline P-04-03, Community Business Enterprise Program \(CBE\)](#) in this Manual for details on certification requirements.
- 5) Bold Steps to Ensure Greater Small Business Opportunities. The County has adopted a *Bold Steps Forward* report aimed at streamlining County contracting (refer to footnote 1). Some recommended general guidelines and best practices applicable to the County's contracting staff include:

<sup>7</sup> CBEs are minority, women, disadvantaged, and/or disabled veterans business enterprises.

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- (a) Being pro-active to support the continued enhancements to the automation of the County's purchasing, contracting, and accounting processes.
- (b) Facilitating interdepartmental cooperation and join interdepartmental working groups.
- (c) Participating in the Contract Managers Network, a group consisting of a representative member appointed by each department head that meets quarterly to evaluate opportunities to facilitate interdepartmental cooperation via an automated Countywide contracting information system under development.
- (d) Adopting new guidelines and review of existing guidelines to ensure that a fair playing field exists for all competitors.
- (e) Always including the name, title, and phone number of the contact person on all bid and proposal documents and include an e-mail address on web-based announcements.
- (f) Working to streamline and expedite the payment process. Working with contractors to give them the same service the County expects from them in return.
- (g) Becoming a *small business advocate* by participating in workshops and County small business training programs.

**G. Prohibition from Involvement in Bidding Process.** The Board has adopted a policy prohibiting any person or firm which, pursuant to a consultant contract, has assisted the County in the development or preparation of a Request for Proposal, from thereafter being involved in any way in the bidding process. The Board has also directed that the following clause (or similar appropriate clause) be used in all consultant contracts:

**PROHIBITION FROM INVOLVEMENT IN BIDDING PROCESS**

*Consultant understands and agrees that neither it nor its subsidiaries shall be involved in any way in the bidding process or any Request for Proposal developed or prepared by or with the assistance of Consultant's services rendered pursuant to this agreement, either as a prime contractor or subcontractor, or as a consultant to any other prime contractor or subcontractor. Any such involvement by Consultant shall result in the rejection by the County of the bid by the prime contractor in question.*

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.
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**County of Los Angeles**  
Countywide Construction Policy Guidelines

**GUIDING PRINCIPLES AND  
REGULATORY REQUIREMENTS**

P-02-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## GUIDING PRINCIPLES AND REGULATORY REQUIREMENTS

### I. Policy Overview

The County of Los Angeles will conduct all bid and contracting activities in accordance with the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County contracting process shall also be guided by current Board actions and policies.<sup>1</sup>

### II. Purpose and Scope

The purpose of this Policy Guideline is to set forth those general guiding principles and regulatory requirements that govern the County’s competitive contracting practices. The scope of this Policy Guideline is to provide an overview of the controls necessary for full and free competition, to protect public funds, and ensure adequate accountability. This Policy Guideline also covers the general regulatory guidelines that qualified contractors and consultants must comply with to contract with the County.

### III. Application and Responsibility

This Policy Guideline applies to all Los Angeles County departments that process construction and construction-related contracts.

### IV. Policy Guidelines

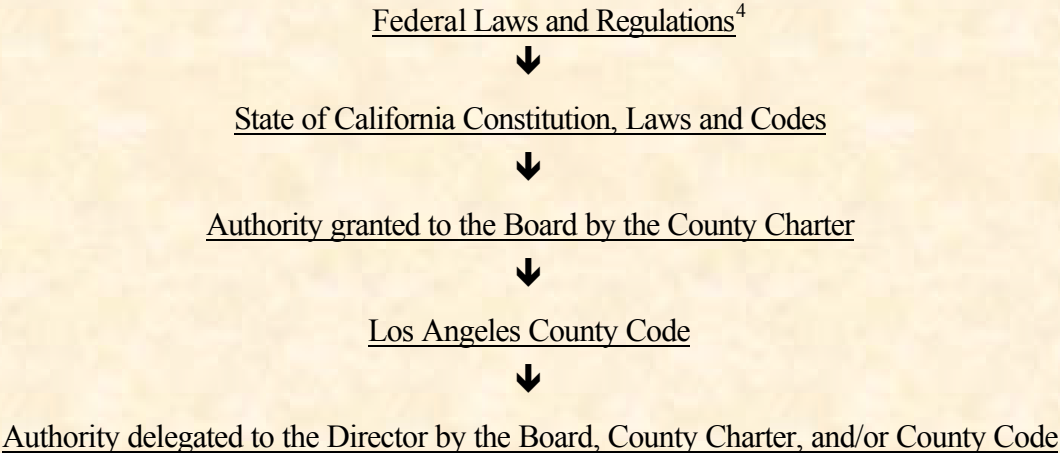
- A. Introduction.** The County of Los Angeles is a legal subdivision of the State of California. As a legal subdivision of the State, the County is charged with government powers.<sup>2</sup> The governmental powers vested in the County are specified by the constitution and laws of the State and by the Los Angeles County Charter. Those wishing to review the County Charter can find it linked to the County’s web site at <http://lacounty.info/>.
- B. Public Contracting.** The regulatory requirements of County contracting for construction and construction-related services are covered by applicable Federal, State and County regulations and codes, as well as current Board actions and policies. While each County department/agency may have its own contracting function and operate with differing levels of

<sup>1</sup> “Board” refers to the County of Los Angeles Board of Supervisors.

<sup>2</sup> [Los Angeles County Charter, Sec. 1.](#)

internal signature authority, the County desires to provide contractors and consultants with consistent guidelines on County contracting practices. These practices are necessary to protect the best interests of both the County and its contractors.<sup>3</sup>

**C. County Regulatory Requirements.** The preceding Policy Guideline, [P-01-02](#), *Public Access to Contracting Opportunities*, summarizes the two basic types of County contracting processes covered by this Manual and provides a general overview of the process. The County’s regulatory requirements and contracting authority, as implemented by the processes described in [P-01-02](#) and throughout this Manual, are guided by laws, regulations, codes and Board actions (applicable to contracting) that flow down in the following general order:



**D. Contractor Regulatory Requirements.** Contractors wishing to bid or propose on County construction projects or construction-related service contracts are also subject to a body of regulatory requirements and guidelines.

- 1) State and County Compliance. The minimum requirements imposed on a contractor by applicable State and County code and regulations are generally conveyed (listed or referenced) in the County’s contract documents. Contractors must be deemed both “responsible” and “responsive” to be awarded a County contract. A **responsive** contractor meets all the submittal requirements specified in the Invitation for Bid or Request for Proposal documents. A **responsible** contractor must meet the minimum

<sup>3</sup> “Contractor” as used throughout this Manual means any person or persons, or any firm, partnership, corporation, or combination thereof, who submits a bid or proposal and enters into a contract, franchise, concession, or lease granted, let, or awarded for and on behalf of the County. (See [Appendix A](#) of this Manual for a glossary of key terms.)

<sup>4</sup> Applicable to certain County contracts that are wholly or partially Federally funded.



qualifications specified in the IFB or RFP and be in good standing with respect to past conduct and performance and have the resources to perform the required services. Examples of requirements concerned with “good standing” include County requirements to submit detailed background certifications for criminal and litigation history, and child support compliance.

- 2) Federal Law Compliance. Federally funded projects may require compliance with Federal laws and regulations applicable to the Federal agency providing the funding. Minimum requirements are listed or referenced in the bid and contracting documents. **Contractors are reminded that the process of submitting a properly signed bid or offer is a commitment by the contractor of compliance with applicable Federal requirements.** Examples of Federal requirements include compliance with established minimum participation thresholds for minority, women, disadvantaged, and disabled veterans business enterprises.
- 3) Federally Funded Contracts. A review of the applicable bid and contracting documents will reveal if additional Federal regulations, certifications, and controls are imposed. County contracts with Federal funding or grants will be subject to additional Federal requirements. The County will adopt the Federal procurement requirements imposed by the funding agency.

**E. Contractor Guidelines for Public Works Construction Contracts.** Contractors for public works construction contracts would benefit by having a working knowledge of the following publications:

- 1) Standard Specifications for Public Works Construction, latest edition, commonly known as the “Greenbook.” This publication serves as the Standard Specifications for road, flood control, water, and sewer construction contracts bid by the Department of Public Works.
- 2) Additions and Amendments to the Standard Specifications for Public Works Construction, latest edition, commonly known as the “Graybook.” This publication is part of the Specifications for road, flood control, water, and sewer construction contracts (i.e., infrastructure projects) bid by the Department of Public Works.
- 3) Standard Plans for Public Works Construction, latest edition. The standard plans contained in this publication complement the contract plans prepared for each Department of Public Works road, flood control, water, and sewer construction bid package.
- 4) Department of Public Works Standard Plans, latest edition. The standard plans contained in this publication may supplement the above.

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- 5) California Storm Water Best Management Practice Handbook, Volume 3 Construction BMP Handbook.

Note: Publications 1, 2, and 3 are available for purchase from BNI Building News at:

- (a) 612 S. Clementine Street, Anaheim, CA 92802, or
- (b) 10801 National Boulevard, Suite 100, Los Angeles, CA 90064.

Their toll free number is (800) 873-6397.

Publications 4 and 5 are available for purchase at the Department of Public Works Cashier's Office, located at the west side of the main lobby, 900 S. Fremont Avenue, Alhambra, CA 91803-1331, Monday through Thursday between 7:00 a.m. and 5:30 p.m. For further information call (626) 458-6959.

**F. Consultant Guidelines for Service Provider Contracts.** Refer to [Section IV.D.2 of Policy Guideline P-01-02, Public Access to Contracting Opportunities](#), in this Manual for the general guidelines for County construction-related service consultants.

**G. Checks and Balances.** The County contracting process is subject to a system of checks and balances and executive controls that ensure uniformity and fairness in the interpretation and implementation of the controlling regulations that guide the contracting process. The authority to issue changes and guidance associated with the policies and guidelines presented in this Manual are vested in the following offices:

- County Board of Supervisors
- County Counsel
- Auditor-Controller
- Chief Administrative Office

County Counsel participates in the contracting process by approving the form and format of County contracts prior to award. County Counsel will also provide overall guidance and interpretation of any conflicting issues, policies, or procedures.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**PERSONAL AND BUSINESS CONDUCT**

P-02-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
Approved by:	Approved by:	

## PERSONAL AND BUSINESS CONDUCT

### I. Policy Overview

All employees of the County of Los Angeles that perform contract-related functions shall maintain high standards of honesty, integrity, and professionalism.

### II. Purpose and Scope

The purpose of this *Personal and Business Conduct* Policy Guideline is to convey the County's policies for avoiding apparent or actual improper business practices and personal conflicts of interest, and for dealing with their occurrences. The County, State and Federal guidelines included in this policy provide an overview of the controls necessary to protect public funds and ensure adequate accountability. The scope of this Guideline is to summarize the County's standards for personal and business conduct.

### III. Application and Responsibility

This *Personal and Business Conduct* guideline sets forth the County's expectations for all County department and/or contract personnel who process or evaluate contractor bids and proposals as governed and defined by relevant State and County regulations and codes, as well as current Board actions and policies.

### IV. Guidelines

- A. Introduction.** County employees are held to the highest standards of conduct in the performance of their duties, and shall conduct themselves so as to avoid even the appearance of any impropriety. County business shall be conducted in a manner above reproach, with complete impartiality, and preferential treatment for none. Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct. While many County, State, and Federal codes, laws, and regulations place restrictions on the actions of personnel in positions to influence public expenditures, their official conduct must, in addition, be such that they would have no reluctance to make a full public disclosure of their actions.
- B. Employee Conflict of Interest.** All County employees must be free from any business or other relationships that might conflict with the best interests of the County. County employees

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shall remove themselves from any County matter in which the employee, employee's spouse, or other immediate family members have a financial or other interest that may otherwise create a conflict of interest or appearance thereof. An employee who believes that his or her assignment to a contract-related requirement (e.g., proposal evaluation committee) may result in, or give the appearance of, a conflict of interest shall report all relevant facts to his or her appropriate supervisor immediately.

The following is a general summary of the conflict of interest laws applicable to County employees:

- 1) No Financial Interest. Employees shall not have a financial or any other kind of interest (directly or indirectly) in any supplier contract “made” by him/her or by a body of which he/she is a member. ([Government Code sections 1090-1097, County Charter, Article XII, section 54.](#))
  
- 2) Acceptance of Gifts, Honoraria, Travel, and Loans. Employees or their immediate family members shall not accept any gift, gratuity, payment, thing of value, or service of any substantial value from any person or organization that is a supplier, customer, creditor, or debtor of the County. Employees or immediate family members shall not accept entertainment or travel from a supplier, customer, creditor, or debtor, except of a nominal value.  
  
 Refer to the Fair Political Practices Commission, Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans, a Fact Sheet for: Local Elected Officers and Candidates for Local Elective Offices, Local Officials Specified in Government Code Section 87200, Judicial Candidates, Designated Employees of Local Government Agencies. This guideline is available at [www.fppc.ca.gov](http://www.fppc.ca.gov).
  
- 3) Outside Employment. Employees may not accept full-time, part-time, or temporary employment, with or without compensation, in cash or in kind, with any organization for more than twenty-four hours per week, or engage in any gainful employment which is incompatible with his/her County duties or those of his/her County department. ([County Code sections 5.44.010, 5.44.050; Government Code sections 1125-1127.](#))
  
- 4) No Extra Fees Allowed for County Services. No County employee shall charge, request, or receive for his own use any fee, reward or payment of any kind from any person, firm, or corporation other than the County of Los Angeles. ([County Code section 5.44.020.](#))
  
- 5) Contracting with Current or Recent Employees. The County is normally prohibited from contracting with its current or recent employees; however, the Board of Supervisors may enter into such a contract if it finds special circumstances that justify doing so. ([County Code section 2.180.010.](#))

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- 6) Other General Prohibitions. In addition to the prohibitions listed above, there are a number of more specialized prohibitions that apply to narrower ranges of factual situations. It is the responsibility of each contracting representative to avoid all appearances of impropriety and to be aware of the specific legal limitations on personal conduct. Always consult County Counsel for guidance if there are any doubts or concerns.
- 7) Conflict of Interest Code Review Panel. Each department may submit its approval rules governing non-County employment, enterprise, or activity to the Conflict of Interest Code Review Panel. In reviewing the proposed rules, the Code Review Panel shall ensure that the rules prohibit only such outside employment, enterprise, or activities specifically described in [subsection A of County Code § 5.44.010, Rules Governing Conflict of Interest](#), or which otherwise are clearly inconsistent with the operation, function, or responsibilities of the department. Refer to [County Code § 5.44.010](#) for review, filing, and adoption requirements.

**C. Contractor/Consultant Requirement to Report Violations or Suspected Violations.**

Contractors shall immediately report any attempt by a County officer, employee, or agent to solicit consideration in any form. The report shall be made to either the County manager charged with supervision of the employee, or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such a solicitation may result in the contractor being eliminated from consideration for contract award.

**D. Restrictions of Handling Contractor Bid and Consultant Proposal Documents.**

The County will conform to the Public Records Act ([Government Code §6250 et. seq.](#)) and the terms of the Invitation for Bid (IFB)/ Request for Proposal (RFP) concerning public disclosure of contractor/consultant bid and proposal documents:

- 1) Prohibition of disclosing contractor bid or proposal information. County employees shall not, other than as provided by law or County regulation, knowingly disclose contractor bid or proposal information or source selection information before a bid opening, or in the case of a negotiated contract, before the recommendation to award goes on the Board agenda.
- 2) Upon opening, bids are considered public information. All bids that are publicly opened are thereafter deemed to be public information. The County will not accept bids that are marked as “proprietary” or that contain other restrictions that are not in keeping with the required public disclosure practices of the County.

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- 3) Release of consultant proposal information after RFP due date. County employees shall refer all public requests for consultant proposal information to the applicable department contracting office. County contracting staff will process information requests in accordance with the Public Records Act.
  
- 4) Release of consultant proposal information marked as “proprietary.” If the consultant has labeled certain documents or sections of its proposal package as “proprietary information,” or “trade secrets” the contract administrator processing the request must take the following steps prior to releasing the subject restricted information:
  - (a) Contact the consultant by telephone to inform the consultant of the request and the party making the request.
  - (b) Inform the consultant that the burden and expense of objecting to the release of such information/documents is on the consultant.
  - (c) Contact County Counsel to ascertain if the County can legally withhold the requested proprietary information.
  - (d) After completing steps (a) through (c) above, and assuming no objections by the consultant or County Counsel, copy, collect the copying costs from the requesting party in accordance with departmental guidelines, and mail the requested information.
  
- 5) Responding to other public requests for records. The County may receive requests for records or other documents that may be exempt from mandatory public disclosure. The exemptions most often applicable are those relating to trade secrets and confidential commercial or financial information, or to personal and medical information pertaining to an individual. Since these requests often involve complex issues requiring an in-depth knowledge of a large and increasing body of court rulings and policy guidance, contracting staff are cautioned to consistently comply with implementing the guidelines herein, and to seek County Counsel advice.

**E. Reporting Suspected Violations.** County personnel shall report suspected violations of this Policy Guideline to one or more of the following:

- 1) The County manager charged with supervision of the employee.
- 2) The County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.
- 3) County Counsel.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**DELEGATION OF AUTHORITY  
PRESCRIBED BY STATE STATUTE**

P-03-01

Final

March 31, 2003

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## **DELEGATION OF AUTHORITY PRESCRIBED BY STATE STATUTE**

### **I. Policy Overview**

The Los Angeles County Board of Supervisors (the Board) has the authority prescribed by State statute to enter into contracts and to delegate limited contract authority to County department heads, agents, and officers acting under authority of the Board.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to provide a reference to the State statutes and County codes that empower the Board to enter into contracts and delegate their authority to the County's department heads for construction and construction-related service contracts.

### **III. Application and Responsibility**

This Policy Guideline sets forth the County's expectations for all County department personnel that process or evaluate contractor bids and consultant proposals as governed and defined by relevant State and County regulations and codes, as well as current Board actions and policies.

### **IV. Policy Guidelines**

- A. County Authority to Enter into Contracts.** [Section 23004 of the Government Code](#) gives counties the power to enter into contracts.
- B. Delegation.** The term "delegation" refers to the act of empowering another individual to assume responsibility and authority. With respect to the construction contracts performed by contractors and construction-related service contracts performed by consultants, certain County department or agency heads having responsibility for the design and construction of County projects have been granted (limited) delegated authority to award and supplement contracts or to adopt and advertise plans and specifications.<sup>1</sup> Delegation authority with respect to contracts is typically expressed in not-to-exceed dollar thresholds per individual contract

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<sup>1</sup> Board delegation authority is defined in [§31000.9 of the Government Code](#) and [§20142](#) and [§20145 of the Public Contracting Code](#).

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action. For the specific dollar delegation authority delegated by the Board to the County departments with construction and construction-related service responsibilities, refer to [Policy Guideline P-03-02, \*Departmental Operating Authority\*](#).

- C. Board Approval.** All contracts with values exceeding the Board-mandated delegation limits (i.e., the department/agency head's authority), must be submitted to and approved by the Board.



**County of Los Angeles**  
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**DEPARTMENTAL OPERATING AUTHORITY**

P-03-02

Final

March 31, 2003

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## DEPARTMENTAL OPERATING AUTHORITY

### I. Policy Overview

The Los Angeles County Board of Supervisors (the Board) is empowered by State statute to delegate or adopt the necessary and appropriate contract signature authority required by County department heads, agents, and officers acting under authority of the Board.

### II. Purpose and Scope

The purpose of this Policy Guideline is to convey the levels of internal department signature authority for construction and construction-related service contracts. The scope of this Policy Guideline is to summarize the statutes and ordinances that govern the County’s delegation of contracting authority and each department’s internal day-to-day operational contracting authority.

### III. Application and Responsibility

This Policy Guideline sets forth the County’s departmental signature levels (limits) for each County department that processes or evaluates contractor bids and consultant proposals as governed and defined by relevant State and County regulations and codes, as well as current Board actions and policies.

### IV. Policy Guidelines

- A. Introduction.** Selected County department heads, with proper Board authorization, may operate under a pre-set limited authority to award and supplement contracts or to adopt and advertise plans and specifications for construction contracts. That level of authority below the pre-set department head signature threshold is termed “delegated authority.” Specific dollar limits on each department’s delegated authority has been established by State and County Code and Board resolutions.
- B. Department Delegation Levels.** Formal Board approval is mandated for construction and construction-related consultant service contracts when the estimated contract dollar value exceeds the limits of the applicable department head’s delegated authority. For small projects (generally defined as projects under \$75,000), County departments that contract for construction and related consulting services may have specific levels of delegated authority to award and supplement contracts and/or to adopt and advertise plans and specifications for

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these small projects. Delegation authority also extends to specified limited approval of changes or alterations to contracts entered into by the Board.

Delegation levels vary among departments, agencies and districts. Delegation levels can also vary when a department such as the Department of Public Works or Internal Services Department is contracting on behalf of another department or district, or depending on the type of construction (building versus infrastructure).

If there is any question as to the proper delegation level for a particular category of service required by a department, agency or district, County Counsel should be consulted. Typical delegation guidelines that govern a majority of County contract processing are described as follows:

- 1) Department of Public Works (DPW): As set forth in [County Code §2.18.015](#), the DPW is responsible for processing and managing all of the County’s public works projects unless the Board expressly authorizes another department to manage a specific project (see [§2.18.015.W](#)).

Under [County Code §2.18.010](#), the DPW also conducts the operations of the Los Angeles County Flood Control District and performs the functions formerly delegated to the Road Department.

The Director of DPW is authorized to perform any or all actions permitted or required by the Board to enter into contracts for architectural, engineering, and related services where the amount of the contract does not exceed \$75,000.

Under County Code, standing authority to adopt, advertise, and award capital construction contracts that do not exceed \$75,000 is exclusively provided to the DPW Director (acting as the “County Engineer”).

The monetary limits of the Director’s standing delegation are segregated into two categories, (1) **consulting service contracts** (including architectural, engineering and related services) under [§2.18.030](#) and [Government Code \(GC\) §31000.9](#) and (2) **construction contracts** for the construction or repair of buildings under [§2.18.040](#) and [§2.18.050](#) and pursuant to the authority granted by [California Public Contract Code \(PCC\) §§20142](#) and [20145](#).

*Road and Flood Control Projects.* Additionally, under [County Code §2.18.013](#), and [§2.18.015.L](#), the Director of DPW has authority over road projects as the Road Commissioner, and flood control projects as the Chief Engineer of the Flood Control District.

*Change Orders/Supplemental Agreements for Capital Construction Contracts.* Absent other Board-approved contract provisions to the contrary, the DPW Director can approve change orders under the combined authority of the [PCC §20142](#) and [20145](#) up to the following maximums:

<b><u>Original Contract Amount</u></b>	<b><u>Maximum Individual Change Order Amount</u></b>
Up to \$50,000:	\$5,000
\$50,001 to \$250,000:	10% of contract amount
\$250,001 to \$2,750,000:	\$25,000 plus 5% of Board-approved contract value in excess of \$250,000
\$2,750,001 and up:	\$150,000

The total and aggregate amount of changes or alterations to an original contract may not exceed 25 percent of the amount of the original contract.<sup>1</sup> Refer to [Section 7](#) of this Manual, [Policy P-07-01](#) for additional guidelines and limitations on change orders.

- 2) [Internal Services Department \(ISD\)](#): ISD performs a significant volume of the purchasing services for the County, including the contracting of alteration and maintenance contracts for County buildings. Much of the construction-related refurbishment and maintenance work is performed under Job Order Contracting (refer to [Policy Guideline P-06-04](#)). ISD is also responsible for energy projects and retrofits of existing energy systems at County facilities. ISD also provides construction estimating support to other County Departments and agencies such as the Consolidated Fire Protection District.

ISD, acting as the County Purchasing Agent, has statutory authority to contract for capital construction projects pursuant to [GC §25501\(c\)](#) and [§25502.5](#), up to \$100,000. For construction-related service contracts, the Director of ISD, acting in the capacity of the County Purchasing Agent, has service purchase authority (for any single project) of \$100,000.<sup>2</sup> By policy and statute, all contracts that exceed the authority of the ISD Director/Purchasing Agent must be submitted for formal Board review and approval. Delegated authority to approve amendments up to ten percent of the original consulting contract amount (with total amendments not to exceed 25 percent) is provided to the ISD Director in [County Code §2.81.046](#), pursuant to [GC §31000.9](#).<sup>3</sup>

<sup>1</sup> [PCC §20145](#)

<sup>2</sup> The \$100,000 signature delegation also extends to maintenance and alteration contracts.

<sup>3</sup> This authority specifies contracts for architectural, engineering, and related services.

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- 3) Community Development Commission (CDC): The CDC provides certain construction management services to the Housing Authority of the County of Los Angeles.
  
- 4) Housing Authority of the County of Los Angeles (HA): The HA is responsible for constructing and maintaining affordable housing projects within the jurisdiction of the County of Los Angeles. HA has a large responsibility, operating over 60 developments with nearly 4,000 units. The HA was created by the Los Angeles County Board of Supervisors, which also acts as the HA’s Board of Commissioners and set its policies.<sup>4</sup> HA receives most of its funding from Federal grants, and thus its contracting and procurement is governed by the Federal standards set forth in [24 CFR Part 85 \(Housing and Urban Development – Administrative Requirements for Grants and Cooperative Agreements\) Section 36 \(Procurement\)](#). The Executive Director of HA operates under an internal Board approved Procurement Policy with an established departmental signature authority of \$49,999 for contracts and requisitions. Contracts exceeding \$49,999 are submitted for review and approval by the Board of Commissioners.
  
- 5) Department of Parks & Recreation: The Department of Parks and Recreation is responsible for the construction and maintenance of the County’s parks and recreational sites. Much of the contracted work is for the refurbishment and enhancement of existing facilities, along with contracts for new facilities at existing recreational properties within the County. The Department uses formally advertised sealed bid contracting along with “as needed” consulting agreements typically structured with 1- or 2-year terms plus two or three 1-year options. The Director operates under a contract authority of \$5,000 to advertise and award contracts for personal, professional, or technical services, and this authority does not extend to construction contracts. All construction contracts are submitted to the Board for review and approval. Once approval to advertise is obtained from the Board, the Board must subsequently approve the contract award.
  
- 6) Sheriff’s Department: The Sheriff’s Department does not have delegated authority to enter into construction or construction-related professional service contracts. The Department may process, by requisition, requirements under \$100,000 through the County’s Purchasing Agent (see [Internal Services Department, B.2.](#) above). Contracts over \$100,000 must be submitted for review and approval by the Board. The Department must request project-specific delegated authority when its contracts go before the Board. The Sheriff’s Department has limited administrative resources to support the contract administration needed on large capital projects. The Department

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<sup>4</sup> The term “Board” in this section will also refer to HA Board of Commissioners.

generally relies on the Department of Public Works to contract and manage their large capital construction projects.

- 7) Consolidated Fire Protection District: The Consolidated Fire Protection District lacks specific statutory delegated authority to enter into construction or construction-related professional service contracts. The Fire Chief of the District, upon requisition, may process requirements under \$100,000 through the County’s Purchasing Agent (see [B.2. above](#)). Contracts over \$100,000 must be submitted for review and approval by the Board. The District must request project-specific delegated authority when its contracts go before the Board. The District will generally rely on the Department of Public Works to contract for and manage their capital construction projects.
  
- 8) Other County Districts. The Public Contract Code (PCC) provides specific contracting requirements for each district. The construction contracting requirements for County districts such as Waterworks, Flood Control, and Sewer Maintenance all fall under the general responsibility of the Director of DPW. The DPW provides staff procurement services for these non-County entities and manages their contracts under the delegation authority in [County Code §2.18.015 A, B, E, and L](#).

The Director of DPW does not have delegation authority that extends to these separate legal entities. The Director may requisition certain district requirements through the Purchasing Agent of the County for contracts up to \$100,000, and/or request project-specific delegated authority from the Board. Board approval is required for all district construction contracts and for construction-related services that exceed \$100,000.

It should be noted that the PCC has set forth considerable variations in the district contracting requirements with respect to such things as the dollar thresholds for competitive sealed bid procurements. Examples of these differing dollar thresholds are as follows:

- County Flood Control District:                   \$25,000<sup>5</sup>   ([PCC §20991](#))
- Fire Protection District:                           \$10,000   ([PCC §20813](#))
- County Waterworks Districts:                   \$ 3,500   ([PCC §20601](#))

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<sup>5</sup> [PCC § 20992](#) authorizes the Purchasing Agent of the County to act as the purchasing agent for contracts up to \$25,000.





**County of Los Angeles**  
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**CONTRACT TYPES AND APPLICATIONS**

P-04-01

Final

March 31, 2003

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## CONTRACT TYPES AND APPLICATIONS

### I. Policy Overview

It is the practice of the County of Los Angeles to solicit offers in full and open competition and award contracts that are consistent with the nature and requirements of the specifications or services to be procured.

### II. Purpose and Scope

The purpose of this Policy Guideline is to provide an overview of the County's method of contracting for construction, architectural, engineering, and construction-related services. The scope of this Policy Guideline covers the fixed-price contract, the variations of fixed-price contracts, and the process for considering cost reimbursable contracts for special service requirements.

### III. Application and Responsibility

This Policy Guideline establishes the available options for contract selection by each County department listed in [Section P-01-01, III](#) of this Manual.

### IV. Policies and Guidelines

- A. Introduction.** Most County projects are contracted on a firm fixed-price or fixed unit price basis.<sup>1</sup> The California Public Contract Code (PCC) requires the County to use an advertised bid process for its construction contracting, and **awards** the contract to the lowest cost responsive and responsible bidder.<sup>2</sup> Consultant contracts and qualification based service contracts generally result in a negotiated fixed fee contract.
- B. Selection of Contract Types.** The “type” of contract refers to the relationship between the contractual obligations being discharged and the subsequent method and timing of payments or consideration. Contract types fall into two broad categories: *fixed-price contracts* and *cost reimbursable contracts* as defined in paragraphs [C](#) and [D](#) that follow.

<sup>1</sup> As used by Los Angeles County DPW, the term Lump Sum Contract is synonymous with a Firm Fixed Price contract.

<sup>2</sup> Refer to [Appendix A of this Manual, Glossary of Terms](#).

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**C. Fixed-Price/Lump Sum Contracts.** In a fixed-price, fixed unit price, or lump sum contract (hereinafter referred to as a “fixed-price contract”), the party offering to provide the construction or construction-related consulting services agrees to provide the contract-specified requirements for a set (or fixed) price or prices at the time of award. No price adjustment is provided on the basis of the contractor's cost experience realized during the performance of the contract. The contractor bears all the cost risk. While this type of contract places the burden for performance and cost control with the contractor, the County must manage contractor change orders and claims, when applicable, for equitable price adjustments for County authorized work performed and costs expended that are claimed to be outside the contract work scope.

- 1) Application to Construction: Meets County requirements to award all public works contracts to the lowest bidder when a fixed set of contract specifications is furnished in a solicitation package.
- 2) Application to Professional Services: Suitable for negotiated consultant engagements and other construction-related contracts for services such as: architectural, engineering, environmental, land surveying, and construction project management. Fixed-price professional service and consultant contracts must have:
  - (a) A reasonably detailed statement of work;
  - (b) Performance requirements that are reasonably defined, and/or;
  - (c) A final outcome (or deliverable) that is reasonably well defined.
- 3) Payment: The contract will specify the method and frequency of payments under a fixed-price contract. The contract will typically allow for interim or progress payments as work progresses. With few exceptions, the contractor has sole responsibility for containment of all labor, material, equipment, and other costs associated with the successful completion of a project awarded as a fixed-price or lump sum contract. Price adjustments are limited and subject to the terms and conditions specified in the contract.
- 4) Variations of Fixed-Price Contracts. The following are variations of fixed-price contracts that may be used by the County:
  - (a) *Lump Sum Contract*. When used in County solicitations, “lump sum” is synonymous with a fixed-price contract.
  - (b) *Fixed Price Indefinite Quantity Contract (Based on Unit Prices)*. A type of unit price contract with one or more line items with a fixed price and an estimated

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quantity. The phrase “indefinite quantity” refers to the fact that the quantities listed for each line item are the County’s best estimates of the actual quantity needed. For purposes of determining the lowest cost bid or proposal, the unit prices bid are multiplied by the estimated quantities to arrive at a “fixed price.” The contract is awarded to the lowest responsible and responsive bidder based on those estimated quantities; however, the contractor is paid only for quantities actually used.

Example: The County Fire Department needs 10 to 15 prefabricated temporary structures erected within the term of the contract, but the exact quantity is unknown at the time the contract is advertised. The line item quantity will show 15 units, and the supplier agrees to provide the structures as required over the next three years, at the line item price, regardless of the aggregate unit quantity purchased and erected during the term of the contract. Unless otherwise specified in the contract, no unit price adjustment shall be considered during the term of the contract.

- (c) *Job Order Contract*. A Job Order Contract (JOC) is a special form of a competitively bid, firm-fixed-price indefinite quantity contract. The JOC is a 1-year term contract that is used primarily for repair, remodeling, and construction maintenance work on County facilities done on a repetitive basis according to fixed unit rates. While [PCC §20128.5](#) sets the annual limit for these term contracts at \$3,000,000, adjusted for cost-of-living increases, the Board limits an individual JOC to \$3,000,000. See [Section 6, Policy Guideline P-06-04, Job Order Contracting](#) for JOC details and processing.

**D. Cost Reimbursable Contracts.** These contracts are very seldom applicable to County contracting. Only a narrow type of service contract would be considered for a cost reimbursable contract. This type of contract allows a contractor to be reimbursed for its allowable incurred costs during the performance of the contract. The contractor can earn a limited fee on costs that varies with the type of cost reimbursable contract. A major distinction between a fixed-price and a cost type contract is that under a cost contract the contractor does not bear the risk of increased costs to perform the contract.

- 1) Application: The decision to issue a cost reimbursable contract would generally require that the cost or the scope of the service, maintenance, or repairs is impossible or impractical to quantify at the time the contract is needed. Examples of such special conditions are remediation services related to unknown subsurface conditions, or emergency conditions that require rapid deployment of response teams to clean up an environmental spill or perform necessary repairs or services to protect public and private property or public safety.

- 2) Types of Cost Reimbursable Contracts. Generally not applicable to public contracting, cost type contracts can be very complex to manage and administer, and they come in many variations. All forms of cost type contracts are subject to review and approval by County Counsel as to form and format, and approval and authorization by the Board. Cost contracts cannot be awarded under delegated authority unless a contract cost ceiling is established within the limits of the delegation. All cost contracts must contain a limitation of funds clause that limits the County's obligations to a specified dollar ceiling. A detailed justification must accompany every cost type contract. Since all cost contracts must have a funding limitation, the nature of a cost contract is that the contractor does not assume the risk for cost of performance. This general overview has been intentionally simplified due to the infrequency of use for this type of contract. The three most common types of cost contracts are as follows:
- (a) *Cost-Plus-Fixed-Fee*. Allows reasonable direct and indirect project-related costs to be billed by the contractor. The agency and the contractor will negotiate a fixed fee based on a percentage of the estimated direct cost. The percentage negotiated would take into consideration the presumed risk factors associated with the scope of the engagement. Once agreed upon, the fee amount is "fixed" and does not vary with actual cost. This contract type is **not authorized for County construction contracts** (except in the case of a public emergency declared by the Board – a topic beyond the scope of this Manual) and is not considered appropriate for most maintenance and repair contracts when a unit price contract would better protect the County's cost exposure. A possible application might be for the implementation of a new technology that has the potential to save the County considerable money in the long term, and the contractor who owns the technology does not want to take the risk of performance.
  - (b) *Time-and-Materials Contracts*. The time-and-materials contract is justified when the amount of work and the schedule for completion are not well defined. The contractor is reimbursed at negotiated fixed hourly labor rates (including direct labor, overhead, and profit) and for the actual costs of materials and project-related expenses. The contract may allow a "material handling charge" to be included as a factor applied to direct material. Agencies such as the Consolidated Fire Protection District use time-and-materials contracts as a vehicle for standing maintenance, repair, and remodeling contracts. The contractor bids the estimated time and materials for each project, and the bid is reviewed by the department to establish a Work Order ceiling price. The standing contracts are limited in duration to a total of five years; two base years and three option years. At the end of the 5-year period, these contracts are put out for bid.

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(c) *Labor Hour Contracts.* The labor-hour contract is a variant of the time and materials contract, differing only in that the contractor is not paid for materials used for the project. The fee paid is inclusive of all contractor’s costs and profit. This type of contract is typically used where “labor only” services are required, as in the case of legal or accounting services, temporary staff requirements, and when the required work is performed in County provided facilities. This type of contract requires almost constant surveillance by the County to control costs and to substantiate the contractor's performance. Labor hour contracts are justified in situations where professional services are required on an “as needed” basis and it can be determined and confirmed in writing by the contract administrator and the program manager that no other contract type will address the situational requirements.

**E. Design/Build Contracts.** The County is currently prohibited from using design/build contracting for general construction projects except as allowed under [PCC §20134](#) for jails and juvenile detention facilities. However, design/build may have future applications on specific types of County projects. Design/build contracting is a method used to engage a single firm, typically a general contractor or construction manager, to design and deliver a completed building, structure, or facility. The advantage of design/build is that the design/builders assume the risk of a design defect. Under this method of contracting, a single firm acts as the prime contractor to provide a consolidated program of architectural/engineering, construction, and project or construction management type services. The disadvantages of the design/build contracting are (i) the exclusion of qualified firms that do not offer full design/build services, (ii) the concern that the County would have to make compromises from its customary practice of selecting the best qualified design firm under qualification based selection criteria, and the lowest cost construction firm under the sealed bid process, and (iii) reduced County control of the design and construction process.

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.
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## County of Los Angeles Countywide Construction Policy Guidelines

### **GENERAL COUNTY INSURANCE AND BONDING REQUIREMENTS**

P-04-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **GENERAL COUNTY INSURANCE AND BONDING REQUIREMENTS**

### **I. Policy Overview**

The County of Los Angeles requires that all contractors provide, maintain, and show evidence of comprehensive liability insurance while performing under County contracts. The County also requires that all bids for construction work shall be accompanied by one of the forms of security listed herein. Certain exceptions for special categories of repair and maintenance work are also set forth herein.

### **II. Purpose and Scope**

The purpose and scope of this Policy Guideline is to set forth the County's insurance and bonding requirements for general construction, maintenance and repair, and construction-related professional and consulting services.

### **III. Application and Responsibility**

This Policy Guideline will assist contractors seeking to understand and meet the County's insurance and bonding requirements for construction and construction-related contracts.

### **IV. Policy Guidelines**

- A. Introduction.** While both bonding and insurance are covered in this Policy Guideline, they represent two very separate and distinct contracting requirements. Bid, performance, and payment security/bonding requirements vary depending on the contract type, contract value, the level of risk, governing law, and/or the funding source. In some instances the Board has discretion; in others, the requirements are set by law.
- B. Construction Contracts.** County construction contracts require a form of **bid security** in addition to **performance and payment security** and **evidence of insurance**. The specific requirements are found and specified in the Notice Inviting Bids and attached documents. When the law is silent on the required amounts, it is established by County practice or policy (refer to [Section C](#) below for Service Contract security requirements).

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.



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- 1) Bid Security. Bid security at the time of bid is required by law for County construction projects. It protects the County in the event the bidder refuses to enter into a contract after the award, is found to be non-responsible, or withdraws his or her bid before the award.
  - (a) *Bid Security Amount*. Public Contract Code requires all bids to be accompanied by a bid security but is silent on the amount. **By practice**, the County requires that the bid security equal ten percent (10%) of the bidder's maximum (or total) bid price. Bid security instructions are typically found in the *Instructions to Bidders* section of the applicable bid specifications package.
  - (b) *Bid Security Options*. The County provides bidders with four bid security options. All bids for construction work may be accompanied by **one of the following** forms of bidder's security:
    - (1) Cash.
    - (2) A cashier's check made payable to Los Angeles County.
    - (3) A certified check made payable to Los Angeles County.
    - (4) A bid bond executed by a corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California, made payable to Los Angeles County.
  - (c) *Bid Bond*. A bid bond is a type of bond that can be filed with the County at the time of bid to satisfy the County's requirement for a bid security. The bid bond is a contractual arrangement among the surety (usually an insurance company) the principal (the contractor) and the obligee (the County), whereby the surety agrees to protect the obligee if the principal defaults in executing a contract. Contractors should consult with their insurance broker to determine the cost and availability of a bid bond. The bidder must be the principal named on the bond and must sign and affix notary acknowledgements. **Bidders cannot use another party's bond or submit a bond supplied by an agent or subcontractor.**
  - (d) *Return of Security*. Upon an award to the lowest responsive and responsible bidder, the security of an **unsuccessful bidder** shall be returned in a reasonable period of time. The County may ultimately need to consider an alternate bidder if the low bidder does not pass the County's determination of responsiveness and responsibility. The failure of a bidder to promptly supply information in connection with the County's inquiry including, but not limited to, information regarding past performance, financial stability, and the ability to perform on schedule, may be

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grounds for a determination of nonresponsibility.<sup>1</sup> Also refer to [Policy Guideline P-01-02, Section IV.E., Contractor Qualifications for Selection](#).

The bid security of the **successful bidder** will be held until the bidder has executed the agreement and furnished the required insurance and performance and payment contract security, whereupon it will be returned.

- (e) *Forfeiture of Security*. Should the successful bidder fail to enter into a contract with the County, the bid security may be forfeited in accordance with County policy. The County policy is to recover the difference between the low bid and the next lowest bid from the bid security, or, if the County is required to re-bid, the County will seek to recover the cost of rebidding.<sup>2</sup>
- 2) Performance Bond. Like the bid bond, the performance bond is also a contractual arrangement among the surety (usually an insurance company) the principal (the contractor) and the obligee (the County) whereby the surety agrees to protect the obligee if the principal defaults in performing the principal's contractual obligations. In simple terms, the performance bond protects the County from the contractor who fails to perform under the contract. Public Contract Code requires a performance bond on public works contracts but is silent as to the amount. **By policy, the County requires the full amount of the contract to ensure the County is fully protected.**

County Code also gives the County authority to request a performance bond for construction-related services adequate in amount to cover the County's damages in the event of a breach of contract by the contractor.<sup>3</sup> The contractor generally must post the performance bond with the County within ten days after the award of a contract. The bond must be from a surety admitted in the State of California and in a form approved by or acceptable to the Board.

- 3) Payment Bond. Another bond required on construction projects is the payment bond. Payment bonds protect subcontractors, material and equipment suppliers, and workers who claim underpayment by the contractor. [Civil Code Section 3248](#) requires a payment bond of not less than one hundred percent of the total amount payable by the terms of the contract.
- 4) Construction-Related Service Contracts. Since 1991, it has been the policy of the County that no performance security is required for service contracts of less than \$50,000. For

<sup>1</sup> In accordance with [County Code, Section 2.121.360](#)

<sup>2</sup> Chief Administrative Officer (CAO) memo to the Board, dated 11/17/98, "County Contractor Insurance and Bonding Requirements"

<sup>3</sup> Reference [County Code, Section 2.121.410](#)

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those contracts that exceed \$50,000, performance security is only required in the event that the department head has determined that the department is at substantial financial risk in the event that the contractor fails to perform in accordance with the terms of the agreement. Thus, as a general rule, most County supplies, equipment, and service contracts do not include a performance security requirement.

**C. Insurance.** In 1980, the Board established the policy requiring that contractors and service providers furnish liability insurance protecting themselves and the County against third party liability. As the nature of risk exposures became more complex and insurance coverages became more specialized, the Chief Administrative Officer (CAO) developed additional standards for other necessary insurance protection (including auto liability, workers' compensation, and professional liability coverage). These requirements are reviewed and updated as necessary on approximately an annual basis and provided to departments for incorporation into contracts.

- 1) Programs of Insurance. The following insurance language may be included in County contracts, agreements, Request for Proposals (RFPs), and Invitation for Bids (IFBs) as necessary to protect the interests of the County, its contractors, and the community. The insurance programs offered by contractors and consultants shall be satisfactory to the County and shall be primary to, and not contributing with, any other insurance maintained by the County. Insurance requirements will vary by type and category of service and the total value of the contract. The contractor is responsible for reviewing the bid or proposal documents to determine the types and amounts of insurance required, including any additional costs for required insurance in the bid or proposed prices. Typical insurance requirements may include:
  - (a) Commercial General Liability
  - (b) Workers' Compensation and Employers' Liability
  - (c) Builder's Risk
  - (d) Professional Liability
  - (e) Pollution Liability
  - (f) Property Coverage (Automobile Liability, Valuable Papers, etc.)
  - (g) Other coverage as required by the County
- 2) Additional insured. Insurance programs shall be endorsed naming the County of Los Angeles and its Special Districts as an additional insured (except under workers' compensation and professional liability policies).

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- 3) Insurance Certificates. Contractors must submit evidence of insurance in the form of “Insurance Certificates” to be delivered to the department contract administrator named in the solicitation and prior to commencing services.
- 4) Suspended, voided, canceled, or reduced coverage. Insurance programs shall contain the express condition that the County shall be given thirty (30) days prior written notice if coverage limits are suspended, voided, or canceled.
- 5) Self-insurance. The County must separately approve self-insured retention in writing.
- 6) Subcontractor insurance. Subcontractors on non-construction contracts are generally required to carry the same amounts of insurance as the prime contractor. Check the contract documents for specific subcontractor insurance requirements.

**D. Financial Assistance.** Small businesses may be able to obtain financial assistance to meet the County’s bonding requirements. The California State Office of Small Business has established Small Business Financial Development Corporations (SBFDCs) which are non-profit corporations authorized to issue loan guarantees to a bank. In addition to loans, the SBFDC can assist small businesses in securing bond guarantees up to \$350,000 from surety companies for highway-related projects and other public works projects.

For more information check the California Office of Small Business Internet Home Page: [http://www.commerce.ca.gov/state/ttca/ttca\\_homepage.jsp](http://www.commerce.ca.gov/state/ttca/ttca_homepage.jsp).

Southern California offices of the SBFDCs can be contacted at the following numbers:

- Los Angeles (213) 382-4300
- Ontario (909) 391-6787
- San Diego (619) 232-7771

For financial assistance with insurance requirements, contractors and service providers may contact the Los Angeles County Office of Small Business (OSB) at (800) 555-3815 or visit their Web Site at <http://osb.co.la.ca.us/>.



**County of Los Angeles**  
Countywide Construction Policies & Guidelines

**COMMUNITY BUSINESS  
ENTERPRISE (CBE) PROGRAM**

P-04-03

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **COMMUNITY BUSINESS ENTERPRISE (CBE) PROGRAM**

### **I. Policy Overview**

It is the stated policy of the County of Los Angeles Board of Supervisors (the Board) that minority, women, disadvantaged, and disabled veterans business enterprises be afforded the maximum opportunity to participate in the County's procurement program. To assist in this endeavor, the Board established the Community Business Enterprise (CBE) Program.

### **II. Purpose and Scope**

The purpose and scope of this Policy Guideline is to memorialize the County's policies that encourage and support CBE participation in the County's construction and construction-related contracting opportunities.

### **III. Application and Responsibility**

The goal of the CBE Program is to foster contracting opportunities for minority, women, disadvantaged, or disabled veteran owned business entities. The policy guidelines herein apply to all County departments that process construction and construction-related contracts as governed and defined by the California Public Contract Code, County Code, Board directives and resolutions, and in accordance with all applicable Federal, State, and local statutes, regulations, and ordinances. The department head of each County department listed in [Policy Guideline P-01-01, Section III](#), has the primary responsibility to facilitate and implement the policies and guidelines cited herein.

### **IV. Policies and Guidelines.**

To be eligible to participate in the County's CBE Program, a business must be certified by the County as a minority, women, disadvantaged, or disabled veteran owned business enterprise.

- A. CBE Participation Policy.** The County CBE program will provide the following opportunities to qualified firms:
- 1) A certified CBE will be included in the County's Directory of Certified Minority, Women, Disadvantaged, and Disabled Veterans Business Enterprises.

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- 2) A certified CBE is eligible to participate in the County's contracting program for a period of two years.
- 3) Upon completion of the Bidder's Mailing List Application, a CBE will be placed on the County's central vendors list, which is used by all County departments in soliciting bids.
- 4) A certified CBE is afforded networking opportunities with public and private contracting agencies.

**B. Minority and/or Women Owned Business Program.** The County certification program only extends to minority and/or women owned businesses. To become certified, these businesses must meet the following eligibility criteria:

- 4 Be a minority and/or a women owned business
- 4 Have at least 51 percent minority and/or women ownership in the business
- 4 Manage and control the daily business operations

**C. Disadvantaged Business Enterprise (DBE) and Disabled Veterans Business Enterprise (DVBE) Participation.** Although the County does not certify DBEs or DVBEs, the CBE program will recognize these businesses for program participation purposes. DBEs or DVBEs wishing to participate must be currently certified by another governmental certifying agency.

**D. Certification Process.** The County has simplified the certification process by standardizing the application form and centralizing the process through the Office of Affirmative Action Compliance. Certification requirements for requesting County certification as a minority and/or a women owned business enterprise, or to be recognized as a DBE or DVBE for CBE program participation, are as follows:

- 1) Complete the County of Los Angeles Community Business Enterprise Program Application for Participation form that is found on the Los Angeles County Office of Small Business (OSB) Web Site at <http://osb.co.la.ca.us/> or obtained at the address below. The OSB Web Site can also be accessed through the Los Angeles County Web Site link at <http://lacounty.info>.

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- 2) Forward the completed application to:

County of Los Angeles  
Office of Affirmative Action Compliance  
Community Business Enterprise Program  
500 West Temple Street, Room 780  
Los Angeles, CA 90012  
(213) 974-0912

- 3) Office of Affirmative Action Compliance toll free number: (877) 669-2237.
- 4) Office of Affirmative Action Compliance Web Site: <http://oaac.co.la.ca.us/>.

Call the number above for assistance regarding the application form or to inquire about the benefits of the County's CBE Program. The County of Los Angeles Office of Affirmative Action Compliance may request additional information and/or conduct an on-site visit in accordance with [Code of Federal Regulations \(CFR\) 49, Section 23](#) at any time during the certification process to verify any documentation submitted by the applicant. Additional assistance can be obtained by calling one of the County's small business advocates. A complete listing of these advocates can be found at <http://osb.co.la.ca.us/ombudsmen2.htm> or by clicking on the Small Business Advocates link on the OSB Web Site (see [D. 1.](#) above). The County's small business advocates listing can also be accessed through the link to the OSB Web Site on the Los Angeles County Web Site at <http://lacounty.info>.

- E. Small Business Programs.** Refer to [Policy Guideline P-04-04, \*Small Business Programs\*](#), for a summary of the County's outreach programs to assist both small and large firms wishing to participate in the County's procurement program.
- F. Good Faith Efforts to Assist CBEs.** It is County policy to require that all contractors and consultants employ good faith efforts to utilize qualified CBEs as integral participants in their County projects. The County complies with applicable Federal law and County policy to provide opportunities for responsible CBEs to participate in public works projects regardless of the origin of the funding assistance provided for a project.
- G. CBE Aspirational Contract Goals.** Board policy requires that County departments set the following aspirational contract goals:

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- Construction Contracts 25%
- Professional, Technical, and Personal Services Contracts<sup>1</sup> 25%

**H. Monitoring/Record Keeping.** The awarding department should establish a method of monitoring and reporting CBE participation in County contracts. Records should be maintained to document all recorded and reported CBE participation.

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<sup>1</sup> This category includes, but is not limited to, contracts for engineers, architects, soil engineers, surveyors, appraisers, nutritionists, auditors, directors for specialized functions or facilities, senior citizen related specialists, outreach specialists, etc.

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## County of Los Angeles Countywide Construction Policy Guidelines

### **SMALL BUSINESS PROGRAMS**

P-04-04

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## SMALL BUSINESS PROGRAMS

### I. Policy Overview

The County of Los Angeles seeks to facilitate opportunities for small businesses to effectively compete and participate in the County's contracting process.

### II. Purpose and Scope

The purpose of this Policy Guideline is to summarize County programs that are intended to foster an environment of increasing participation and opportunities for small business enterprises.

### III. Application and Responsibility

This Policy Guideline applies to all County departments that process construction and construction-related service contracts.

### IV. Policies and Guidelines

It is in the best interests of the County to aid, counsel, and assist the interests of small business concerns in order to preserve free competitive enterprise and to ensure that a reasonable proportion of the total contracts or subcontracts awarded can be placed with such enterprises.

**A. Introduction.** The County relies on its contracting professionals to foster an environment of increasing participation and opportunities for small business enterprises. The following general guidelines and best practices are incorporated into the County's contracting process to facilitate small business opportunities and ensure that a fair playing field exists for all competitors.

- 1) **Los Angeles County Doing Business with Us Web Site.** The County provides public access to contracting opportunities by posting all bids, procurements, and contracts over \$10,000 on the Los Angeles County Doing Business with Us Web Site. The County will also make a good faith effort to post *advance notifications* of upcoming contracting opportunities planned for the future on the Web Site. Contractors/consultants can review these opportunities by logging on to the Web Site at <http://camisvr.co.la.ca.us/lacobids/>. The County Doing Business with Us Web Site is one of many informative sites linked to the official County Web Site at <http://lacounty.info>.

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- 2) Subcontracting Opportunities via the Internet. Prime contractors seeking subcontractors may post opportunities on the Los Angeles County Office of Small Business (OSB) Web Site at <http://osb.co.la.ca.us/>. The OSB also gives small businesses the opportunity to profile themselves through the Internet. Web Site Registration can be accomplished via a “Vendor Registration” link on-line to the Los Angeles County Doing Business with Us link at <http://camisvr.co.la.ca.us/webven/>.
- 3) Formal Advertising is another outreach process that encourages the response of firms and individuals seeking opportunities to contract with the County. Refer to [Section 5, Construction Contracting Bid Process](#) to review the County’s policy of actively advertising contracting opportunities.
- 4) Proactive Participation in County Meetings. Businesses seeking to contract with the County are encouraged to attend public pre-solicitation or pre-bid meetings that are held to answer questions and inform contractors of County requirements for upcoming solicitations and bids. These meetings also present potential opportunities to meet potential teaming partners and incumbent prime contractors.
- 5) Large Contractors are Encouraged to Provide Subcontracting Opportunities. The County encourages the participation of Community Business Enterprises (CBEs) in construction and construction-related service contracts by establishing goals. These aspirational goals are generally set to achieve 25 percent CBE subcontractor participation.<sup>1</sup> Small businesses that have a CBE certification on file with the County will benefit from this practice.
- 6) Community Business Enterprise (CBE) Program. The CBE opportunities and assistance discussed in [Sections IV A and B](#) of this Policy Guideline are available to firms that are *certified* as small, minority, women, or disabled veteran owned businesses. Under the Veteran Empowerment Act of 1999, additional opportunities are also available for service disabled veteran owned businesses. Refer to [Policy Guideline P-04-03, Community Business Enterprise \(CBE\) Program](#) in this Manual for details and particulars on certification requirements.
- 7) Office of Small Business Advisory Board. Provides oversight for the implementation of the policies effecting the full participation of small businesses in the contracting process for public works projects in the County.

**B. Training and Financial Assistance.** New programs and County departments are available to assist firms with information, training, and financial assistance.

<sup>1</sup> CBEs shall be construed to mean minority/women/disadvantaged/disabled veteran owned business enterprises.

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- 1) Workshops and Training. OSB holds workshops on how to do business on the Internet with government agencies and large corporations. OSB also keeps small businesses abreast of business-related events throughout Los Angeles County. The OSB Web Site also maintains an events page. County workshops and training sessions for small business will be posted on the OSB events page.
- 2) Policy Information Manuals. This Manual is one example of the tools being created to aid and educate new businesses with County contracting policy. Refer to [Section 1, Policy Guideline P-01-02, Public Access to Contracting Opportunities](#) for an informative overview of the County's contracting process and opportunities for small and emerging enterprises. In addition to this Construction Contracting Manual, the County has published two additional manuals covering Service Contracting and Purchasing.
- 3) County Assistance. All County personnel, who process bids and contracts along with their construction project management counterparts, will directly assist all inquiring entities and individuals seeking assistance and/or information. This assistance includes such courtesies as answering questions, providing needed referrals, extra copies of forms, and offering assistance to potential applicants that need additional help completing and processing the required forms.
- 4) Financial Assistance. Small businesses may be able to obtain financial assistance to meet the County's bonding requirements. The California State Office of Small Business has established Small Business Financial Development Corporations (SBFDCs), which are non-profit corporations authorized to issue loan guarantees to a bank. In addition to loans, the SBFDC can assist small businesses in securing bond guarantees up to \$350,000 from surety companies for highway-related projects and other public works projects. For further information regarding financial assistance, visit the California Office of Small Business Internet Home Page at [http://www.commerce.ca.gov/state/ttca/ttca\\_homepage](http://www.commerce.ca.gov/state/ttca/ttca_homepage).

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**County of Los Angeles**  
Countywide Construction Policy Guidelines

**LOCAL SMALL BUSINESS ENTERPRISE  
PREFERENCE PROGRAM**

P-04-05

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM**

### **I. Policy Overview**

The County of Los Angeles has approved a Local Small Business Enterprise Program (Local SBE Program) and the effectuating Ordinance, Los Angeles County Code, Chapter 2.204, which provides for a five percent bid price reduction for certified Local SBEs whenever a solicitation for goods or services includes a cost component in the selection process.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to summarize the Local SBE Program that provides for a five percent bid price reduction for County certified Local SBEs during the award determination process.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments that process construction and construction-related contracts.

### **IV. Policy Guidelines**

**A. Introduction.** On July 23, 2002, the Los Angeles County Board of Supervisors (Board) approved a Local Small Business Enterprise Program (Local SBE Program) and the effectuating Ordinance, Los Angeles County Code Chapter 2.204. The Board made a finding that the County should aid and assist the interests of local small businesses in order to preserve free competitive enterprise and to ensure that a fair proportion of the total purchases and contracts for procurement of goods or services for the County be placed with such enterprises. The Local SBE Program provides enhanced contracting and procurement opportunities for local small businesses within the County of Los Angeles by providing a five percent bid price reduction (preference) to bids submitted by certified Local SBEs.

**B. Application.** All County solicitations for Requests for Proposals (RFP) and Invitation for Bids (IFB) are subject to the Ordinance. In order to claim the preference, all bidders/proposers must request said preference and be certified as a Local SBE at the time of bid/proposal submittal. Program requirements are as follows:

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1. A certified Local SBE is defined as a business which is certified as a small business enterprise by the State of California; has its principal office located in Los Angeles County for at least one year; and has been certified by the Office of Affirmative Action Compliance.
2. The Ordinance is applicable to County solicitations for goods and services effective October 28, 2002.
3. Application of the preference differs depending on the type of solicitation. For solicitations that are based on the lowest responsive and responsible bid, the preference granted to each Local SBE shall be equal to five percent of the lowest bid amount. For solicitations that are based on factors other than the lowest cost, the preference granted to each Local SBE shall be five percent of the cost/price component of the evaluation method.
4. The Local SBE preference shall not exceed \$50,000 for any one solicitation and award determination.
5. The five percent preference is used only to determine the winning bidder/proposer and does not alter the amount of the resultant contract award. A contract awarded to a Local SBE on the basis of the five percent preference will be for the amount of the actual bid or proposal.





**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**

P-04-06

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**

### **I. Policy Overview**

The County of Los Angeles has adopted the Contractor Employee Jury Service Program Ordinance, Chapter 2.203 of the County Code, which requires County contractors/consultants to provide their full-time California employees with reasonable jury service benefits.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to summarize the Ordinance that requires that businesses with which the County contracts must maintain reasonable jury service policies.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments that process construction and construction related contracts.

### **IV. Policy Guidelines**

- A. Introduction.** On February 26, 2002, the Los Angeles County Board of Supervisors (Board) adopted County Code 2.203, creating the County Contractor Employee Jury Service Program (Program). The Board made a finding that many businesses do not provide compensation for employees who serve on juries. The Board further found that employees who do not receive their pay when called to jury service often seek to be excused from jury services which potentially reduces the number of potential jurors, increasing the burden on employers who pay their permanent, full-time employees while on jury duty. Therefore, the Board has determined that it is in the best interest of the County to require that businesses with which the County contracts must maintain reasonable jury service policies.
  
- B. Application.** All County solicitations for Requests for Proposals (RFP) and Invitation for Bids (IFB) are subject to the Ordinance. All bidders/proposers must complete the County of Los Angeles Contractor Employee Jury Service Program Application for Exception and Certification Form, included in all RFP and IFB packages. Program requirements are as follows:

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.
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1. Contractors/consultants, whether a contractor or subcontractor, are required to have and adhere to a written policy that allows full-time employees who are residents of California to receive, on an annual basis, no less than five days of regular pay for actual jury service.
2. The Ordinance is applicable to County contracts, including contract extensions, effective July 11, 2002.
3. The Ordinance applies to all County contractors/consultants that receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts.
4. A contractor/consultant that does not receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts does not meet the definition of a contractor for the purpose of this Program and is not required to provide jury service benefits.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**SAFELY SURRENDERED BABY LAW**

P-04-07

Final

May 15, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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County of Los Angeles All County Departments/Divisions	<b>CONSTRUCTION CONTRACTING POLICY GUIDELINE</b>	Number: P-04-07 Version: Final 5/15/03 Page 2 of 3
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## **SAFELY SURRENDERED BABY LAW**

### **I. Policy Overview**

The County of Los Angeles has adopted the Newborn Abandonment Law (Safely Surrendered Baby Law) that permits parents to safely surrender a newborn baby, at designated sites, without fear of prosecution.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to ensure that County contractors and contract employees, including any subcontractors, are aware of the Safely Surrendered Baby Law that permits a parent to safely surrender a newborn baby, at designated sites, without fear of prosecution, so that no baby in Los Angeles County is discarded or abandoned.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments that process construction and construction-related service contracts.

### **IV. Policies and Guidelines**

- A. Introduction.** On March 20, 2003, the Los Angeles County Board of Supervisors (Board) adopted Board Policy 5.135, which requires that County contractors/consultants shall notify and provide to its/their employees, including any subcontractors/subconsultants, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby.
- B. Application.** All County solicitations for Requests for Proposals (RFP) and Invitation for Bids (IFB) are subject to the Board Policy. Policy requirements are as follows:
  - 1. Contractors/consultants shall notify and provide to its employees, and shall require each subcontractor/subconsultant to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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2. Contractors/consultants are encouraged to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the contractor's/consultant's place of business. The County's Department of Children and Family Services will supply the contractor/consultant with the poster to be used.
3. Implementation of the Board Policy is effective May 6, 2003, for all future solicitations for goods and services.

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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**County of Los Angeles**  
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**SEALED BID PACKAGE**

P-05-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## SEALED BID PACKAGE

### I. Policy Overview

The County of Los Angeles will process sealed bids in accordance with this Policy Guideline and the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County Competitive Sealed Bid Process may be further guided by applicable internal department/agency procedures and current Board actions and policies.

### II. Purpose and Scope

The County’s Competitive Sealed Bid Process for construction contracting is covered in three separate Policy Guidelines. The purpose of this Policy Guideline is to convey the County’s process for preparing competitive sealed bid packages to provide full and open competition to all bidders. The scope of this guideline covers the initial steps in the competitive bid process from the identification of the requirement to the point of notifying bidders. The process of *Sealed Bid Administration* is covered in [Policy Guideline P-05-02](#), and guidelines for *Bid Opening and Recommendation for Award* are found in [P-05-03](#).

### III. Application and Responsibility

This Policy Guideline applies to County departments engaged in the development and preparation of competitive sealed bid packages to meet construction requirements.

### IV. Policy Guidelines

The following guidelines address the initial steps in the construction contracting sealed bid process. The initial steps focus on the development of the “competitive sealed bid package” used in the formal advertising process to solicit competitive bids for County construction contract awards.

- A. Introduction.** Competitive sealed bidding is the process of formally advertising for competitive bids to meet pending County requirements. Sealed bids are publicly solicited through an Invitation for Bids (IFB) or a Notice Inviting Bids (NIB), and a fixed-price or fixed-unit-price contract is awarded to the lowest cost responsible and responsive bidder whose bid conforms to the IFB/NIB. The general overview provided by this Policy Guideline is specific to the County’s contracting for public works construction projects. Guidelines for construction-related professional and consulting services can be found in [Section 6](#) of this Manual.

<p>These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.</p>
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- B. Applications for Competitive Sealed Bidding.** The County’s construction contracting is conducted primarily under the guidelines of the California Public Contract Code (PCC). The PCC stipulates that all County construction work shall be awarded to the lowest **cost** responsible **and responsive** bidder using a sealed bid process. The “sealed bid process” refers to the formal process of adopting specifications, obtaining bids, and awarding contracts.
- C. Preparation and Processing.** The “sealed bid package” results from the preparation and assembly of various related documents (whether attached or incorporated by reference) furnished to prospective bidders for the purpose of bidding. The contents may vary depending on the size and scope of the project; however, as an example, these documents may include the following:
- (1) Bid Requirements (Instructions to Bidders)
  - (2) Contract Forms (contract, bond forms, etc.)
  - (3) Conditions of the Contract
    - (a) General Conditions
    - (b) Supplementary Conditions
  - (4) Technical Specifications
  - (5) Drawings/Plans

Processing IFB/NIBs can vary based on the size and complexity of the project. The sealed bid package is generally prepared as follows:

- 1) Identification of Requirement. This includes preparation of a comprehensive technical specification that typically includes a project work summary, location, and cost estimate in dollars.
- 2) Drafting the Invitation for Bid/Notice Inviting Bids. Includes preparation and coordination of the draft IFB/NIB. IFB/NIBs must be based on a clear and accurate description of the technical requirements for the end item or service being procured. The description should not contain features that unduly restrict full and open competition.
- 3) Contract Administrator. A “contract administrator” as used in this Manual is the individual who manages the solicitation process. The contract administrator coordinates the contracting requirements between the requesting department or division within a department, the project manager, County management, County Counsel, the Board, and the contracting community as necessary. Depending on the structure and staffing of the County department or agency, the contract administrator generally has the responsibility

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for coordination of the bid process, from notice of IFB/NIBs to contractor selection and award.

- 4) Review of Plans and Specifications. For sealed bidding to be most effective, the contract administrator shall ensure that the specifications meet the following minimum criteria:
  - (a) Completeness of the work description and the information provided in the specification to allow for responsible and responsive bids.
  - (b) Clarity from ambiguous statements regarding the nature of all requirements.
  - (c) Accuracy of the intended scope of work.
  - (d) Minimum contractor and subcontractor qualifications for the project are clearly stated.
  - (e) Specification is sufficiently generic and non-restrictive so as to stimulate competitive offers from all capable bidders.<sup>1</sup>
  
- 5) Review Funding Sources. A review of the source of the project funding is made to determine the impact (if any) that may result from any Federal, State, or local funding sources. Review of the applicable funding document will reveal if statutory or regulatory requirements mandate additional certifications, bidder qualifications, or terms and conditions are required for inclusion into the IFB/NIB package and controlling contract.
  
- 6) Contract Type. County construction contracts awarded as a result of a competitive sealed bid shall be based on a fixed-price or fixed-unit-price contract award. The law is silent on the type of contract required; however, the requirement to use a fixed-price or fixed-unit-price contract is tied to the legal requirement that the award must be made to the lowest responsive and responsible bidder.

**D. Final Review of Sealed Bid Package.** The contract administrator will ensure that an adequate review of each IFB/NIB is made to correct any discrepancies or ambiguities, which could limit competition unnecessarily.

**E. Notification to Prospective Bidders.** The advertisement that conveys the Bidder Notification will advise bidders of the pick-up location. A fee may be required when bidder's pick up a set of plans or specifications.

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<sup>1</sup> [PCC §3400. \(a\): \(b\).](#)

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Refer to [Policy Guideline P-05-02, \*Sealed Bid Administration\*](#), for a continued discussion of the sealed bid process, including a detailed explanation of the County’s advertising and web site posting notification process.



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**SEALED BID  
ADMINISTRATION**

P-05-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## SEALED BID ADMINISTRATION

### I. Policy Overview

The County of Los Angeles will administer the competitive sealed bid process to maintain the integrity of the system and to ensure the maximum participation by qualified and responsible bidders.

### II. Purpose and Scope

The purpose of this Policy Guideline is to set forth those general guiding principles and regulatory requirements that govern the *administration* of the County’s sealed bidding process for construction contracting (including repair, alteration, and maintenance work) awarded through competitive sealed bidding. The scope of this Policy Guideline continues where [Policy Guideline P-05-01](#) ends, commencing with *advertising* the County’s requirements and ending with the *receipt of the sealed bids*. The process of bid opening and recommendation for award is covered in [Policy Guideline P-05-03](#).

### III. Application and Responsibility

This Policy Guideline applies to all County departments that administer and manage the sealed bid contractor selection process for construction contracts.

### IV. Policy Guidelines

- A. Maintaining Bid System Integrity.** The administration of competitive sealed bidding is the process of preserving the integrity and fairness of the system through ethical dealing, high standards, good communication, and proper record keeping. The County’s goal is to maintain a system that, after the bids are opened, results in a contract award to the responsible and responsive bidder whose bid conforms to the bid package requirements at the lowest cost to the County.
- B. Approval to Advertise.** Prior to advertising the sealed bid solicitation, the person responsible for administering the bid process (the “contract administrator”) will ensure that the requesting department has the authority required to advertise the solicitation. In most cases, the approval process requires that the director or the Board must “adopt” the plans and specifications prior

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to advertising.<sup>1</sup> When applicable, the contract administrator will either (1) confirm (by obtaining copies) that required Board letter(s) authorizing the advertisement of the sealed bid solicitation have been obtained by the requesting department/division, or (2) process the required Board authorization letter on behalf of the requesting department or division. The record of these authorizations will be retained in the project contract file. Following the adoption, the Executive Office or the director, advertises the project.

**C. Notification of Prospective Bidders.** The process of notifying prospective bidders varies based on the size and complexity of the procurement. The County has internal departmental and division procedures that govern both small (“informal”) and large (“formal”) **Invitation for Bids (IFB)** processing.

- 1) Informal Invitation for Bid. Generally applicable to (i) small alteration or repair contracts on County-owned buildings (if the cost of the work is under \$50,000), or (ii) applicable to small construction type contracts when expected contract values are below those specified in the applicable Public Contract Code (PCC) for the requesting entity or type of work (see [Policy Guideline P-03-02](#)). If within the director’s delegation of authority and within departmental policies, the requesting department may initiate an “informal solicitation” using an informal sealed bid process. Mailed notices to contractors may supplement or substitute a public notice of the IFB.<sup>2</sup> Such notices will be given in sufficient time prior to the date set for opening of the bids and a copy of the notices will be posted in an appropriate public location.
  
- 2) Formal Invitation for Bids. Should the award of a construction contract reasonably be expected to exceed the maximum department or agency thresholds for informal contracting, the contract administrator will prepare a Board letter requesting the Board adopt the plans and specifications to authorize the initiation of a formal advertisement. The formal advertisement (also referred to as “public notice”) will be published in newspapers or trade publications of general circulation within the County of Los Angeles and/or within a reasonable proximity of the site.<sup>3</sup> The following are **examples** of some of the steps that the County takes prior to the public release of a formal IFB:
  - (a) Identify the estimated price range of the construction project.
  - (b) Ensure all project funding has been authorized.
  - (c) Prepare advertisement for print and electronic media.
  - (d) Obtain director/Board adoption of plans and specifications.

<sup>1</sup> Not applicable to CDC or other County procurements (e.g., service contracts) that are not subject to PCC guidelines.  
<sup>2</sup> Contracts estimated at \$10,000 or higher must be posted on the Los Angeles County Web Site.  
<sup>3</sup> Capital projects under [PCC §20125](#) and pursuant to [§6062 of the Government Code](#).

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- (e) List the IFB on the Los Angeles County Web Site.
- (f) Check suitability of planned locations for posting advertisements to the general public.
- (g) Announce (in the advertisement) a pre-bid conference, if necessary, to convey instructions and County expectations and include the conference schedule in the IFB.
- (h) Establish the date, time, and place for receiving sealed bids.
- (i) Advertise the IFB publicly. (Requirements for capital projects as required by [PCC §20125](#) and [Government Code §6062](#).)

**D. Formal Advertising.** The County’s goal is to advertise all formal IFBs in a manner that promotes participation in the bidding process by all qualified and capable firms.

- 1) Newspaper Advertising. The advertisement shall be published in a newspaper of general daily circulation in the County of Los Angeles. The advertisement will contain a statement of the time and place where bids will be publicly opened and read. When applicable, the notice will include the date, time, and location of any pre-bid conferences.

The County will generally include the following information in the formal public advertisement:

- (a) The name of the contracting agency and the contract solicitation number.
- (b) A brief description of the public works construction being sought, the location where the work is to be performed, and the contract terms.
- (c) The address/location where the bids are to be submitted.
- (d) The time and place of the pre-bid conference (if applicable).
- (e) The date and time for the public opening of all bids.
- (f) A description of licenses, certifications, and/or qualification requirements.
- (g) Any additional information that may help bidders responding to the IFB.
- (h) The name, address, and telephone number of the person to be contacted for additional information.

- 2) Web Site Postings. IFBs and all information typically associated with the solicitation can be found posted on the Los Angeles County Web Site, <http://camisvr.co.la.ca.us/lacobids>. The posting will generally contain a statement noting the date, time, and location of the pre-bid conference and, if applicable, the date, time, and place where bids will be publicly opened and read.

- E. Bidding Time.** The contract administrator will provide a reasonable time for prospective bidders to prepare and submit bids in response to all IFBs consistent with the needs of the County. Typically, the County will allow a bidding time of approximately twenty (20) calendar days from the first day of publication. Large complex projects may allow a longer period of time. Should an urgent need exist, a shorter time period not inconsistent with the applicable minimum statutory notice period, may be specified.
- F. Pre-Bid Conference.** The contract administrator will determine the need for a pre-bid conference. The contract administrator will determine the nature, purpose, and agenda of the conference. The contract administrator will then notify bidders of the time, date, and location of the pre-bid conference. The conference is held for the purpose of explaining the County's requirements and clarifying the procedures for receiving, opening, and evaluating bids. The conference may also convey the schedule for work site visits, address CBE/subcontractor participation, and provide a forum for contractor questions. If the purpose of the conference is (among other things) to conduct a job walk, then the pre-bid conference may be deemed "mandatory."<sup>4</sup> All bidders are encouraged to attend County scheduled pre-bid conferences so that they are afforded equal access to information. The County cannot guarantee that bidders missing a bid conference will have equal access to all bid information conveyed in the bid conference.
- G. Site Visits.** When appropriate, the contract administrator will determine the necessity for a site visit or job walk. If deemed necessary, the contract administrator notifies bidders of the date, time, and location of the site visit. The contract administrator will make sure the bid documents convey that bidders are encouraged to attend the site visit to afford them a first-hand understanding of the nature of the County's requirement, and the physical environment surrounding the work to be conducted.
- H. Responses to Questions.** All contractor questions and the County's responses will be provided in writing to all known bidders (plan holders) prior to the expiration of the bid period. The responses are intended to assist contractors in preparing their bids by clarifying the County's project and contractual requirements.
- I. Records (Plan Holders List, Subcontractor List, etc.).** Information regarding the names and locations of plan holders shall be made available to all bidders as part of the competitive sealed bid process. The contract administrator will retain a copy of every IFB he/she issues and a copy of each abstract or record of contractors receiving bids. The records should be available for review by contract administrators during each subsequent procurement action of a similar nature or for similar services.

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<sup>4</sup> If a pre-bid conference is mandatory, bids submitted by firms not attending may be deemed non-responsive.



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- J. Amendments to the Contract Documents (Addenda).** If, after issuance of an IFB, but before the time set for bid opening, it becomes necessary to make changes or corrections in quantities, specifications, delivery schedules, opening dates, etc., or to correct a defective or ambiguous invitation, the changes should be made by issuance of an amendment to the IFB. **Only the Director of DPW has the authority to issue Addenda to IFBs adopted by the Board, and this authority is limited to changes that do not increase the estimated cost by more than the amount budgeted.**

Before amending an IFB, the time remaining to bid opening and the possible need to extend this period should be considered and, if necessary, confirmed in the amendment. Amendments correcting the IFB shall be sent to all known bidders (plan holders).

No bid opening shall be made unless the amendment has been issued in sufficient time to permit all prospective bidders to consider the information in submitting or modifying their bids.

- K. Time of Bid Submittals.** Without exception, to be considered responsive, all bids shall be submitted so as to be received in the office designated in the IFB not later than the date and exact time set for receipt (or opening) of bids.
- L. Late Bids.** Bids received in the office designated in the IFB after the date and exact time set for bid opening are considered “late bids.” Only those bids submitted by the date and time called for in the bid package will be accepted for consideration and evaluation. Therefore, all bids received after the solicitation due date and exact time shall be deemed as non-responsive. Late bids received by mail or commercial common carrier shall be date and time stamped, and a record of their submission date and time shall be maintained as part of the contract file. Any bids received by the County after the due date and time specified in the solicitation will be returned unopened.<sup>5</sup>

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<sup>5</sup> See [Government Code § 53068](#), Notice for Bids on Public Contracts.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**BID OPENING &  
RECOMMENDATION FOR AWARD**

P-05-03

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **BID OPENING & RECOMMENDATION FOR AWARD**

### **I. Policy Overview**

The County of Los Angeles will conduct bid openings and recommendations for award in accordance with this Policy Guideline to maintain the integrity of the competitive sealed bid system and to ensure the maximum participation by qualified and responsible bidders.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to provide an overview of the County's *bid opening and contract award* process. The scope of this Policy Guideline covers construction contracting (including repair, alteration, and maintenance work) awarded through competitive sealed bidding. Refer to [Policy Guidelines P-05-01, \*Sealed Bid Package\*](#), and [P-05-02, \*Sealed Bid Administration\*](#) for a summary of the County's competitive sealed bidding process. Consultants should refer to [Section 6, \*Negotiated Contracts\*](#).

### **III. Application and Responsibility**

This Policy Guideline applies to all Los Angeles County departments that administer and manage the sealed bid contractor selection process for construction contracts.

### **IV. Policy Guidelines**

- A. Opening of Bids.** The contract administrator is responsible for the management, receipt, and security of all bids submitted to the County in response to an Invitation for Bids (IFB). The following steps summarize the bid opening process:
- (1) Verification of Receipt. Bids are date and time stamped as they are received.
  - (2) Safeguarding Bids. As bids are received, the contract administrator shall secure and safeguard the bids until the established time for bid opening.
  - (3) Time of Opening. Bids shall be opened at the time and public location specified in the solicitation. The contract administrator shall decide when the time set for bid opening has arrived and will so declare to those present.

- (4) Bid Opening. All bids received prior to the time set for opening should be publicly opened, read aloud to the persons present, and recorded. If it is impracticable to read the entire bid (i.e., due to multiple items involved), the total amount of each bid will be read.
- (5) Timeliness of Bid Packages. Without exception, no bids will be opened that are received after the exact date and time set for bid opening. Late bids are not acceptable and will be returned unopened or destroyed.

**B. Recording of Bids.** The identifying IFB number, bid opening date, general description of the project, names of bidders, and bid prices are entered on a Bid Summary Sheet on the date and time the bids are read. When the items are too numerous to warrant the recording of all bids completely, an entry is made of the solicitation number, opening date, a general description of the procurement items, and the total bid price where definite quantities are involved.

**C. Bid Errors.** A bidder is not permitted to make any changes to his or her bid once the bids are opened or the exact date and time for opening has expired. Should the bidder claim a material mistake in his or her bid, the bidder must notify the County in writing within five calendar days after public opening of the bids. The bid documents will generally stipulate the process for correcting bid errors due to extension errors on unit prices, etc. Relief of bidders for bid mistake on public works projects is governed by state law, [Public Contracts Code \(PCC\) §5100, et seq.](#) The County follows the law on bid errors as prescribed by the PCC.

- 1) Relief. The bidder shall not be relieved of the bid mistake unless by consent of the County ([Ref. PCC §5101](#)). The Director of the DPW is the only County official with delegated authority regarding bid errors. The County may consent to a bidder being relieved of its bid if all of the following grounds are established:
  - (a) A mistake was made;
  - (b) The bidder gave the County written notice within five days after opening of bids of the mistake specifying in detail in the notice how the mistake occurred;
  - (c) The mistake made the bid materially different than the bidder intended it to be;
  - (d) The mistake was made in filling out the bid and not due to error in judgment or to carelessness in inspecting the site of the work, or in reading the plans or specifications ([Ref. PCC §5103](#)).

**D. Bid Withdrawals.** A bid may be withdrawn by a written request submitted by mail or in person. The designated official identified in the IFB must receive the request prior to the exact date and time of bid opening.

- 1) Bid Withdrawal. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact date and time set for opening of bids, the identity of the person requesting withdrawal is established and that person signs a receipt for the bid.
- 2) Return of Bid Security. If a bid is withdrawn in accordance with this section, any bid guarantee shall be returned to the bidder. All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate contract file.

**E. Responsiveness of Bids.** To be considered for award, a bid must comply in all material respects with the IFB, both as to the method and timeliness of submittal and as to the substance of any resulting contract. The responsiveness of the bid itself is determined by its conformance to the technical, legal, and commercial requirements of the bid documents.

Generally, a bid is not responsive and may not be considered for award if the bidder deviates from the bid requirements, fails to follow the procedures for submittal, or does not include the required bid forms properly filled out and signed. A bid will be rejected when the bidder imposes conditions that would modify requirements of the solicitation documents.

The County may waive minor non-material errors or omissions, which do not allow a competitive advantage. The contract administrator may opt, at any point during the procurement process, to submit a complicated bid to County Counsel for interpretation and advice. The responsive bid submittal shall conform to the following:

- (1) Delivery at date and time and place specified in the IFB;
- (2) Bid Bond or Bid Security (10% of the contract value);
- (3) Completion of all forms and signatures on all documents required by the IFB;
- (4) Bidders (when applicable) must hold and show evidence of a valid contractor's license.

**F. Responsible Bidder (Due Diligence).** The term "responsible" refers to a bidder's financial resources, judgment, skill, experience, integrity and business ethics, and ability to successfully fulfill the requirements of the contract.

The County will not award a contract to any bidder determined to be non-responsible. Further, [PCC §6109](#) restricts the County from permitting any contractor or subcontractor, who is ineligible to bid or work on, or be awarded, a public works project pursuant to [§§1777.1](#) or [1777.7 of the Labor Code](#).

As required by County Code, a bidder may be declared to be “non-responsible” if the County, in its discretion, finds that the contractor has done any of the following:

- (1) Committed any act or omission that negatively reflects on the contractor’s quality, fitness, or capacity to perform a contract with the County.
- (2) Engaged in a pattern or practice that negatively reflects on the County or the contractor’s quality, fitness, or capacity to perform its contractual obligations.
- (3) Committed an act or omission that indicates a lack of business integrity or business honesty.
- (4) Made or submitted any false claim against the County or any other public entity.
- (5) Appears on any debarment listing maintained by the County or any Federal or California agency. It should be noted that any contract on a public works project entered into between a contractor and a debarred subcontractor is void as a matter of law ([PCC § 6109 \(b\)](#)).
- (6) Performed poorly in the past, has financial stability problems, and/or has a questionable ability to perform on schedule.

In some instances a review will be conducted shortly after bid opening to determine the apparent low bidder's qualifications, background, and understanding of the terms, conditions, and technical requirements of the contract. The review is typically coordinated by the contract administrator and may be attended by the apparent low bidder, the requesting department project manager and, as appropriate, representatives of other interested departments and County Counsel.

- G. Rejection of Bids.** All bids may be rejected when such rejection is in the best interest of the County. Any bid that fails to conform to the requirements of the contract documents or other requirements specifically provided for in the IFB may be rejected as **nonresponsive**. All bidders must stand on equal footing with respect to the method and timeliness of submittal and as to the substance of any resulting contract. If the Board approved the IFB, then only the Board can elect to reject all the bids.

**H. Notice to Bidders of Rejection of All Bids.** The County may, at its discretion, reject any and all bids. An IFB should not be canceled before a bid opening unless it is determined by the proper departmental authority that cancellation is in the best interests of the County. Reasons for cancellation include, but are not limited to: (i) inadequate or ambiguous specifications were cited in the IFB; (ii) specifications have been revised; (iii) project or construction services being contracted for are no longer required; or (iv) the IFB did not provide for consideration of all factors of cost to the County.

An IFB may also be canceled after opening but prior to award at the discretion of the County. Once the decision is made to reject all bids, the following actions should be taken:

- (1) Contract administrator prepares a letter recommending the rejection of all bids for Board approval.
- (2) Upon receiving authorization, the contract administrator sends a letter to all bidders advising them that all bids have been rejected, and usually also advising them whether they can expect a revised solicitation to be issued.

**I. Recommendation for Award.** The requesting department prepares the documents requesting approval to award a contract, and then circulates it according to departmental guidelines for review and signatures. The documents are submitted to the individual with the appropriate delegated authority to approve the transaction. If the recommendation requires Board approval, the requesting department will prepare the Board letter and coordinate the approval process in accordance with its administrative policies and practices.

**J. Award Notification to Bidders.** Unless all bids are rejected, award by the County will be made by written notice within the time for acceptance specified in the bid. Award will be made to the lowest responsive, responsible bidder. Award will be subject to the apparent winner providing all required bonds and insurance certificates, and the contract administrator and requesting department securing all applicable approvals and County contract signatures.

**K. Notice to Proceed (After Contract Award).** Once the contract is fully approved and executed (i.e., signed by the County, County Counsel, and the contractor), a written *notice to proceed* for the required item/services will be issued to the contractor by the designated contract administrator or his/her designee. At the discretion of the County, a partial or 2-part notice to proceed may also be issued requesting commencement of limited or specified services.

**CONSTRUCTION CONTRACTING  
POLICY GUIDELINE**

It is a County best practice to conduct a *post award / pre-construction meeting* with all construction contractors before the work under a construction contract begins. Such a meeting provides key members of both organizations an opportunity to establish lines of authority and communication and identify their respective duties and responsibilities. Discussions may also cover specific County project expectations with respect to plans, specifications, safety requirements, unusual conditions, and schedules of completion. A thorough understanding of equal employment regulations, subcontractor participation, certified payrolls, job-site work hours and conduct, deliverables, and other pertinent features of the contract will promote better relations and improve construction operations.





**County of Los Angeles**  
Countywide Construction Policy Guidelines

**BID PROTESTS**

P-05-04

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
Approved by:	Approved by:	

## **BID PROTESTS**

### **I. Policy Overview**

The County of Los Angeles will process bid protests in a timely and consistent manner to assure that all prospective contractors/consultants are accorded fair and equal consideration for the award of County contracts.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to convey the County's general course of action for addressing bid protests asserted by prospective contractors. This guideline will address the administrative guidelines for protests arising from the acquisition of construction and construction-related services under both the Invitation for Bid (IFB) and Request for Proposal (RFP) methods of solicitation.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments involved in the contractor selection process for construction and construction-related contracts.

### **IV. Policy Guidelines**

- A. Introduction.** Protests received by the County before contract award shall be immediately forwarded to the contract administrator issuing the IFB or RFP. The contract administrator will prepare a written response, reviewed by County Counsel if necessary, and approved by the department/agency head or his/her designee.
- B. Timely Filing.** The protest of a likely contract award to the apparent lowest bidder (IFB) or best-qualified firm or consultant (RFP) must be made prior to contract award. Untimely notice will not serve the interests of either party. Protests should be received by the County at the earliest practical time.
- C. Post-Award Protests.** With respect to protests received after contract award, the County will not suspend contract performance or terminate the awarded contract unless so directed by the Board.

**D. Protest Format.** The protesting party's protest should reference all pertinent County, State, Federal, or local laws or regulations that are relied upon in support of the protest. Any documents relevant to the protest should be submitted. The County, at its discretion, may decide the protest without requesting further submittal(s) from the party submitting the protest. Thus, the initial protest should include all matters that the party wishes the County to consider in deciding the protest outcome. Such matters include, but are not limited to, the following:

- (1) The name and address of the party and its relationship to the procurement.
- (2) Identification of the proposed project or contract.
- (3) Description of the nature of the protest.
- (4) Identification of the provision(s) of the solicitation, regulations, or laws upon which the protest is based (i.e., identification of the technical specifications or item of content in the IFB/RFP).
- (5) Copies of all (or any) documentation supporting the allegations in the protest.
- (6) Statement of the specific relief requested.

**E. Protest Submittal.** The best interests of the parties are served if the protest is (1) filed with the contract administrator, (2) filed in a timely fashion, and (3) filed in the format and detail described in D above. A contractor may also appear in person before the Board. The Board, acting in the best interests of the County, may decide to continue with the award and acquisition subject to resolution of the protest.

**F. Protest Remedies.** A decision by the responsible official will be made based on the merits of the protest. A written response will be provided by the County and all findings and specified remedies will be considered final. The Board may suspend a contract upon a finding that the protest has merit and is based on solid legal principles.

**G. Authority for Administration of Protests.** The responsible official may assign contract administrators to conduct the administrative processing of protests filed with the County. Assigned contract administrators shall be responsible for proper distribution of protest submittals and responses, coordination of staff evaluation of the protest, compliance with the time limits stated herein, and maintenance of all documents related to the protest.

The responsible official shall request County Counsel to review and advise the contract administrator concerning any legal issues involved in protests.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**ARCHITECTURAL SERVICE CONTRACTS**

P-06-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## ARCHITECTURAL SERVICE CONTRACTS

### I. Policy Overview

The County of Los Angeles will process the selection of consultants to provide architectural services in accordance with this Policy Guideline and the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County architectural service contracting process may be further guided by applicable internal department/agency procedures and current Board actions and policies.

### II. Purpose and Scope

The purpose and scope of this Policy Guideline is to set forth those general guiding principles and regulatory requirements that govern the County's architect/engineer selections for capital construction and earthquake recovery projects.

### III. Application and Responsibility

This Policy Guideline applies to the processing of architectural and engineering service and consulting requirements related to capital construction and earthquake recovery projects. It shall be the responsibility of all County contract administrators to select architectural/engineering service contracts for capital construction projects in accordance with the guidelines set forth herein.

### IV. Policy Guidelines

**A. Capital Project Design.** The Board of Supervisors created the Architectural Evaluation Board (AEB) in 1969 to assist the Board in selecting the most qualified architectural firms for the design of County capital projects. The creation of the AEB has fostered a set of Board-approved AEB *Bylaws* and AEB *Rules and Procedures* that govern the selection process of County architectural firms. The AEB has the following powers and duties:<sup>1</sup>

- (1) To prepare and maintain a file on architectural firms who have requested consideration for County work.
- (2) To submit a recommended list of architectural firms to the Director of DPW.

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<sup>1</sup> Bylaws of the LA County AEB.

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- (3) To formulate with the Board the general key policies and procedures under which it will operate.
- (4) Establish the criteria and appropriate categories for the listing of architectural firms for County contracts.

**B. Architectural Service Definition.** Architectural services are defined within [Section 4525 of the California Government Code](#) as professional services of an architectural or real property engineering nature associated with research and development, design, construction, alteration, or repair of real property that are required by virtue of law to be performed by a California registered or licensed architect or engineer.

The types of services covered in this Policy Guideline have been further reduced to cover only those **architectural design services** performed under the rules and procedures of the Los Angeles County AEB and related County Board orders. Since either licensed architects or engineers can perform these architectural services, they are sometimes referred to as architectural/engineering (A/E) services. The firms that perform the services are sometimes referred to as A/E firms.

**C. Architectural Service Selection Policy.** California law requires the selection of A/E consultants on the basis of demonstrated competence and professional qualifications. The price of the services may only be negotiated after the most qualified firm is identified.<sup>2</sup> The process of selecting a consultant without including price as a selection component is referred to as “qualifications-based” selection.

The County will negotiate contracts for architectural services and services with the individual firms selected as “most qualified” based on demonstrated competence and qualifications of the competing contractors. (See [California Government Code 4525, et seq.](#)). Sources for architectural contracts shall be selected in accordance with the following guidelines, which incorporate current AEB selection criteria, State and County code, and applicable County Board orders and directives.

**Exceptions.** This Policy Guideline does not apply to other categories of qualifications-based contracting for services such as: program management, construction project management, feasibility studies, preliminary engineering, design, surveying, mapping, environmental, and land surveying or other similar services. These other services are covered in [Policy Guideline P-06-03, Consultant Service Contracts](#).

<sup>2</sup> The law is contained in [§§4525-4529.5 of the Government Code](#).

**D. Authority to Process Architectural Requirements.** The Director of the DPW has the designated authority under the Rules and Procedures of the AEB to process architectural consultant contracts for all County capital construction and earthquake recovery projects. Other County departments except as noted below, will typically forward their architectural contracting requirements to the DPW for processing.

**Exceptions:** The Community Development Commission (CDC) has Board authorization to process architectural consultant contracts related to Comprehensive Grant Projects. The CDC must get Board approval if the design costs exceed \$49,999. The Internal Services Department (ISD), processes architectural requirements generally related to the County's energy projects, and architectural services related to refurbishment of County buildings or landscaping.

**E. Architect/Engineer Selection and Evaluation Process.** The Board has adopted and approved a set of AEB Bylaws. These Bylaws entitled, *Bylaws of the Los Angeles Architectural Evaluation Board*, provide the guidelines intended to ensure fair and consistent architect/engineer (A/E) selections for capital and earthquake recovery construction projects.

A key section of the AEB Bylaws is entitled, Rules and Procedures of the Los Angeles County Architectural Evaluation Board. This section provides the County with A/E contracting guidelines for the following general areas:

- (1) Projects with an Estimated Construction Cost of Less than \$1 Million
- (2) Projects with an Estimated Construction Cost of \$1 Million or more
- (3) Special Accelerated Procedure for Projects with an Estimated Construction Cost of \$1 Million to \$2 Million
- (4) Maintaining Active Files Supporting the Approved List of A/E Firms
- (5) Contracting with Preselected A/E Firms

The AEB Bylaws also provide criteria and guidelines for A/E pre-selection, AEB coordination, rotation of awards, criteria for accelerated procedures, and A/E proposal evaluation.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONSTRUCTION-RELATED  
SERVICE CONTRACTS**

P-06-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## CONSTRUCTION-RELATED SERVICE CONTRACTS

### I. Policy Overview

The County of Los Angeles will conduct all contracting for construction-related services in accordance with this Policy Guideline and the guiding principles and regulatory requirements of applicable State and County codes and regulations. The County contracting process may be further guided by applicable internal department/agency procedures and current Board actions and policies.

### II. Purpose and Scope

The purpose and scope of this Policy Guideline is to set forth those general guiding principles and regulatory requirements that govern the County's construction-related service contracting process.

### III. Application and Responsibility

This Policy Guideline applies to all Los Angeles County departments that process construction-related service contracts.

### IV. Policy Guidelines

- A. Construction-Related Service Definition.** The types of construction-related services covered by this guideline include construction-related services (excluding consulting services) that are often associated with repair and refurbishment projects. Examples include those services that accompany refurbishment projects necessitated by changes in function and workflow within County offices and public buildings. In some instances these types of services may include: installation of new telephone and computer systems, carpeting, modular work stations, electrical, plumbing, carpentry, modifications to non-bearing walls, repainting, and associated services.
- B. Source Selection Methods.** County departments and agencies award construction-related service contracts using the following methods:
- (1) Invitation for Bids (IFB)
  - (2) Request for Proposals (RFP)
  - (3) Job Order Contracting (JOC) (Covered in [Policy Guideline P-06-04](#))

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

- C. **Sealed Bid Contracting versus Informal Competitive Process.** If the work falls into the category of construction or repair, and not refurbishment, then the Public Contracting Code (PCC) contract dollar limits apply. [PCC §20123](#) requires that all construction or repair work upon County-owned buildings **must be competitively bid** if the cost is in excess of \$50,000, thus a sealed bid process is required.

If the work falls under the category of “refurbishment,” i.e., asbestos removal, re-painting (regardless of value), remodeling, or if the construction work on a County building falls under the \$50,000 PCC threshold, County policy requires that the services must be acquired through some form of competitive process.

- D. **Informal Contracting Process.** While the dollar limits may vary by department, agency and district, an informal contracting process is generally deployed for small refurbishment and construction contracts, i.e., when the contracts are less than \$25,000. The informal contracting process varies by department. In general, it is the process of soliciting bids/proposals without the formal adoption of plans and specifications. Each department’s process must be sound and appropriate for procurement of services, and the method shall be open and competitive. The informal contracting method shall also provide opportunities for CBE contractors when appropriate.

- E. **Standard Form Contract.** County Counsel has provided a standard form “Construction Services Agreement” that is intended for use to support construction-related services that are not consulting services. The Construction Services Agreement is processed following the general steps used for other County contracts. These typical steps are as follows:

- 1) Public Notice. Public notice of the Request for Proposals may be provided at the discretion of the County department or agency to ensure adequate competition. Such notice may include publication in a newspaper of general circulation within the County for a reasonable time prior to the submittal due date.
- 2) Evaluation Factors. The Request for Proposals shall indicate the relative importance of price and other evaluation factors (if applicable).
- 3) Award. Except in those instances where all proposals are rejected when such rejection is in the best interests of the County, award shall be made to the responsible offeror whose proposal is determined to be most advantageous to the County, taking into consideration price and the evaluation factors set forth in the Request for Proposals.
- 4) Discussions with All Responsible Offerors. Written or oral discussions may be conducted with responsible offerors who submit proposals determined in writing to be reasonably susceptible of being selected for award. Discussions shall not disclose any information derived from proposals submitted by competing offerors.

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**F. Preparing the Request for Proposal (RFP)/Request for Qualifications (RFQ) Package.** The following guidelines are provided as a (non all inclusive) sample check list for preparing a (formal) department RFP package in anticipation of the award of a negotiated contract over \$25,000:

- (1) Verify funding source to determine if State or Federal funding will trigger the addition of State and Federal contract flowdown clauses. Federal funding may also require a pre-award audit if the services are in excess of \$250,000.
- (2) Check that services are Non-Architectural/Engineering services – otherwise refer to [P-06-01](#).
- (3) Check authorization to proceed.
- (4) Appoint a contract administrator (designate a project manager). Departments without internal resources may outsource the contract administration function to another department.
- (5) Arrange for proper advertising and Los Angeles County Web Site postings.
- (6) Determine the project schedule.
- (7) Gather and review the work description.
- (8) Specify the skills, services, or products to be delivered.
- (9) Prepare and distribute as necessary the Request for Qualifications (RFQ), description of work, and/or Request for Proposals (RFP), if used.
- (10) Determine the type of contract and how contractor is to be paid (refer to [P-04-01, Contract Types and Application](#)).
- (11) Determine contractor selection methods (refer to [P-06-03, Consultant Service Contracts](#), for details on the three methods that follow):
  - One-Step Request for Proposals (RFP)
  - One-Step Request for Qualifications (RFQ)
  - Two-Step Request for Qualifications/Proposals (RFQ/RFP)

The method used depends upon the scope of work, the services required, the project’s complexity, and the time available for contractor/consultant selection.
- (12) Appoint proposal/qualification evaluation committee.

- (13) Develop technical criteria for evaluation of proposals.
- (14) Develop schedule for contractor selection.
- (15) Prepare RFP or RFQ.
  - Project description – Scope of Work – Schedule of Work
  - Proposal format – Method and criteria for selection
  - Determine proposal requirements, for example:
    - Work plan
    - Organization chart
    - Schedule
    - Pricing format
    - Staffing plan
    - Staff resumes
    - Names of contractor's project manager and individuals authorized to negotiate
- (16) Advertise per departmental policy.
- (17) Issue RFP or RFQ.
- (18) Organize Proposers' Conference and/or answer written questions.
- (19) Receive and evaluate technical proposals and/or statements of qualifications.
- (20) Develop final ranking (or develop short list) and notify contractors of results:
  - If using the one-step RFQ method or two-step RFQ/RFP method, develop a short list
  - Invite short-listed contractors to attend an interview (if necessary)
- (21) Interview top-ranked contractors (if necessary).
- (22) Develop final ranking.
- (23) Conduct scoping meeting (to ensure contractor has a complete understanding of the work to be performed and the County's expectations).
- (24) Negotiate contract with top-ranked contractor.
- (25) Verify receipt and acceptability of all bid/proposal forms, qualification forms, bid security, and other required contractor certifications.
- (26) Prepare Board Report and obtain necessary signatures prior to submittal for Board Approval.
- (27) Notify contractors of the results

- (28) Obtain Board Approval.
- (29) Send contract(s) out for contractor signatures after verifying receipt of insurance certificates.
- (30) Receive copies of signed contract(s) from contractor.
- (31) Obtain department head and County Counsel final contract signoff.
- (32) Mail out fully-executed contract(s).
- (33) Issue Notice-to-Proceed.
- (34) Post award of contract information on the Los Angeles County Web Site.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONSULTANT SERVICE CONTRACTS**

P-06-03

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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County of Los Angeles All County Departments/Divisions	<b>CONSTRUCTION CONTRACTING POLICY GUIDELINE</b>	Number: P-06-03 Version: Final 3/31/03 Page 2 of 6
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## CONSULTANT SERVICE CONTRACTS

### I. Policy Overview

The County of Los Angeles will conduct all contracting for consultant services in accordance with this Policy Guideline and the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County consulting service contracting process may be further guided by applicable internal department/agency procedures and current Board actions and policies.

### II. Purpose and Scope

The purpose and scope of this Policy Guideline is to set forth those general guiding principles and regulatory requirements that govern the County’s **consultant service contracting process**. Consultant services include professional services, studies, and miscellaneous consulting for non-architectural/engineering (A/E) services.<sup>1</sup>

### III. Application and Responsibility

This Policy Guideline applies to all Los Angeles County departments that process construction-related consulting service contracts.

### IV. Policy Guidelines

**A. Consulting Service Definition.** The types of construction-related consulting services covered by this guideline fall into the following two general categories:

- (1) General Consulting (Management Services). Referred to in this Policy Guideline as “non-A/E consultants,” these management services are often associated with studies, evaluations, reports, procedure writing, and miscellaneous consulting services that require the engagement of “non-A/E consultants.” Consultants in this non-A/E category may be **selected using price as one of the selection criteria**. [California Government Code §4529](#) allows the County department or agency head to determine when services fall into the non A/E category. The Government Code defines these services as those that “are more of a technical nature and involve little professional judgment, and that requiring bids would be in the public interest.”

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<sup>1</sup> Refer to [Policy Guideline P-06-01](#) for County guidelines on Architectural/Engineering Service contracts.

- (2) Professional Services. Architectural, landscape architectural, engineering, environmental, land surveying, and construction project management support services are all considered “professional services.” The Government Code requires that County procedures are adopted that will assure these categories of service firms will be selected based on **demonstrated competence and on their professional qualifications**.<sup>2</sup> The “qualifications-based” selection process **excludes price** as one of the selection criteria. Architectural services for capital project design are covered separately in [Policy Guideline P-06-01](#) since they are also subject to the *Bylaws and Rules and Procedures* of the Architectural Evaluation Board.

**B. Source Selection Methods for Consulting Service Contracts.** Competitive and noncompetitive negotiated contracting are the methods used for selecting professional service firms.

**C. Departmental Distinctions.** The dollar amount of the consulting service(s) requested and individual department policy will guide the determination of how the department proceeds with either an informal or formal Request for Proposal (RFP)/Request for Qualification (RFQ) solicitation process:

- 1) Informal Contracting Process: The determination to use an informal solicitation process is governed by internal department/agency policies and practices. The established departmental policies are based on dollar thresholds set at or below those levels established by applicable State and County codes.
- 2) Departmental Thresholds. Applicable to consultant contracts as well as other small procurements, the following is a list of the not-to-exceed dollar thresholds established by County departments and agencies for using internal informal processing methods:

- |   |          |
|---|----------|
| • Department of Public Works              | \$25,000 |
| • Internal Services Department            | \$ 5,000 |
| • Department of Parks and Recreation      | \$15,000 |
| • Consolidated Fire Protection District   | \$10,000 |
| • County Sheriff (via requisition to ISD) | \$ 5,000 |
| • Community Development Commission        | \$ 4,999 |

<sup>2</sup> [Government Code §4525 - §4529.5.](#)



- 3) Contracts Less than Threshold. The informal contracting process varies by department. In general, it is the process of soliciting bids without the formal steps of public notice and postings, soliciting proposals, public bid openings or formal proposal review committees. Each department's process must be sound and appropriate for procurement of consulting services. Except in the case of sole source procurements, the contracting method shall be open and competitive. The informal contracting method shall also provide opportunities for CBE consultants when appropriate.

**D. Competitive Negotiation Process.** When a department has made a determination that the dollar threshold exceeds the levels established in [section C 2](#) above, the County will use a formal competitive negotiation process for both management and professional services that typically consists of the following:

- 1) Public Notice. Adequate public notice of the RFP or RFQ shall be given. Where the award of a contract can reasonably be expected to exceed the threshold, such notice may include publication in a newspaper of general circulation within the County for a reasonable time prior to bid opening. The requirement shall also be posted on the Los Angeles County Web Site (refer to [P-01-02](#) for additional public access requirements).
- 2) Evaluation Factors. For general consulting contracts, the RFP shall indicate the relative importance of price, management, professional staff, experience, and other relevant evaluation factors.
- 3) RFP/RFQ Award. Except in those instances where all proposals are rejected when such rejection is in the best interests of the County, award (or selection) shall be made to the responsible offeror whose proposal is determined in writing to be the best qualified and thus most advantageous to the County, taking into consideration the evaluation factors set forth in the RFP.
- 4) Discussions with All Responsible Offerors. Written or oral discussions may be conducted with responsible offerors who submit proposals/quotations determined in writing to be reasonably susceptible of being selected for award. Discussions shall not disclose any information derived from proposals submitted by competing offerors.

**E. The RFP/RFQ Process and Contract Award.** The following guidelines are provided as a best practice check list for preparing an RFP/RFQ package in anticipation of the award of a negotiated consultant service contract:

- (1) Determine if consulting services are non-A/E or A/E services. If consulting services are architectural in nature, refer to [P-06-01, Architectural Service Contracts](#).

(2) Determine consultant selection methods. The method used depends upon the scope of work, the consulting services required, the size of the project, the project's complexity, and the time available for consultant selection. The basic methods are:

- *One-Step Request for Proposals (RFP)*: In this method consultants submit a technical proposal and statement of qualifications at the same time. Proposals by all consultants are evaluated based on criteria outlined in the RFP. The department/agency scores the proposals based on established criteria and negotiations begin with the consultant having the highest evaluated proposal.
- *One-Step Request for Qualifications (RFQ)*: Is used primarily for selecting qualifications-based professional service consultants, or this process may be used when selecting general service consultants when there are numerous consultants who wish to participate.

The consultant is required to submit a Statement of Qualifications in response to a Request for Qualifications (RFQ). A selection committee ranks the responding consultant proposals and develops a short list of qualified consultants. These consultants may be invited for interviews to determine the final ranking of consultants. Negotiations will begin upon selection of the most qualified consultant(s). It is within the discretion of the County department/agency to use the ranking list for more than one project. The ranking list is typically renewed at least once every two years to give additional consultants the opportunity to be evaluated and participate.

- *Two-Step Request for Qualifications/Proposals (RFQ/RFP)*: Because it requires substantially more work and time, the Two-Step RFQ/RFP method should be used for large general consulting contracts when the scope of work is complex or unusual.

The consultant submits a statement of qualifications in response to a Request for Qualifications. Responding consultant proposals are ranked by a consultant selection committee, which then prepares a list of qualified consultants.

- (3) Contract administrator prepares the RFP (or RFQ) for the consulting services.
- (4) RFP includes scope of work, proposal submittal and legal requirements, consultant selection and contract award process, location/date/time that proposals are due, criteria for proposal evaluation, and a sample contract.
- (5) Advertise per departmental policy and post to Los Angeles County Web Site.
- (6) Mail (fax or email) RFP to interested firms.

- (8) Contract administrator and project manager (if applicable) finalizes the proposal evaluation criteria and reviews it with members of the evaluation committee.
- (9) Proposals are received at the location/date/time specified in the RFP.
- (10) The contract administrator performs an initial screening to determine if the firms are responsive (proposal format, content, completed forms, etc.). The screening includes a review of all required certifications and includes a statement from each firm that they agree to all the terms and conditions of the sample contract included with the RFP.
- (11) Responsive proposals that pass the initial screening are distributed to the evaluation committee for review.
- (12) A date/time is set for the evaluation committee to meet to discuss the proposals and select the most-qualified firm based on pre-established criteria.
- (13) The committee scores and ranks the proposals and the highest ranked firm is recommended as the most-qualified firm.
- (14) The project manager schedules negotiations with the most-qualified firm to finalize the scope and fee for the contract.
- (15) Following successful negotiations, the contract administrator prepares the contract based on the final scope and fee.
- (16) The contract is awarded by the Board, or if applicable, by the agency/department director using his/her delegated authority.
- (17) The contract execution includes signatures of the firm, County Counsel, and either the agency/department director or the Board.
- (18) Prior to award and execution of the contract by the consultant, the consultant submits the firm's proof of insurance.
- (19) The project manager issues the notice to proceed to the consultant to begin the work.
- (20) The contract administrator posts the award of contract to the Los Angeles County Web Site.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**JOB ORDER CONTRACTING**

P-06-04

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **JOB ORDER CONTRACTING**

### **I. Policy Overview**

The County of Los Angeles will conduct all job order contracting in accordance with this Policy Guideline and the guiding principles and regulatory requirements of applicable Federal, State and County codes and regulations. The County's job order contracting may be further guided by applicable internal department/agency procedures and current Board actions and policies.

### **II. Purpose and Scope**

The purpose and scope of this Policy Guideline is to provide an overview of the general guiding principles and regulatory requirements that form the basic foundation of the County's Job Order Contract contracting process.

### **III. Application and Responsibility**

This Policy Guideline applies to all Los Angeles County departments and agencies that process Job Order Contracts.

### **IV. Policy Guidelines**

- A. Job Order Contract Definition.** A Job Order Contract (hereinafter called a JOC) is a competitively bid, fixed-unit-price indefinite quantity contract. The "indefinite quantity" means that the quantities or units of work required during the term of the contract may vary based on the County's needs. The JOC includes a collection of detailed repair and construction tasks and specifications that have established unit prices. The JOC has a maximum dollar value over a fixed term.
- B. JOC Advantages and Distinctions.** JOCs are a special type of standing unit price contract used for the accomplishment of repair, alteration, modernization, maintenance, refurbishment, rehabilitation, and repetitive construction work performed on County buildings, structures, or other real property.

- 1) The JOC offers the following advantages:

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

- Faster response time: Allows rapid mobilization after award using lump sum Work Orders issued against a standing contract.
- Low risk: Work is bonded, Work Orders are lump sum, and contractor is rewarded for quality work.
- Encourages quality work because the County has the discretion to hold back or issue additional Work Orders.
- Dollar volume is directly linked to the contractor's fulfilling the County's expectations and receiving additional Work Order opportunities.
- County can maintain control by issuing JOCs to a number of contractors under simultaneous or consecutive IFB processes.
- Contractor is only guaranteed a \$50,000 minimum.
- Quality contractors can be awarded up to \$3-million in cumulative Work Orders during the one-year contract term.
- JOC builds a team approach with the County and contractor.
- JOC can increase the number of opportunities for local, small, minority, female, and disabled businesses because contractors are motivated to meet the County's aspirational goals.
  - Failure to meet subcontracting goals may result in no further work
  - No bonding is required of subcontractors
  - No complicated bidding procedures
  - Prime Job Order Contractor serves as mentor to small subcontractors

**C. JOC Features.** The JOC plays a vital role in County contracting. The important features of the JOC are as follows:

- 1) JOC Application. The law that governs the use and scope job order contracting is found in [Section 20128.5 of the Public Contract Code](#) (PCC). The PCC specifically prohibits the use of unit price contracting (JOCs) for new construction, design work, or contract drawings.
- 2) Unit Price Book. The JOC includes a Unit Price Book (UPB). The UPB is a comprehensive listing of the various components/segments of labor, material, and equipment used to develop the cost of construction-related repair or refurbishment projects. The standard tasks are based on the use of experienced labor with high quality materials. All of the unit task prices are approved by the County and incorporate prevailing State wage and local materials cost data.

- 3) Contractor Price Adjustment Factor. The contractor bids a “price adjustment factor” that serves as a multiplier to be applied against the established “fixed” contract UPB prices. The JOC may require more than one set of price adjustment factors to account for overtime work or different categories (such as size and value) of work. An “award formula” will determine the selected contractors and will be based upon the summation of all required JOC price adjustment factors. The UPB and the successful contractor’s price adjustment factors are incorporated into the awarded contract. No individual items can be excluded from the UPB.
- 4) JOC Ordering. When the County has a requirement for specific work, ordering is accomplished by means of a Work Order issued against the JOC. During the term of the JOC, as requirements are identified, the contractor will be issued a Request for Work Order Proposal and will be required to develop a schedule and submit an estimate for the work required using the units and unit-price estimates from the UPB. Depending on the urgency of the required work, the JOC contractor may be issued a Notice to Proceed prior to agreement on price and schedule.
- 5) Work Order Pricing. The County will compare the contractor’s proposal against an independent County estimate. If the contractor’s proposed units are found to be reasonable, a Work Order may be issued at the agreed upon units which, when multiplied by the unit price and contract adjustment factor, will establish the firm-fixed price for the Work Order. Each Work Order issued will represent a separate contractual obligation to be performed under the terms and conditions, fixed unit rates, and price adjustment factors in the controlling JOC.
- 6) Non-Prepriced Items. The JOC concept also includes a provision for the establishment of prices for work requirements that are not within the general scope of work and were not included in the UPB at the time of contract award. These tasks are referred to as “non-prepriced items.” Non-prepriced items may require the establishment of specifications and drawings and may subsequently be incorporated into the UPB. The costs associated with non-prepriced items are established in the contract General Conditions.
- 7) Contractor Obligations/Qualifications. Under the JOC, the contractor furnishes management, labor, materials, equipment, and engineering support as required to perform the work covered by the applicable Work Order. The contractor must have the license required in the IFB, as issued by the Contractors’ State License Board. It shall be the contractor’s responsibility to verify that the correct license is possessed for this type of contracting.

**The proper license is required at the time of bid to be considered a responsive bidder.**

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**D. Pre-Bid Conference.** Attendance at the pre-bid conference is essential for JOC bidders. The pre-bid conference will be advertised as to time and location. The agenda of the pre-bid conference usually is to discuss the JOC concept, and discuss JOC from the contractor’s perspective. The County will also address and answer questions during the pre-bid conference.

**E. Contract Value and Performance Period.** The JOC has a maximum contract dollar value and a fixed contract term. [Section 20128.5 of the Public Contract Code](#) sets a maximum not-to-exceed contract value of \$3 million and a maximum contract term of 12 months from the date of award.<sup>1</sup> The law is silent on the guaranteed minimum quantity of work to be ordered during the 12-month contract term. **By practice**, the County sets the minimum order quantity at \$50,000. In summary, the contract period of performance is 12 months or until the achievement of the maximum value, whichever occurs first. The maximum value is achieved when Work Orders have been completed that equal the total contract amount.

- 1) Work Order Period of Performance. Work ordered prior to but not completed by the 12-month expiration date of the JOC will be completed with all provisions of the JOC still in force. Specific performance time will be indicated in each Work Order.
- 2) Contractor Mobilization. The County will expect full contract performance from the start date of the contract Work Order. The contractor is expected to commence mobilization activities as soon as practical after Work Order award. The contractor must be fully operational and capable of starting work upon the initial award of the JOC.

**F. Competitive Bid Process.** Processing a JOC requires many of the same steps outlined in [Section 5, Construction Contracting Bid Process](#), beginning with [Policy Guideline P-05-01, Sealed Bid Package](#). A contract is awarded to the lowest bidder.

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<sup>1</sup> The PCC gives the Board the option to adjust the \$3,000,000 not-to-exceed JOC limit annually to reflect the percentage change in the California Consumer Price Index for repair, remodeling, or other repetitive work done according to unit prices. The current Board practice (as of the date of this Guideline) has been to limit individual JOC funding at \$3 million.





**County of Los Angeles**  
Countywide Construction Policy Guidelines

**SOLE SOURCE CONTRACTS**

P-06-05

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## SOLE SOURCE CONTRACTS

### I. Policy Overview

Construction services must be competitively bid except in cases of a Board-declared emergency, in which case such contracts must be awarded on a cost-plus basis in accordance with [Public Contract Code §20134](#). All construction-related services shall be procured by some competitive process except in extraordinary circumstances.

### II. Purpose and Scope

The purpose of this Policy Guideline is to establish the required justification and limitations associated with County sole source procurements of construction-related services. The scope of this Policy Guideline will cover the circumstances and processing steps required for awarding construction-related service contracts without public notice or the solicitation of bids.

### III. Application and Responsibility

This Policy Guideline applies to all County departments that process and administer construction and construction-related service contracts.

### IV. Policy Guidelines

- A. Sole Source Contract.** A sole source contract is accomplished through solicitation or acceptance of a proposal from only one source. A contract amendment or change order that is not within the general scope of the original contract is also considered to be a sole source procurement that falls under this Policy Guideline.

An exception to sole source contracting relates to professional services, which include architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services. Proposition 35, otherwise known as the “Fair Competition and Taxpayer Savings Act,” approved in the general elections of November 2000, and became effective January 1, 2001, amended Chapter 4529 of California Government Code to include sections §4529.10-20. This precludes governmental agencies from selecting service providers for these types of service without going through a fair and competitive selection process.

**B. Sole Source Justification.** County procurement for construction-related services operates in an environment where full and open competition is County policy. However, there may be very legitimate reasons or situations when, as opposed to “full and open” competition, sole source acquisition is appropriate. Because sole source procurement is an “exception-to-the-norm” in County procurements, each department/agency must have adequate justification (to proceed) and management concurrence to award a sole source contract. In this context, “justification” equates to paperwork and documentation (refer to [D below](#)).

Justification for sole source procurement includes the following:

- (1) The item/service is available only from a single source.
- (2) The Board determines that an emergency will not permit a delay resulting from competitive solicitation.
- (3) The Board has authorized a noncompetitive procurement.
- (4) Information/experience possessed by one consultant/contractor justifies a sole source procurement (i.e., a new learning curve can be avoided by using the same designer, inspector, project manager, EIR consultant, etc., on the same project or a project that is highly similar to one that they have already successfully performed).
- (5) Cost of procurement through the RFP process is excessive when compared to estimated contract value.

**C. Board Approval.** Individual departments have delegated authority to approve contracts up to the limits specified in [Section 3, Contracting Authority](#); larger contracts require Board approval.

*Two-Week Notice to Board Before Negotiations.* The Board must be given a two-week advance written notification, with a copy to the Chief Administrative Officer, when any County department intends to negotiate a sole source service contract of \$250,000 or greater, indicating that they will proceed to negotiate the sole source contract within two weeks unless otherwise instructed by a Board office.<sup>1</sup>

**D. Processing Sole Source Contracts.** When a sole source contract is proposed, the contract administrator (or designated County project manager) should do the following:

- 1) Justification. Each sole source procurement should include/address:
  - (a) Specific identification of the document as a sole source procurement;

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<sup>1</sup> David E. Janssen, Chief Administrative Officer, Policy Letter, dated 9/3/99, *Sole Source Contracts*.

- (b) The nature or description of the proposed procurement action, including the estimated value or cost;
  - (c) A statement as to why the item or services should not be obtained under (i) sealed bids, or (ii) competitive proposals (refer to [B above](#));
  - (d) An explanation of the unique nature of the procurement or other factors that qualify the requirement for sole source procurement;
  - (e) An explanation of the proposed contractor's unique qualifications or other factors that qualify the proposed contractor as a sole source for the procurement; and
  - (f) Any other pertinent facts or reasons supporting the use of a sole source procurement.
- 2) Authorization to Proceed. The contract administrator shall submit the sole source procurement request to the department/agency head or designee along with a copy of the justification stating the basis for the sole source procurement and the name of a recommended contractor/consultant. The department/agency head or designee shall approve or disapprove the procurement request and, if approved, and the procurement exceeds departmental authority, shall notify the Board explaining the necessity for such action.
- 3) Administrative Process. The contract administrator shall not be required to publicize a solicitation for a procurement made on a sole source basis. The contract administrator may use a letter to request a proposal for a sole source procurement. The letter request shall refer to or attach all terms and conditions of the solicitation. Regardless of the form used, it must address (i) the general and special provisions incorporated along with all necessary forms and certifications, (ii) the CBE aspirational goal, (iii) the specifications or statement of work, and (iv) the requested pricing format and detail. After delivery of the proposal request:
- Allow adequate time for the contractor to prepare its proposal;
  - Review the proposal with impacted departmental staff and prepare for negotiations; and
  - Negotiate the final terms and conditions of the contract using the negotiation procedures applicable to competitive negotiated contracts.
- 4) Records. The contract administrator shall ensure that proper records of each sole source procurement action are maintained. The justification should be included with the contract file. As a minimum, the file should support the following:

- The rationale for the method of procurement
- Selection of contract type
- Reasons for contractor selection
- The basis of the contract price
- Copy of the contract



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CHANGE ORDERS & CONTRACT  
MODIFICATIONS**

P-07-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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Approved by:	Approved by:	

## **CHANGE ORDERS & CONTRACT MODIFICATIONS**

### **I. Policy Overview**

The County of Los Angeles will endeavor to process and administer contract modifications in a timely and consistent fashion and in accordance with the contract terms. Consideration for change orders submitted under construction and construction-related service contracts shall be based on clear and compelling entitlement under a valid contract and in keeping with applicable codes and regulations.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to establish the required justification and define the processing steps for contract modifications. The scope of this Policy Guideline will cover contract modifications for (1) construction contracts through the issuance of contract change orders and (2) construction-related consultant/engineering contracts through the issuance of contract supplemental agreements.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments involved in the processing and administration of construction and construction-related services.

### **IV. Policy Guidelines**

**A. Construction Contract Modifications.** The County may issue change orders as needed to make modifications to construction contracts in accordance with the applicable contract clauses. Contractors are encouraged to carefully review their contract documents for those sections that pertain to changes in the work, extras, delays, and other clauses that concern changes to the contract terms. Contracts will vary, however, examples of the key sections that cover changes and consideration in County construction contracts can generally be found under section headings entitled:

- Changes in the Work
- Provisions for Extras
- Time Extensions and Compensation for Delay

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Failure to understand and follow the stated requirements in the contract could cause a contractor to lose his window of opportunity (i.e., entitlement) to claim an adjustment in time or money as a result of a contract change or delay.

**B. Processing Construction Change Orders.** The County will process construction change orders in accordance with the terms of the contract and applicable law. Change orders will generally be processed in accordance with the following guidelines:

- 1) Change Order Format. The County will issue a notice describing the proposed Change Order in one of the following forms:
  - (a) As a written Change Order, which is a written document issued by the County incorporating changes in the work/specifications and/or adjustments in the total contract price, schedule, or contract terms and conditions.
  - (b) As a “Request for Quotation” (RFQ), which is a request for a contractor’s proposal that may result in a Change Order.
  - (c) As a Proceed Order on the basis of an initial authorization to incur costs based on the best estimate available at the time, with a final price to be determined later.
  - (d) As a Unilateral Change Order issued before, during, or after the changed work is physically accomplished. A Unilateral Change Order may be issued upon:
    - The contractor’s failure to submit a timely price and/or time extension proposal within a reasonable time;
    - The contractor’s failure to execute (sign and date) a Change Order within a reasonable time; or
    - The County’s written notification to the contractor that the Change Order is considered unilateral.
  - (e) As a contractor request for a contract adjustment pursuant to the terms of the contract.
  
- 2) Contract Modifications. The County will endeavor to negotiate an adjustment for an increase or decrease in the price and time impact of the subject changed work prior to directing the contractor to proceed. The contractor must be able to sustain his entitlement through the submittal of a timely proposal in accordance with the contract terms. The proposal should incorporate the appropriate rates and factors outlined in the contract for changes, extras, or delays (if applicable).
  
- 3) Authorization for Contract Changes. The Board has authority under California law to delegate authority to County officers with respect to changes or additions in the work being performed under construction contracts. Contract changes shall be made pursuant

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.
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to (i) delegated authority limits, and (ii) the contract terms. Change orders that exceed delegated authority must be Board submitted and approved.

**C. Processing Consultant Services Contract Supplemental Agreements.** The County will process contract modifications to consultant services contracts by issuing Supplemental Agreements in accordance with the terms of the applicable contract. The administration of contract modifications will generally be processed in accordance with the following guidelines:

- 1) Supplemental Services. Written authorization will be provided to the consultant for any changes or additional services required.
- 2) Contract Modifications. The County will endeavor to negotiate an adjustment for an increase or decrease in the price and time impact of the subject changed work prior to directing the consultant to proceed with the supplemental services.
- 3) Entitlement to Consideration. The consultant will submit a proposal on a timely basis for any increase or decrease in the time and money required as a result of the requested changes or supplemental services. The consultant will refer to the contract for specific instructions with respect to entitlement for additional time and/or money. The proposal will customarily be based on the consultant's fee schedule on file with the County or included in the contract.

**D. Special Requirements for Federally-Funded Contracts.** Not all County contracts use the same contract terms and conditions. Federally-funded contracts contain their own unique contract clauses to account for changes and the processing of change orders using Federal money.

- 1) Incorporation of Federal Regulations. Contractors must not only be familiar with the contract provisions for changes, delays, terminations, and stop work orders, but they are also are governed by Federal regulations incorporated into the contract. Specific Code of Federal Regulation (CFR) citations may dictate the required cost principles for proposal submittals and cost analysis.
- 2) Key Contract Changes Clauses. Clauses relating to changes and delays will vary by contract; however, examples of the key sections that cover changes and subsequent consideration in Federally-funded grant contracts with CDC are generally found under section headings entitled:
  - Adjustment to Payments
  - Changes in the Work

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- Additional Services
- Compensation for Additional Services

**E. Limitations of Authority.** Only a County contract administrator or an authorized representative acting within the scope of the department’s delegated contract authority is authorized to prepare and process the execution of a change order or supplemental agreement on behalf of the County. A contract modification may be either bilateral or unilateral. Most contract change orders are “bilateral” (i.e., they have the mutual consent of both parties). Bilateral contract modifications will be signed on behalf of the consultant or contractor by a corporate officer or responsible representative who represents that he/she has the authority to bind the contractor/consultant.

**F. Proceed Order.** A proceed order is a tool used by certain County departments to authorize the work prior to fully executing a change order. A proceed order should only be used when circumstances dictate that starting (or continuing) the work is essential to maintain the schedule and/or avoid costly delay charges. A proceed order must clearly state the cost and time limits of the order. The proceed order will include a not-to-exceed target date for execution of the change order to encourage final negotiation and full execution of the change order at the earliest possible date. Multiple subsequent proceed orders may be used on a single change order while negotiations proceed, but this should be the exception rather than the rule.

**G. Unilateral Change Orders.** The contract administrator or an authorized representative acting within the scope of his/her delegated authority may issue a unilateral change order (i.e., a change order that does not require the acceptance or signature of the contractor or consultant). The terms of a unilateral change order, including the change in contract price and/or completion date shall, in the County’s judgment, be fair and reasonable. When issued, the unilateral change order will have the full force and effect of a contract modification; however, it will not prejudice or serve to limit any of the contractor’s rights to make claims or appeal disputed matters under other applicable provisions of the contract. A clear notation will be made on the face of the change order that it is “unilateral” along with the effective date of the change.

**H. Compensation for Changes.** Change orders and supplemental agreements issued and signed by the contractor pursuant to the requirements of the Contract should provide that they represent full and final settlement for all costs and time associated with the work. The County will endeavor to include a “Compensation for Changes in the Work” clause in all construction contracts that can be used to define the contractor’s compensation entitlement. Contracts for architectural, engineering, and related service contracts will include a fee schedule if it is likely that work may be accomplished under the changes or supplemental services clause. Compensation is defined to include all direct and indirect labor costs, all direct materials and

equipment expenses, and all impact costs related to and/or occasioned by the work described in the contract, as well as all taxes, insurance, and profit. The contractor is cautioned to review the contract terms and conditions for allowable expenses and the prescribed methods for reimbursement of costs, allowability of markups, and reimbursement (if any) for time extensions and delays.

- I. Compensation Exclusions.** No adjustment requested by the contractor shall be allowed if it is not fully justified (in terms of entitlement) to the satisfaction of the County, reasonably priced, and within the general scope of the contract. Further, no adjustments may be made if notice is asserted on an untimely basis or after final payment of the contract.
- 1) Timely Notice – Contractor Change. Timely communication is essential when a change is first encountered. The contractor must promptly report any actions or conduct by the County that the contractor considers to constitute a change to the contract. Except for changes identified as such in writing and signed by the County or the Director, the contractor shall notify the County in writing within the time specified in the contract (or agreed upon) from the date the contractor received notice of the change. Contractors that proceed with changed work without County approval do so at their own risk.
  - 2) Appeals. In the event the contractor does not agree with the County’s response under [Paragraph H](#) above, the contractor should refer to the contract for the appropriate review procedures. Also see [Paragraph L](#) below.
- J. Change Order Negotiations.** The Director may assign responsibility for negotiation of contract modifications to contract administrators or other County specialists. The contract administrator will be responsible for requesting any necessary cost or technical data needed from the contractor to prepare the County for the negotiations. A negotiation team may be assembled to include the project manager, County Counsel, outside experts and consultants, or other team members needed to represent the County’s interests. All negotiations for contract modifications will be conducted within the authority of the Director and subject to Board approval if beyond the Director’s delegated authority. Assigned contract administrators will be responsible for monitoring the contract modifications negotiated by authorized County representatives.
- K. County Counsel Review.** County Counsel may be consulted on a proposed change order when needed to render advice on the legal implications of the pending change. County Counsel may also be consulted when the County is considering the denial of a contractor’s request for consideration, especially when the dollar value is significant or Board action is required.

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- L. Failure to Agree.** Failure to agree to any adjustment shall be resolved in accordance with the contract terms. Also refer to [Policy Guideline P-07-02, Contract Disputes & Claims](#).



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACT DISPUTES & CLAIMS**

P-07-02

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## CONTRACT DISPUTES & CLAIMS

### I. Policy Overview

The County of Los Angeles will work with contractors to resolve disputes in a manner that is consistent with applicable contract provisions and internal policy guidelines. Consideration for contractor claims submitted to the County shall be based on clear and compelling entitlement under a valid contract and in keeping with applicable codes and regulations.

### II. Purpose and Scope

The purpose of this Policy Guideline is to provide a general overview of the County's guidelines for reviewing and resolving contract disputes and settling contract claims.

### III. Application and Responsibility

This Policy Guideline applies to all County departments involved in the processing and administration of construction and construction-related service contracts.

### IV. Policy Guidelines

**A. Disputes Definition.** During the performance of a contract a "dispute" generally arises when a principal party to the contract has a contrary opinion as to the meaning and interpretation of the contract language, specifications, drawings, schedule, price, or other related issues that generally impact performance, completion, payment, change orders, claims, or other entitlements and rights under the contract.

- 1) For the County, a dispute is most likely to surface when the County has unfulfilled expectations as to the planned results, outcome, quality, cost, or timeliness of the work, items, or services provided. The County may decide to withhold payment, make warranty claims, or invoke other contract-specified remedies such as liquidated damages.
- 2) For the Contractor or Consultant, a dispute may arise with respect to interpretations of drawings, plans, and specifications, and/or general disagreements over **entitlement issues** such as: changed conditions, excusable delays, unplanned overtime, extra work, out-of-sequence work, site access, work restrictions, differing site conditions, cooperation, liquidated damages, and other issues related to his/her expectation for fair

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

and equitable consideration under the contract. For the contractor, the dispute process generally begins with the submittal of a request for contract modification that is subsequently rejected by the County. It can also commence with an interpretation of the contract requirements that is contrary to the County's position.

- B. Avoiding Claims.** Minimizing and settling disputes before they become claims is an underlying goal of the County's contracting process. County contract administrators and project managers will seek to anticipate and minimize the potential for unresolved disputes and claims that can disrupt the project and overrun the budget. Contractors must work with the County to maximize communication and develop a clear understanding of the County's performance expectations.
  
- C. Dispute Resolution.** The County will provide contractors with a fair and impartial hearing when differences arise. The best forum for dispute resolution is often an informal meeting, conducted between the principal parties most knowledgeable of the facts and with the authority to make decisions. These meetings should be conducted whenever the County denies a significant contractor change order or has expressed a contrary view of the contract requirements. Resolving contractual issues by mutual agreement at the lowest authority level empowered to make decisions is always a worthwhile goal.
  
- D. Proposed Settlements.** Although two-way communication across the table in real time is sometimes essential to develop a mutual understanding of the issues, all contractor change order requests or expressed contrary views as to contract terms and requirements must be submitted in writing. While the County will not compromise on issues of integrity or clear entitlement under the applicable contract documents, there is often a middle ground that is fair to both parties. The County may convene a Disputes Review Board as provided by the contract that can render impartial decisions on issues related to entitlement and contract interpretation.
  
- E. Unsettled Disputes.** Should a compromise not be reached and the dispute not be resolved to the satisfaction of the parties, the construction contractor may submit a written claim pursuant to [PCC §20104 et seq.](#) The claim will then be processed according to the general guidelines in [Paragraph G below](#). If the County is the party disputing the contractor's performance and the County is not satisfied with the proposed contractor remedies, the County may withhold (or continue to withhold) payment or take other necessary action that would serve to make the County whole under the contract.

**F. Claims Definition.** For purposes of this Policy Guideline, a “claim” is a written request by a contractor seeking additional compensation, schedule relief, or other contractual consideration under a County contract pursuant to the terms of the contract relating to changes in the work and/or dispute resolution. **Statutory claims against the County for injuries, losses, or damages are outside the scope of this Guideline.**

**G. Construction Contractor Claim – Definition.** For purposes of this Policy Guideline, a construction claim under [PCC §20104](#) means a separate demand by the contractor for:

- (1) A time extension.
- (2) Payment of money or damages arising from work done by (or on the behalf of) the contractor for which payment or other consideration is not expressly provided for under the contract.
- (3) A disputed payment amount.

**H. Claim Form and Filing.** A construction claim under [PCC §20104 et seq.](#) must be filed with the County **on or before the date of final payment**. Claim forms may be obtained from the Clerk of the Board of Supervisors at (213) 974-1401.

**I. Claims Management.** The processing, review, and research of contractor claims, along with participation in the dispute resolution process, is primarily the responsibility of the contract administrator or his designated representative acting in the same capacity. The following general guidelines are applicable to those claims that arise under construction contracts.

Timely Response. The County will provide a **written response** to all properly filed contractor claims within the time limits established by statute and summarized as follows:

- (a) For **construction contract** claims less than \$50,000, a written response will be mailed within 45 days after receipt of the claim, or if further documentation is requested, the County will request such information within 30 days of receipt of the claim, and provide a written response within 15 days from receipt of the requested documentation or within a period of time no greater than that taken by the claimant in producing the additional information, whichever is greater. If additional information is thereafter required, it shall be requested in accordance with this section, upon mutual agreement of the County and the claimant ([PCC §20104.2](#)).
- (b) For **construction contract** claims over \$50,000 and less than \$375,000, a written response will be mailed within 60 days of receipt of the claim. The County may request any additional support or documentation relating to the defenses of the claim



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within 30 days of the receipt of the claim. If additional information is thereafter required, it shall be requested in accordance with this section, upon mutual agreement of the County and the claimant ([PCC §20104.2](#)).

(c) Claims not submitted on a timely basis in accordance with statutory limits (i.e., prior to final payment) will be returned to the contractor without further action.

- 2) Authority to Settle Claims. County Counsel has delegated authority to settle or compromise any claim or suit against the County, or any officer or employee of the County for an amount not to exceed \$20,000. County Counsel forwards claims over \$20,000 to the Claims Board and the Board of Supervisors.
- 3) Claim Evaluation. The contract administrator will take the lead role for the review, evaluation and determination of merit of contractor claims. In making merit determinations, the contract administrator shall avail himself/herself of necessary County resources based on the size and complexity of the claim, including specialists in the fields of contracting, finance, law, contract audit, engineering, and construction, and others as applicable. Determinations of merit shall be reviewed by County Counsel for legal sufficiency.

**J. County Claims Against the Contractor.** The County may have reason and contractual authority, either during contract performance or (if applicable) the warranty period, to initiate claims for non-performance against the contractor. Examples include back-charges or A/E contractor liabilities for County costs resulting from defects in design or deficiencies in services.

The contract administrator shall attempt to settle all claims against the contractor and recommend remedies to appropriate department management. If unsuccessful, other remedies available to the County may be pursued to resolve the claim.

**K. Claims Resolution.** The County will seek to resolve all claims in a fair manner by the most expeditious and cost-effective means possible. The following summarizes the typical process flow for dispute resolution once a formal claim has been submitted:

- 1) Seek a Contractual Remedy. The County will diligently seek a contractual remedy by reviewing the contract and all applicable documents to find a solution within the scope of the contract. If the claim has merit, a negotiation settlement memorandum should be prepared for management review, and concurrence with County Counsel should be obtained. The authorization process is the same as a contract modification, i.e., a contract change order is issued. Proper delegation or Board approvals will be required before a formal written response can be made offering a monetary settlement.

- 2) Issue a Written Response. The County will make a written determination as to the merit and entitlement of the contractor's claim and submit the response to the contractor within required timeframes.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACTOR NON-RESPONSIBILITY  
AND DEBARMENT**

P-08-01

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
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County of Los Angeles All County Departments/Divisions	<b>CONSTRUCTION CONTRACTING          POLICY GUIDELINE</b>	Number: P-08-01 Version: Final 3/31/03 Page 2 of 7
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## CONTRACTOR NON-RESPONSIBILITY AND DEBARMENT

### I. Policy Overview

It is the policy of the County of Los Angeles to conduct business with responsible contractors, and to track and monitor contractor performance and adherence to applicable labor laws. The County’s tracking system will be used to determine whether contractors are **non-responsible** with respect to performing services under the proposed contract, and to debar contractors with problems from obtaining future contracts.<sup>1</sup>

### II. Purpose and Scope

The purpose of this Policy Guideline is to convey the County’s program for Determinations of Contractor Non-Responsibility and Contractor Debarment. The scope of this Policy Guideline is to summarize County guidelines for making determinations or findings of contractor non-responsibility and debarment according to County issued policies, Board directives, and [County Code Chapter 2.202](#). For guidance on monitoring contractor performance, refer to [Policy Guideline P-08-03, Contractor Performance Monitoring](#).

### III. Application and Responsibility

This Policy Guideline applies to all County departments involved in the processing and administration of construction and construction-related service contracts.

### IV. Policy Guidelines

- A. **Introduction.** The Board adopted [County Code Chapter 2.202, Determinations of Contractor Non-Responsibility and Contractor Debarment](#), to facilitate their finding that, in order to promote integrity in the County’s contracting processes and to protect the public interest, the County’s policy shall be to conduct business only with responsible contractors. Requirements for finding contractors non-responsible and debarring contractors are applicable to all County contracts, unless Federal or State law otherwise applies.

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<sup>1</sup> Policy letter, [Contractor Non-Responsibility and Debarment Update](#), dated April 20, 2000, from County Auditor-Controller citing Board mandated policy to monitor contractor performance.

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This Policy Guideline is intended to inform contractors of the County’s ongoing program to review contractor responsibility and make determinations for debarment when appropriate. County staff administering contracts must refer to the official County document that provides the policies and procedures for processing findings of non-responsibility and/or recommendations for debarment entitled, *Implementation Instructions – Procedures for Determinations of Contractor Non-Responsibility and Contractor Debarment*. A copy of this document is attached to this Manual as [Appendix C](#). Copies are also available from the County Department of the Auditor-Controller.

**B. Non-Responsibility.** Individual departments are responsible for reviewing past contractor performance prior to recommending a contractor for contract award. [County Code Section 2.202.030](#) sets forth the County’s guidelines for finding a contractor “non-responsible,” (i.e., one or more of the conditions that render a contractor ineligible for the award of a contract). During the contract solicitation process, a department can recommend to the Board that a bidder/proposer be found non-responsible to supply items or perform services under the proposed contract, based on criteria established in [Section 2.202.030](#).

[County Code Section 2.202.030 Defines Non-Responsibility](#). A department may declare a contractor to be non-responsible for purposes of a particular contract if the County, in its discretion, finds that the Contractor has done any of the following:

- (1) Committed any act or omission that negatively reflects on the contractor’s quality, fitness, or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same;
- (2) Committed an act or omission that indicates a lack of business integrity or business honesty; or
- (3) Made or submitted a false claim against the County or any other public entity.

**C. Departmental Assessment of Cause for a Non-Responsibility Finding.** The following are key steps in the County’s process for determination of bidder/proposer non-responsibility:

- 1) *Advise Management of Findings.* Department staff who become aware of information concerning the existence of a cause for finding the bidder or proposer non-responsible will advise departmental management, who in turn will notify appropriate County Counsel staff. Departments will investigate any reports of information concerning the existence of a cause for a non-responsibility finding. The seriousness and extent of the contractor’s acts, omissions, patterns, or practices, as well as any relevant mitigating factors may be considered in determining whether a contractor should be deemed non-responsible.

- 2) *Factors of Responsibility.* Contractors should be aware that the following factors may be evaluated in assessing their responsibility:
  - (a) General reputation and experience of the bidder/proposer.
  - (b) Bidder's/proposer's ability to serve the County.
  - (c) Financial ability of the bidder/proposer to successfully meet the requirements of the contract.
  - (d) Prior knowledge of and experience with the bidder/proposer in terms of past performance (refer to [Policy Guideline P-08-03, Contractor Performance Monitoring](#)).
  - (e) Nature and extent of company data furnished by bidder/proposer upon request of the County.
  - (f) Bidder's/proposer's experience with the required commodities or service.
  - (g) Length of time the services have been furnished.

**D. Processing a Finding of Non-Responsibility.** When a department determines there is probable cause to find a contractor non-responsible, County Counsel is advised. Departments will assemble evidence and document their findings to support the adequacy of a non-responsibility finding. County Counsel will advise the department if there is sufficient cause to proceed with a non-responsibility action and, if so, will assist the department in preparing for the process and providing legal advice.

- 1) Contractor Notice. Before making any finding of non-responsibility, [County Code Section 2.202.030](#) requires the department head to (i) give the contractor written notice of the basis for the proposed non-responsibility determination, (ii) advise the contractor that a non-responsibility hearing will be scheduled, and (iii) provide the contractor with a date certain for the scheduled hearing. The notice shall specify the basis for the proposed recommendation of non-responsibility and a summary of any evidence to support such a recommendation. County procedures included in [Appendix C](#) cite the requirements with respect to notices.
- 2) Approval by Department Management and County Counsel. Before a department sends a written notice to a bidder/proposer, such notice must be approved by management at the department and County Counsel. County Counsel will advise as to the appropriate delivery method for the notice.
- 3) Non-Responsibility Hearing. On the date and place specified in the notice, the department conducts a hearing where evidence on the proposed non-responsibility determination is presented. The hearing is conducted in accordance with the procedures

and rules of conduct contained in [Section VI. D](#) of the County’s policy document for contractor non-responsibility (included in [Appendix C](#)).

- (a) A non-responsibility finding shall become final upon approval by the Board.
  - (b) Designated departmental staff enters the Board’s finding of non-responsibility into the Contract Data Base according to instructions outlined in [Policy Guideline P-08-03, Contractor Performance Monitoring](#).
- 5) Non-Responsible versus Non-Responsive. Finding a bidder/proposer non-responsible is not the same as finding a bidder/proposer non-responsive to the solicitation requirements. The following definitions provide the basic distinctions between the two terms:
- (a) **Non-responsibility** refers to finding a bidder/proposer (hereinafter “bidder”) incapable of performing as a responsible County contractor based on past performance history or other relevant documentation. A contractor’s ability/capacity to perform responsibly is often a function of financial resources, experience, available labor force, proper equipment and technical expertise, management capability, and compliance with laws and regulations.
  - (b) **Non-responsive** generally refers to the failure of a bidder to comply with all solicitation requirements, making the bidder ineligible for further consideration in the bid/proposal process. It is generally not a reflection on the bidder’s capacity to perform as a responsible County contractor and does not require the exercise of the department’s judgment in determining whether the bidder is responsive.

**Note:** Bidders must be found to be both responsive and responsible before a contract can be awarded. In some instances the distinction between “non-responsive” and “non-responsible” may not be clear based on the nature of the bidder’s omission. If the department is unsure as to whether an action by a bidder is an indication of non-responsibility or non-responsiveness, County Counsel shall be consulted.

**E. Debarment.** Debarment is an action taken by the County that results in a contractor being prohibited from bidding, being awarded, and/or performing work on a contract with the County for a period of up to three years. A contractor who has been determined by the County to be subject to such a prohibition is “debarred.” As sanctioned by [County Code Section 2.202.040](#), the County may debar a contractor who has an existing contract with the County and/or a contractor who has submitted a bid or proposal for a new contract with the County.

- 1) Departmental Assessment of Causes for Debarment. The steps for pursuing a debarment action against a contractor are similar to the steps in pursuing an action of non-

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responsibility. Departments shall promptly investigate any report of contractor performance problems or other serious problems that potentially merit debarment action. When a department staff member becomes aware of performance problems or any cause that potentially merits debarment action, the department staff member will immediately advise departmental management, who shall promptly notify County Counsel.

- 2) Debarment Findings. [County Code 2.202.040](#) provides the general framework that may constitute a debarment finding. The County may debar a contractor if the County finds, in its discretion, that the contractor has done any of the following:
  - (a) Violated any term of a contract with the County;
  - (b) Committed any act or omission which negatively reflects on the contractor’s quality, fitness, or capacity to perform a contract with the County or any other public entity, 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.
- 3) Department Investigator. The department shall designate a staff member who will investigate information concerning the existence of a cause for debarment. The department investigator may also act as the department advocate at a Contractor Hearing Board hearing (see below).
- 4) County Counsel Assistance. County Counsel will advise the department if there is sufficient cause to proceed with a debarment hearing and provide legal advice throughout the process.
- 5) Contractor Hearing Board (CHB). Because a contractor debarment has the potential to exclude a contractor from performing on any projects Countywide, a CHB is comprised of County staff from the Chief Administrative Office (CAO), Internal Services Department (ISD), the Office of Affirmative Action Compliance (OAAC), and Department of Public Works (DPW). The CAO functions as the chair to call meetings as necessary to hear departmental debarment cases. County Counsel acts as a legal advisor to the CHB. Meeting protocols follow the guidelines established in the County’s policy document contained in [Appendix C, Section VII. E](#).

**F. Modification of a Debarment Decision.** For good cause, a debarred contractor may submit a written request to the CHB or the Board requesting reconsideration of a debarment determination. The request may seek to either modify/reverse the debarment decision or reduce the period or scope of debarment. Refer to [Appendix C](#) for the County’s debarment



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procedure document, and an outline of the debarment reconsideration and modification process.

- G. Contract Data Base.** The Contract Data Base is the County’s tracking system that is used for the purpose of finding contractors non-responsible to perform services under the proposed contract, and for finding cause to debar contractors with chronic problems. The Contract Data Base must be updated as appropriate to reflect contractor performance. Refer to [Policy Guideline P-08-03, Contractor Performance Monitoring](#), for guidelines on County department requirements to use and maintain the Contract Data Base. The Contract Data Base includes a listing of debarred contractors. Departmental staff shall include a copy of this listing in all IFB and RFP solicitations packages.
- H. Required Contract Clauses.** All County contracts for construction and construction-related service contracts shall include clauses in their standard solicitation language entitled (1) “Determination of Bidder [Proposer] Responsibility” and (2) “Bidder Debarment.” Department staff processing contracts will make certain all outgoing solicitations contain the clauses attached as [Exhibit 1](#) to the County’s implementation document attached as [Appendix C](#).



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACT TERMINATIONS**

P-08-02

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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Date: 8/1/01

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Approved by:

## **CONTRACT TERMINATIONS**

### **I. Policy Overview**

All contracts issued by the County of Los Angeles shall contain provisions enabling the County to terminate such contracts in whole or in part, with or without cause. The County will issue a default termination notice to contractors that fail to perform their contractual obligations or meet and maintain the standards required by law, ordinance, and statute.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to provide departmental guidelines on contract terminations. The scope of this Policy Guideline covers the incorporation of specific contract termination language that protects the County and sets forth the processing steps required to terminate contractor performance under both construction and consulting contracts.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments involved in the processing and administration of construction and construction-related service contracts.

### **IV. Policy Guidelines**

- A. Contract Termination Provisions.** Each County contract requires termination provisions that contemplate the potential for termination, the manner in which such termination will be effected, and the basis for termination settlement. With respect to default terminations, construction and consulting contracts are discussed independently in this Guideline due to the nature of the service and the potential risk and exposure to the County in the event of a termination.
- B. Termination for Convenience.** All County contracts for construction and construction-related services shall contain provisions enabling the County to terminate the contractor's performance for the convenience of the County. The required "Termination for Convenience" contract clause allows the County, at its sole option and discretion, to terminate the contract in whole or in part, without any liability other than payment for work already performed, up to

the date of termination. County contracts shall be terminated for convenience only when such a termination is found to be in the best interests of the County.

Each contract shall establish the County's rights to terminate the contract, in whole or in part, for the convenience of the County. Construction contracts by their nature require more detailed termination provisions than do consultant contracts. The following are the key guidelines that apply to County contract terminations for convenience:

- 1) Construction Contracts. The General Conditions and Standard Specifications for construction contracts will incorporate a termination for convenience clause approved by County Counsel. The clause requires that the County give written notice and direct the contractor to incur no further obligations with respect to the terminated work. The County will also provide the contractor with a set date to stop the specified work. The clause will set forth certain rights that the County has during the transition process with respect to such things as termination of subcontractors, assignment of rights, title, interest, etc. Upon termination, the contract administrator will provide the contractor with specific instructions within the guidelines of the applicable contract so as to protect the best interests of the County and to minimize the project cost and schedule impact.
- 2) Consulting Contracts. A termination for convenience clause will be included in all consultant contracts. Examples of such clauses are included in the County's standard *Consultant Services Agreement* and *Architect/Engineer Agreement*. In accordance with the termination clause language, the County will issue a written notice that describes the date and extent of the termination. Depending on the nature of the work, and the applicable contract clause, the County is granted certain rights that cover such issues as assignment, take over of work, surrender of data, and so forth. Upon termination, the contract administrator will instruct the consultant in accordance with the terms of the applicable contract so as to protect the best interests of the County and to minimize the project cost and schedule impact.
- 3) Termination Expenses. Both construction and consultant contracts will set forth the formula for compensating the contractor upon termination for convenience. Contractors should review these clauses to understand any limitations on their entitlement in the event of a termination for convenience.
- 4) Formal Written Notice. Written notice to the contractor or consultant is necessary to terminate (all or part of) a contract for convenience. The contract administrator shall issue the written notice to be signed by the authorized representative of the department specifying that the County is terminating the contract without cause and for the convenience of the County. Such notice will state that the contract is being terminated

pursuant to the termination for convenience provision of the contract, the effective date of the termination, the extent of termination, and instructions to the contractor to cease performance under the contract.

- 5) Board Approval. For Board approved contracts, the contract administrator (or department designee) shall prepare a written determination to be approved by the Board before written notification is sent to the contractor. Board approval is not required for the no fault termination (i.e., termination for convenience) of contracts awarded by delegated authority.
- 6) Termination Proposal. The contractor or consultant should be notified to submit a cost proposal with appropriate backup to support any costs sustained prior to the termination. Exceptions to this rule are contractors willing to accept the contract unit prices for completed work accepted by the County. If a termination proposal is applicable, the contractor or consultant should be put on notice that failure to submit a timely termination proposal in accordance with the terms of the contract will cause the contractor/consultant to forfeit any future claim or right of termination under the contract. The format of the proposal with respect to costs and supporting documentation should follow the basic instructions in the applicable contract changes and/or termination clauses.

**C. Termination for Default.** A default termination can result in serious consequences for the contractor with respect to liability for costs to complete the contract, higher future bond premiums and bond collateral, and the loss of future business opportunities. County construction contracts and certain consultant contracts ([see 2 below](#)) will contain a termination for default clause.

In the event of a contractor's or consultant's default, and as provided in the County contract terms, the County reserves the right to (i) terminate the contractor's right to proceed with the work (or the separable part of the work), (ii) take over the work and complete it by contract or otherwise, (iii) take possession of and use any materials, equipment, appliances, and plant on site necessary for completing the work, and (iv) hold the contractor and the contractor's sureties (if applicable) liable for any damage the County sustains as a result of the default. The County will use contract default termination provisions to protect its interests based on the following general guidelines:

- 1) Construction Contracts. The default clauses prescribed for use in fixed-price construction contracts are included in the general conditions, special supplements, and standard specifications for construction projects. The clause serves to provide the requirements for notice and set forth the rights of the County and the obligations of the contractor. The clause will hold the contractor and the contractor's sureties liable for any damage or costs

to the County as a result of the default. The clause also will provide that in the event it is subsequently determined that the contractor was not in default, or the delay was excusable, the termination for default will be considered as a termination issued for the convenience of the County.

- 2) Consulting Contracts. There is no prescribed “default termination” clause included in the standard fixed-price County contract for consultants. Many consulting contracts may not contain a specific default termination provision since the monetary consequences of substituting one contractor for another are not usually significant. However, specific required essential contract obligations describe default proceedings as a potential outcome if the contractor fails to meet the required contract obligations. The exception is County architect/engineer agreements, which shall incorporate a termination for default clause. The clause will hold the A/E liable to the County for any excess costs incurred by the County in completing the scope of work and sets forth the rights and obligations of the parties. Absent a specific default termination clause, failure of the consultant to proceed with the work and perform to the terms of the contract will give cause for the County to terminate the consultant’s performance. The County reserves the option to terminate the contract under the termination for convenience clause.
- 3) Notice – Opportunity to be Heard. Contractors and consultants (hereinafter contractors) will be provided with due process. A contractor shall be provided with a reasonable notice of any material deficiency in contract performance. The contractor shall also be provided an opportunity to be heard.
- 4) Correction of Deficiencies. The contractor shall be notified in writing of the cause or causes of the deficiency and advised that if the deficiency is not “cured” within the time frame prescribed in the contract, the County will initiate immediate contract termination proceedings and hold the contractor liable for associated costs and liquidated damages (if applicable).
- 5) Default Notice Approval by Department Management and County Counsel. Before a department sends a written notice of default to a contractor, such notice must be approved by department management and County Counsel. County Counsel will advise as to the appropriate delivery method for the notice.
- 6) Board Approval. The Board must approve all County default terminations on Board approved contracts. The Board should also be advised of all County default terminations on contracts awarded under delegation of authority. A Board default termination findings letter will be prepared outlining the relevant issues that justify the default termination. The contractor shall be notified in advance of the date, time, and place of the Board meeting.

- 7) Termination of Contractor Operations. If a contractor's right to proceed is terminated for default, the County may take over and complete the work using County forces, or cause it to be completed by other appropriate means necessary to protect the interests of the County. The contractor and his sureties, if any, shall be liable to the County for any increased costs incurred by the County associated with completing the work. The contractor and his sureties shall, in addition to responsibility for the increased costs in completing the work, be liable for liquidated damages, if liquidated damages are provided in the contract, or for actual damages, if liquidated damages are not so provided.
- 8) Limitations. If the contract administrator or department management determines that the contractor's failure to perform arises from causes that are excusable under the terms of the contract, the County shall not terminate the contractor's right to proceed, nor shall he/she charge the contractor with liquidated damages (or if no liquidated damages, then actual damages) because of any delays occasioned by such causes.
- 9) Completion of the Work. Where the surety does not complete performance of the contract, the department normally will arrange for the completion of the work by awarding a new contract based on the same plans and specifications, or if feasible, utilizing/deploying County forces.

**D. Default Causes.** As stated previously, County contracts shall contain the appropriate provisions specifying causes for which the contracts may be terminated for default. Departments are reminded that all County default provisions or conditions that trigger a potential contractor default are not limited or located in any one section of the County's standard general conditions or solicitations (standard and/or technical). A "default" can be any failure by the contractor to perform a required contractual duty. [County Code 2.200.070](#) also specifies certain mandatory requirements for contractors to comply with State and Federal reporting requirements. Should contractors fail to provide required reports regarding their employees or fail to implement lawfully served wage and earnings assignment orders or notices of assignment, such actions may constitute a default under the prevailing County contract.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACTOR PERFORMANCE MONITORING**

P-08-03

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
Approved by:	Approved by:	



## **CONTRACTOR PERFORMANCE MONITORING**

### **I. Policy Overview**

It is the policy of the County of Los Angeles to track and monitor contractor performance and the contractor's adherence to applicable labor laws.

### **II. Purpose and Scope**

The purpose of this Policy Guideline is to provide departmental guidelines on contractor performance monitoring. The scope of this Policy Guideline covers County departmental responsibilities for (i) timely and accurate input of specific contractor performance information into the County's Contract Data Base, (ii) taking remedial action with respect to contractor performance problems, and (iii) appending a list of debarred contractors to all IFBs.

### **III. Application and Responsibility**

This Policy Guideline applies to all County departments involved in the processing and administration of construction and construction-related service contracts.

### **IV. Policy Guidelines**

**A. Contractor Performance Monitoring.** In [County Code Section 2.202.010](#), the Board has declared that, in order to promote integrity in the County's contracting process and to protect the public interest, the County's policy shall be to conduct business only with responsible contractors. As such, all County departments are responsible for monitoring their contractors' performance and compliance with all contract terms and applicable labor laws. Contractor performance monitoring shall be consistent with existing Board policy that requires at least an annual evaluation of contractor performance.

- 1) Implementation Procedures. The Board-approved procedure to implement the declarations in [County Code Chapter 2.202](#) associated with monitoring contractor performance is entitled, *Implementation Instructions – Procedures for Determinations of Contractor Non-Responsibility and Contractor Debarment*, referred to herein as **“implementation procedures.”** The contractor performance monitoring requirements summarized in this Policy Guideline summarize the requirements as set forth in the Board's implementation procedures. A copy of the subject implementation procedures is provided in [Appendix C](#). Additional copies can be obtained from the office of the County Auditor-Controller.

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- 2) Department Responsibilities. Each department is responsible for maintaining the integrity of the County's contracting processes. As such, each department is responsible for:
- (a) Reviewing past contractor performance prior to recommending contracts.
  - (b) Monitoring contractor performance and compliance with contract terms and adherence to applicable labor laws.
  - (c) Entering relevant contractor information in the Contract Data Base.
  - (d) Recommending findings of non-responsibility.
  - (e) Initiating debarment proceedings, as applicable.

**B. Contract Data Base.** Separate data bases for construction, information technology, and Proposition A/Living Wage contracts have been merged into a single Contract Data Base maintained by the County Internal Services Department (ISD). The Contract Data Base is available on the County Intranet site at <http://contract.co.la.ca.us>.

Departments are responsible for entering specific performance information into the Contract Data Base for all existing and prospective construction, information technology, and Proposition A/Living Wage contracts. Only Board-approved contracts are required to be input into the data base. Department head approved contracts do not need to be input into the data base.<sup>1</sup>

- 1) Required Data Input. This information includes contract identification information and contractor performance data, contractor compliance with contract wage requirements, and contractor labor law violations. Contract identification information that department staff must input for affected contracts includes:
- (a) Contract Identifying Information
  - (b) Contract Number
  - (c) Contract Title
  - (d) Service Type (Proposition A/Living Wage, Construction, or Technology) and Sub-Type (e.g., custodial [Prop A], hardware [technology], Public Works construction [construction])
  - (e) Department ID
  - (f) Department Contact ID and Telephone Number
  - (g) Initial Contract Term (e.g., 3 years plus 2 one-year optional extensions)

<sup>1</sup> As clarified in Department of Auditor-Controller Memo to all Department Heads dated April 20, 2000, entitled: Contractor Non-Responsibility and Debarment Update.

- (h) Contract Start or Effective Date
  - (i) Contract End Date (without optional extensions)
  - (j) Contract End Date after Exercise of All Optional Extensions
  - (k) Contract Cost (annual cost)
- 2) Data Base Report Card Input. Departments must enter performance information in the Contract Data Base “Report Card,” answering “yes” or “no” to standard questions. The Contract Data Base and Report Card must be updated at least annually in conjunction with the required contractor performance review, but more frequently if performance problems are identified and documented. If a contract period is less than one year, the Contract Data Base and Report Card shall be updated at the end of the contract period, at a minimum.
- 3) Designated Input Staff. Department heads shall designate specific staff to input and update the Contract Data Base. Training on the Contract Data Base will be provided to departmental contracting staff on an as-needed basis.
- 4) Semi-Annual Review of the Contract Data Base. A semi-annual review of the Contract Data Base is jointly conducted by ISD and the Office of Affirmative Action Compliance (OAAC) to assess departmental compliance with Contract Data Base input requirements. The joint review will also check for departmental follow-up on documented violations or other performance deficiencies, which may merit debarment. Contractor performance problems and contractor labor law violations that are identified in the semi-annual Contract Data Base review, and for which the relevant department has not initiated appropriate action, will be referred to the Chief Administrative Office (CAO) and the Auditor-Controller (A-C). These two departments will work jointly with the contracting department to determine if the department should pursue debarment of a contractor. The A-C also has the responsibility for overall monitoring of departmental compliance with ordinance requirements.
- 5) Annual Certification Requirements. Department heads will be required to annually certify that they have complied with all required procedures including:
- (a) Completing at least annual contractor performance reviews.
  - (b) Inputting required information into the Contract Data Base, as appropriate.
  - (c) Proceeding with non-responsibility and debarment procedures, where required.

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- C. Debarment of Contractors.** Refer to [Policy Guideline P-08-01](#) for applicable department responsibilities and County procedures associated with contractor debarment requirements and debarment processing.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**CONTRACT FILES AND  
FILE INTEGRITY**

P-08-04

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
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## CONTRACT FILES AND FILE INTEGRITY

### I. Policy Overview

It is the policy of the County of Los Angeles to maintain contract filing and tracking systems that provide access to all essential historical records and provide an audit trail for use in defending the County against possible contractor claims or future lawsuits.

### II. Purpose and Scope

The purpose of this Policy Guideline is to provide departmental guidelines on contract files and contract file integrity. The scope of this Policy Guideline covers County best practices for maintaining comprehensive contract files in a consistent format.

### III. Application and Responsibility

This Policy Guideline applies to all County departments with Board authority to administer construction and construction-related service contracts.

### IV. Policy Guidelines

- A. Contract Files.** It is the practice of the County to document its contractor selection process. The documentation must also include a complete history of the project from project kick-off to project completion and contract closeout. Each department must establish internal procedures to provide the consistent application of the following minimum contract filing requirements:
- (1) A separate contract file must be set up and maintained for each contract. (If appropriate, files may be combined. For example, if a series of small contracts are performed by the same contractor at the same location over a time period of less than 24 months.)
  - (2) The contracting department will maintain the contract files throughout the term of the resulting engagement.
  - (3) After completion of the contract engagement, the contract files will be indexed and retained as specified by the policies and regulations of the department or public agency providing the project funding.

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

- (4) All contractual documents and correspondence will be filed in reverse chronological order within the file.
- (5) Contract administrators (or their designees) shall establish and maintain records of all actions taken, conversations held, and decisions made that address the course of a solicitation and ultimately the award of the contract. Requirements include (i) the basis for informed decisions at each step of the selection process, (ii) actions prerequisite to, sustaining, and reflecting payments, (iii) reviews and investigations, (iv) actions impacting the scope, schedule, price, or terms of the agreement, (v) actions that bear on contract/contractor performance, contract changes, and contract completion, and (vi) and all other records of historical significance.

**B. File Responsibility.** Responsibility for file set-up and maintenance in accordance with [Paragraph A](#) above shall be assigned to the applicable contract administrator or project manager acting in the capacity of a County contract administrator. The responsibility includes the requirement to document the basis of the procurement, the contractor selection, the assignment of contract administration (including payment approval responsibilities), and any subsequent action by the department.

**C. File Integrity.** The primary goal is to have necessary contract files readily available to protect and support the best interests of the County with respect to future claims, litigation, audits, historical reviews, or investigations. The following practices will ensure the integrity of departmental contract files:

- (1) With the exception of Public Records Act requests, access to files should be on a “need to know” basis only to minimize the potential for documents to be lost or misplaced.
- (2) Original files should be readily accessible until the contract work is completed. Upon completion, files may be sent to off-site storage.
- (3) A departmental procedure for making copies and releasing files to the public should be in place and consistently practiced to avoid losing files and records.
- (4) A system of “out cards” should be set up to control accountability and mark the location of files that are removed from the designated filing area.
- (5) Original file folders should be returned to their designated file location at the end of the workday. An assigned file administrator should be responsible for assuring that files that are removed from the designated area are retrieved within a reasonable time period.

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- (6) A departmental file index should be established that makes the location of files readily accessible to principal users. A best practice is to establish a central control point and a locator system that will enhance the department's ability to promptly locate its contract files.
- (7) Duplicate files and working papers should be discarded.

**D. Contract File Sections.** Large Board-approved construction projects are examples of complex contracts that need comprehensive file documentation. As such, contract files can become very large and cumbersome. Departments are encouraged to develop an internal filing procedure that calls for designated file sections that will ease the location of essential documents through the use of a consistent file format. An example of suggested contract file "Sections" are as follows:

- (1) Correspondence (Subsection for contractor [incoming], and subsection for County [out-going])
- (2) Pre-Award/Solicitation (Includes bid RFP/IFB package)
- (3) Delegation/Board Letters and Ratifications (Includes all management/Board input/approvals)
- (4) Contract (Subsection for Change Orders, Options and Amendments)
- (5) Reports, Progress Reviews, Schedules, and Payment Vouchers
- (6) Internal Documents and Miscellaneous

*Best Practice Recommendation.* The following is a best practice recommendation related specifically to the Pre-Award/Solicitation (section 2 above) and applicable to larger contracts.

Pre-Award Solicitation Section. Segregate all documents within the contract file related to the solicitation and contractor selection process. Typically, the section would include, but is not limited to, the documents and other records that precede the contract award. Examples of the recommended documentation are the following:

- (1) Request for Services Memo
- (2) Document Authorizing the Project, (e.g., Approval-in-Concept Staff Summary)
- (3) Requesting Department Cost/Price Estimate
- (4) Assignment of Contract Administration and Budget
- (5) Complete RFP/IFB Solicitation Package
- (6) Requesting Department, County Counsel Routing/Approval/Sign-Off forms



- (7) Board Approval to Adopt and Advertise
- (8) Advertising Requests for Print Copy and County Web Site Posting
- (9) Documented Funding Source Authorization, Commitment, and Obligations
- (10) Original Bids of Successful and Unsuccessful Bidders
- (11) Bid Tabulation and Documentation of Bid Responsiveness Evaluation
- (12) Price Analysis and, if appropriate, Cost Analysis
- (13) Verification of Good Faith Efforts at Meeting Aspiration Goal for CBE Participation
- (14) Evaluation and Documentation of Contractor Responsibility
- (15) Technical, Financial, County Counsel Concurrence Documented
- (16) Conflict of Interest Certification
- (17) Record and Disposition of any Protests
- (18) Board Letter for Recommendation of Award
- (19) Board Order Ratifying Contractor Selection and Award
- (20) Notice to Unsuccessful Bidders and Record of any Debriefing
- (21) Verification of Required Bonding and Insurance Documents
- (22) Minutes from Project Post-Award Meeting

**E. Establish a File Review Procedure.** Each department shall establish a file review procedure that will cause the department to evaluate and review its compliance with existing procedures for maintaining file integrity. At a minimum, the reviews will be conducted on an annual basis. The results of the review will be provided to the department head. The head administrator responsible for the files, typically the section head of contracts or project management, will submit a corrective action plan that addresses any unsatisfactory or non-conforming practices found during the audit. Recommendations will also be submitted for departmental training necessary to assure compliance with established goals and necessary corrective actions.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**REVISION HISTORY LOG**

P-00-00

Final

May 15, 2003

Originator:	Original Issue: Date: 8/1/01	Revision Date: 5/15/03
Approved by:	Approved by:	

### REVISION HISTORY

<b>DATE</b>	<b>REV</b>	<b>REASON FOR REVISION</b>
3/31/03	P-01-02, p6 Sect. E.1.	Local Small Business Enterprise Preference Program
3/31/03	P-01-02, p7 Sect. E.3.	Vendor Registration with the County of Los Angeles
3/31/03	P-01-02, p8 Sect. E.3.b.	Exceptions to contractor listings for negotiated contracts
3/31/03	P-03-02, p4 Sect. B.1.	Change Order/Supplemental Agreement Amounts for Capital Construction Contracts
3/31/03	P-04-02, p5 Sect. C.2.	County of Los Angeles and its Special Districts named as an additional insured
3/31/03	P-04-05	New Policy Guideline -- Local Small Business Enterprise Preference Program (new section)
3/31/03	P-04-06	New Policy Guideline – Contractor Employee Jury Service Program (new section)
3/31/03	P-04-07	Safely Surrendered Baby Law (new section)
3/31/03	P-06-05, p2 Sect. A	Exception to sole source contracting
3/31/03	Appendix D	Points of contact and web site addresses updated/revised
3/31/03	Appendix E	Local Small Business Enterprise Program Ordinance (new section)
3/31/03	Appendix F	Contractor Employee Jury Service Program Instructions and Certification Form (new section)
5/15/03	Appendix G	Safely Surrendered Baby Law Board Policy (new section)





**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX A  
GLOSSARY OF TERMS**

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

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## **APPENDIX A GLOSSARY OF TERMS**

### **I. Introduction**

This glossary provides definitions and abbreviations related to the County of Los Angeles construction and construction-related bid, proposal and contracting process. While words and phrases may have more than one meaning, the glossary provides general definitions in the context of County procurement activities with an emphasis on construction contracting. Specific definitions in any County contract or solicitation will take precedence over definitions in this glossary. Refer to the [index in Appendix B](#) to locate specific terms within the County's Construction Contracting Manual and associated Policy Guidelines.

### **II. Definitions and Abbreviations:**

**A/E.** An architectural/engineering firm with licensed California architects and engineers. A/E firms are selected to design capital projects based on their qualifications and experience.

**Accelerated Schedule.** Requirement to compress the estimated work schedule and accelerate contract performance to achieve early (or if behind schedule, on-time) project completion. Execution of a project on a compressed schedule requires the allocation of greater-than-normal resources, often working multiple shifts.

**Acceptance.** Refers to the act of an authorized representative who approves the completion and acceptability of contractually required deliverables or specific contractually rendered services in partial or complete fulfillment of a contract.

**Additional Insured.** The addition of the County of Los Angeles and its Special Districts as a named insured on the contractor/consultant's insurance policy. This is a stated requirement in all County contracts.

**Advance Notifications.** The contractual requirement to provide the County with certain advance (and timely) notifications concerning changes in the contract cost or schedule.

**Advertise.** A requirement imposed on all State and County agencies by the Public Contracting Code to provide public notice and open solicitation of contracting and bid opportunities.

**Affiliates.** Associated business concerns or individuals may be termed "affiliates" if, whether directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

**Affirmative Action.** The pro-active application of specific programs to ensure the equal opportunities and participation for individuals classified as minorities, handicapped, or Vietnam era veterans.

**Amendment.** Any written revision (i.e., any change) to an RFP or an IFB by the issuing office prior to the opening of bids or the submittal deadline.

**Appeal.** A process to review a disputed decision or action. Requires the submittal of new information and the legal theories of entitlement to compel reconsideration.

**Arbitration.** A process for resolving disputes using a third party to weigh the merits of the views and positions of the opposing parties and render a final decision.

**Aspirational Contract Goals.** A numerical goal expressed in the contract as the percentage of the contract dollar value that will be awarded to firms classified as minority, disadvantaged, woman-owned, or disabled Vietnam era veteran. Contractors that are awarded County contracts will make a good faith effort to attain the aspirational contracted goals. The Board has currently set the required aspirational goal at 25 percent for County construction and construction-related contracts.

**Assignment.** Refers to the transfer of one's legal interest (i.e., "rights") in property, contract, purchase order, subcontract, or other rights to another party.

**Audit Trail.** A system of cost records and timesheets that will provide the basis of all historical and experienced costs back to their origination. The system must be able to demonstrate that the costs were actually incurred and properly categorized and allocated using acceptable accounting standards.

**Award.** The notification of a bidder/proposer regarding acceptance of a bid or selection of a consultant. Award is usually made to the apparent low bidder (IFB) or best-qualified proposer (RFP). The contract is awarded after a determination that the bidder/proposer is "responsive" and "responsible."

**Bid.** Refers to an offer that is received in response to an Invitation for Bid.

**Bid Bond.** An instrument provided by a surety that protects the County in the event the bidder refuses to enter into a contract after its bid is selected for award or obtain the required bonds and/or insurance after the contract is awarded.

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**Bid Opening.** The exact date/time specified in an Invitation for Bid that bids will be publicly opened and read. The apparent low bidder will be announced. No late bids will be accepted. Following the bid opening is a due diligence period to determine if the apparent low bidder is both responsive and responsible.

**Bid Package.** The term used to describe the complete IFB package including bid instructions, proposed contract, required certifications, and any applicable plans, specifications, and drawings.

**Bid Protest.** Notice filed (typically) by an unsuccessful bidder protesting the award of a contract to the apparent low bidder.

**Bid Security.** A required certified or cashiers check, cash or bid bond accompanying the bid submitted by the bidder to protect the County in the event the bidder refuses to enter into a contract with the County for the performance of the work, or obtain the required bonds and/or insurance after the contract is awarded.

**Bid Withdrawal.** The withdrawal of a bid prior to bid opening. Withdrawals after the date/time specified for bid opening are not allowed.

**Bilateral Amendment.** A contract or change order that is reviewed, accepted, and signed by both the County and the contractor.

**Blanket Purchase Agreement.** Also known as a Master Service Agreement (MSA) or Blanket Purchase Order (BPO), a contract for a specified period of time that sets forth the terms and conditions and unit prices (or rates) applicable to future requirements. Purchase orders (or work orders) are issued against the agreement, as requirements are determined during the term of the agreement.

**Board.** The five member Board of Supervisors for the County of Los Angeles.

**Bold Steps Forward.** A County program approved by the Board on September 22, 1998, intended to “streamline contracting and purchasing and equalize opportunities for small businesses.”

**Bond.** Refers to a written instrument that is executed by a bidder or company (the "principal") and a second party (the "surety" or "sureties") to protect or reimburse the County (the "obligee" or "client"), should the principal fail to perform some stated obligation. If the principal's obligations are not met, the bond insures payment, to the extent stipulated in the bond, of any loss sustained by the obligee. Common types of bonds available include: license, bid, performance, and payment bonds.

**CAO.** Chief Administrative Office, County of Los Angeles.



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**Capital Project (Cap Project).** New County structures, or additions of square footage to existing structures that cost in excess of \$100,000, or the acquisition of land regardless of cost.

**CBE.** Community Business Enterprises: A minority/women/disadvantaged/disabled veteran-owned business enterprises (M/W/D/DVBE).

**CDC.** Community Development Commission of the County of Los Angeles provides certain construction management services for the Housing Authority of the County of Los Angeles.

**Changes.** Unexpected requirements, or “changed conditions” usually causing expenditures of time and money resulting from the need to alter, modify, or make substitutions in the planned work. Generally caused by inadequate design, differing site conditions, a required alteration, modification, addition, or substitution of one thing for another that was not contemplated by the parties at the time the contract was awarded or negotiated. Changes in the planned work can also occur which are not the responsibility of the County. Examples include failures to: carefully review the specifications, evaluate job site conditions prior to bidding, attend bidder’s conference, assign experienced and qualified site workers and management, or accurately estimate the resources and time required for the proper execution of the work.

**Change Order.** A written authorization to the contractor that describes a change to the contractor’s originally contracted work and specifies cost and time impacts regardless of whether there are increases or decreases.

**Change Order Proposal.** A proposal submitted by a contractor (under the contract Changes Clause, if applicable) that describes a change to the contractor’s originally contracted work. The proposal includes the cost and time required to accomplish the subject change(s) and a request for authorization to perform the changed work.

**Claim.** A written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under a contract. Example: A recourse available to a contractor should a Change Order Proposal be denied or result in a dispute as to reasonable compensation.

**CM.** Professional construction manager or management firm.

**Community Business Enterprise Program.** The Board adopted name (11/15/94) for the former County Minority and Women-owned Business Enterprise (MWBE) Program. The CBE program provides for the inclusion of disadvantaged and disabled veteran-owned businesses, and establishes an overall 25 percent CBE participation goal for dollars awarded in all construction, commodities, and service contracts.

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**Compensable Delay.** A delay for which the contractor or consultant is excused for its failure to perform and is entitled to an equitable adjustment in time and/or money as a result of the delay.

**Competition.** Part of an acquisition strategy in which more than one bidder or proposer is asked to submit a bid or proposal for the performance of a project/service/function, and in which the winner is selected on the basis of criteria established by the party for whom the project/service/function is to be performed. In State and County construction contracting, the law requires full and open competition.

**Competitive Bidding.** Required under the California Public Contract Code for all State and County construction projects. Requirements must be advertised and bids are publicly opened and awarded to the low cost responsible and responsive bidder.

**Competitive Negotiation.** Refers to a procurement that involves the following: (1) an RFP/IFB that states the requirements and criteria for evaluation; (2) the submission of timely proposals by a number of offerors; (3) discussions with those offerors found to be within the competitive range; and (4) award of a contract to the one offeror whose offer, price, and other factors are most advantageous to the County.

**Conflict of Interest.** Refers to any employment, consulting, or other business relationship with a competitor, customer, or contractor that may result in a conflict between an individual's employment obligations and duties and his personal financial interests.

**Consideration.** The reason or material cause of a contract; generally, money in exchange for performance.

**Consolidated Fire Protection District.** The County's legal designation for the Los Angeles County Fire Department.

**Constructibility Review.** A review conducted by a responsible design professional with expertise in the field of construction to identify errors within a set of plans and specifications. This review minimizes costly changes in the work during construction due to incomplete, unconstructable, or poorly coordinated plans and specifications.

**Construction Administration.** All services that are customarily rendered by the A/E during the construction phase of a project to insure that the final constructed facility meets the intent of the design and the applicable building codes.

**Construction Documents.** The final drawings, construction details, specifications, project manuals, clarification documents, revisions, and other engineering data that define the building systems, materials, and methods needed for construction purposes.

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**Consultant.** A firm or individual with special training, experience, or demonstrated expertise that is awarded a contract for specialized services and/or advice in financial, economic, accounting, engineering, legal, or administrative matters.

**Contract.** An agreement between two or more competent parties to perform, or not perform, some action for legal consideration. A contract involves both an offer and an acceptance, or an act of acceptance of an offer, and must be for a lawful purpose. In a procurement context, the term "contract" refers to the agreement between the County and a contractor, consultant, or supplier.

**Contract Administrator.** A term used to describe the County employee responsible for processing contracting requirements by preparing IFBs and RFPs and subsequently performing the administration and management of resulting contracts. Individuals acting in the capacity of a contract administrator may have various job titles within County departments and agencies.

**Contract Administration.** The oversight and administration of a contract that may also include the management and review of a contractor's/consultant's fulfillment of the contract terms, conditions, specifications, and delivery requirements.

**Contract Award.** The selection of a contractor or consultant for a contract award who is the apparent low bidder or best-qualified proposer. A contract is "awarded" when the County has (i) determined the contractor to be responsible and responsive, (ii) obtained all required bonds, insurance certificates, certifications, forms, etc., (iii) secured all proper approvals and signatures, and (iv) distributed a properly signed (fully executed) **contract to** the contractor.

**Contract Claim.** Refers to any request for relief, adjustment, or consideration (usually money) caused by some requirement and necessitating some action that, in the opinion of the contractor, is not within the scope or intent of the original contract. See Change Order Proposal.

**Contract Close-out.** A process that requires a review of all contractual obligations to determine if they have been satisfied, deliveries completed, lien releases filed, and final payments made. Once all completion items have been confirmed, the contract can be closed-out and stored in accordance with the individual Department's records retention policy.

**Contract Data Base Report Card.** The performance ratings given to contractors and recorded in the County's Contract Data Base.

**Contract Modification.** Refers to any written alteration in an existing contract's specification, delivery point, rate of delivery, period, price, quantity or other provision, accomplished in accordance with a contract clause. A contract modification may be either unilateral or bilateral (see [Change Order](#) or [Supplemental Agreement](#)).

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**Contract Requirements.** In addition to specified performance requirements, contract requirements include those which are defined in the following: the statement of work, specifications, standards and related documents, and contract terms and conditions.

**Contract Type.** A specific pricing and payment arrangement employed for the performance of work under contract (i.e., fixed price, unit price, time-and-materials, etc.).

**Contracting Authority.** The individual with delegated authority (or a body such as the Board of Supervisors) who has been granted authority under State statute or in accordance with County procedures and Board directives to procure services and enter into contractual agreements.

**Contractor.** One who contracts to do work for the County. The person or organization identified as being the other party to a contract with the County. May be a constructor, consultant, supplier, or vendor. A person who, in the pursuit of any independent business, undertakes to do a specific piece of work for the County, using his own means and methods without submitting himself to County control in respect to all the details.

**Contractor Price Adjustment Factor.** The markup factor used in a Job Order Contract (JOC) to arrive at the unit price invoiced by the contractor.

**Corporate Surety.** A company whose business is to assume the responsibility of a surety on bonds issued to contractors in consideration of a fee proportioned to the amount of the security required.

**Cost.** Refers to the amount of money expended in acquiring a product or obtaining a service, or the total of acquisition costs plus all expenses related to operating and maintaining an item once it is acquired.

**Cost Estimating.** The process of forecasting a future result in terms of cost, based upon information available at the time.

**Cost Incurred.** A cost that is identified through the use of the "accrual" method of accounting and reporting, or otherwise actually paid, and includes costs for the following: cost of direct labor, materials, and services which are identified with and needed for the performance of a purchase order/subcontract; all properly allocated and allowable indirect costs as shown by the books of the vendor.

**Cost Plus Fixed Fee (CPFF).** A cost reimbursement type of contract that provides for the payment of costs incurred plus a fixed fee. Not used in County construction contracting.

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**Cost Reimbursable.** A type of contract pricing arrangement that provides for reimbursement (payment) of actual and reasonable costs incurred in the performance of a contract or some part of the contract. Uncommon in County contracting and only considered when actual costs cannot be estimated or predicted in advance. For example, a contract for emergency repair services may incorporate a contract **line item** that allows for the submittal of travel costs on a cost reimbursable basis.

**County.** The County of Los Angeles, California.

**CAMIS.** Countywide Acquisition Management Information System.

**CPCM.** A Certified Professional Contract Manager. A designation earned by members of the National Contract Management Association upon completion of a comprehensive study program and certification examination.

**Cure Notice.** A formal notice provided to a contractor that is in default of his contractual obligations. Provides a prescribed time period (expressed in days) in which the contractor must cure the deficiency and demonstrate that contract performance will not be jeopardized. Failure to satisfy the Cure Notice may be cause for the County to issue a Termination for Default.

**Debarment.** An action taken by the County that results in a contractor being prohibited from bidding, being awarded, and/or performing work on a contract with the County for a period of up to three years. A contractor who has been determined by the County to be subject to such a prohibition is “debarred.” As sanctioned by [County Code Section 2.202.040](#), the County may debar a contractor who has an existing contract with the County and/or a contractor who has submitted a bid or proposal for a new contract with the County.

**Delegation.** The act of empowering another individual to assume responsibility and authority. In County contracting, it refers to the authority granted by the Board to some County directors and officers to sign contracts within certain dollar parameters.

**Department of Parks & Recreation.** The Department of Parks & Recreation is responsible for the construction and maintenance of the County’s parks and recreational sites.

**Department of Public Works (DPW).** The County of Los Angeles department responsible for the design, construction, operation, maintenance, and repair of roads, bridges, airports, sewers, water supply, flood control and water conservation facilities, and for the design and construction of capital projects.

**Design/Build Contract.** A contract in which one contractor performs both the design and construction in a single contract.

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**Design Development Phase.** The phase of design during which the selected building concept and schematic design are refined and building systems and materials are more fully delineated.

**Design Review.** A review process, conducted by DPW, of the project program and design to ensure that the proposed building systems are appropriate to meet the approved Project Needs Assessment and will provide the optimum life cycle cost to the County.

**Determination of Merit.** A determination by an authorized official as to the justification for a Change Order or Claim submitted by a contractor requesting relief under a contract. The “determination” is a conclusion or decision supported by appropriate legal theory and contract scope and terms. The “merit” is a determination of entitlement (of time and/or money) with respect to the claimed out of scope work, conditions, or other specific request for additional consideration.

**Determination of Responsibility.** The process by which a contractor is determined to be a responsible bidder/proposer.

**Director.** The Director or Executive Officer of a County department or agency. The highest level of County department/agency management and accountable to the Board of Supervisors.

**Disadvantaged Business Enterprise (DBE).** A for profit small business concern which is at least 51% owned by one or more socially and economically disadvantaged individuals or, in the case of a corporation, in which 51% of the stock is owned by one or more such individuals; and whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it. Qualified DBEs include minority and women-owned businesses including firms owned by disadvantaged and disabled veterans. See CBE.

**DVBE.** Disabled Veterans Business Enterprise. (See DBE definition above.)

**Dispute.** A contractor’s disagreement with the findings or a decision rendered by the County. In County contracting, a dispute may arise related to the award of a contract or a negative finding with respect to a contractor’s Change Order. A dispute may prompt a contractor to submit a Protest or Claim. See Determination of Merit.

**Disputes Review Board.** A panel that may be assembled and charged with the responsibility to review contractor claims and make final determinations with respect to merit and entitlement.

**DPW.** Department of Public Works, County of Los Angeles.

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**Drug-Free Workplace.** A work site in connection with a specific contract at which employees of the contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances.

**Due Diligence.** The attention and care required of a person in a given situation and not measured by an absolute standard. The opposite of negligence.

**Economic Price Adjustment.** A special contract clause that allows an adjustment in the contract unit prices tied to the rise and fall of a contract-specified price index. Not applicable to fixed-price County construction contracts. May be applicable to multi-year contracts for emergency response or “as-needed” labor contracts for which payment is based on an hourly rate, or commodities such as fuel or heating oil.

**Emergency.** For purposes of an emergency procurement under this Manual, an “emergency condition” is a situation (such as a flood, epidemic, riot, equipment failure, or any other reason declared by the Board), which creates an immediate threat to life, property, and public safety in the County.

**Emergency Services.** Contracted services that are required on an as-needed basis to respond to an emergency.

**Entitlement.** In County contracting, refers to the contractor’s right to consideration, usually time, money, or other equitable relief as determined by the merits of the circumstances and/or the terms of the contract.

**Equitable Adjustment.** An amount of time and/or money (added by contract amendment) considered appropriate relief in response to a contractor’s change order or claim.

**Evidence of Insurance.** Required by the County in the form of “certificates of insurance” issued by the contractor’s insurance broker showing the policy number, amount, type of coverage, project name, and policy term. Special endorsements are also required on the certificates of insurance naming the County and its Special Districts as an additional insured.

**Excusable Delay.** A delay beyond the contractor’s control whereby the contractor is excused from any resulting schedule penalties. Examples of excusable delays are: acts of God or public enemy; acts of the government in either its sovereign or contractual capacity; fire, flood, quarantines, strikes, epidemics, riots, unusually severe weather; and freight embargoes.

**Executed Contract.** Refers to a written document, signed by both parties and mailed or otherwise furnished to each party, which expresses the requirements, terms, and conditions to be met by both

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parties in the performance of the contract. A bilateral contract is fully executed by both parties; only one party executes a unilateral contract.

**Fair and Reasonable Price.** Refers to a price that is fair to both parties, considering the agreed-upon conditions, promised quality, and timeliness of contract performance. Although generally a fair and reasonable price is a function of the law of supply and demand, there are statutory, regulatory, and judgmental limits on the concept.

**Federal Acquisition Regulations (FAR).** A set of uniform regulations that set forth the basic policies and general information about the Federal government’s system of procurement. Although the FAR is the primary document, agency acquisition regulations also may apply that implement or supplement the FAR. (The FAR is not generally applicable to County contracts unless specific clauses are required by Federal grant or funding, and are thereby incorporated into a County contract.)

**Federally-Funded Contracts.** County contracts funded by Federal grant money.

**Fee.** Sometimes used in County contracts as a term synonymous with “price.” The “fee” is the agreed upon amount the contractor is entitled to upon the successful completion of the contract. (Not to be mistaken for the term used to denote profit in a cost-plus-fixed-fee contract.)

**Final Acceptance.** Final acceptance of the work under a contract occurs when the work is fully, completely, and finally accomplished in full, absolute, and strict compliance with the contract documents.

**Firm Fixed-Price Contract.** A contract with a price that is not subject to any adjustment by reason of costs experienced by the contractor in the performance of the work.

**Fixed Price.** A form of pricing that includes a set price to be paid to the contractor. The County bears no responsibility for payment beyond the fixed-price amount.

**Fixed Price Indefinite Quantity Contract.** A fixed unit-price contract where the stated quantities used to determine the maximum contract value are only estimates of the probable quantities that will be ordered over the term of the contract. Thus the unit prices are “fixed” and the quantities to be ordered and delivered are “indefinite.”

**Flow Down.** The required transfer and translation of County contract requirements to subcontractors. The contractor must insert the specified “flow down” clauses (if applicable) into their subcontracts.

**Force Majeure.** A provision in a construction contract to protect the parties (i.e., excuse performance) in the event that a part of the contract cannot be performed due to causes which are outside the control of the parties and could not be avoided by exercise of due care.



**Forfeiture of Security.** The penalty imposed on a contractor that furnishes cash or other security (such as a bid, performance, or payment bond) and subsequently fails to perform the obligation that the bond was intended to protect against. The security is “forfeited” by the contractor as the penalty for the non-performance.

**Formal Advertising.** The procurement process by which sealed bids are publicly solicited (i.e., advertised in local newspapers, web sites, trade journals, etc.), requesting bids in response to the published requirements. A firm-fixed-price contract (lump sum or unit price) is offered (awarded) to the responsible bidder whose bid conforms with all the material terms and conditions of the solicitation package (i.e., is “responsive”), and is the lowest in price.

**Formal Invitation for Bid.** See [Formal Advertising](#).

**Formally Advertised Sealed Bid Process.** See [Formal Advertising](#).

**Full and Open Competition.** All responsible and qualified sources are permitted to compete for the contract award.

**General Provisions.** A collection of contract clauses that is not specific to a given procurement but is incorporated into the contract with full force and effect as part of common contract language.

**Good Faith Effort.** A diligent, proper and good effort by the parties to a contract to use all reasonable means at their disposal to perform their contractual obligations.

**Good Standing.** A contractor that is found to be responsible and thus eligible for contract award. Good performance ratings (past performance) on past County contracts and good financial standing are examples of factors that can determine a contractor’s “good standing.”

**Graybook.** Additions and amendments to the Standard Specifications for Public Works Construction that may be referenced and incorporated into County specifications. Available from the Los Angeles County Department of Public Works (see [Greenbook](#) for purchase information).

**Greenbook.** Standard Specifications for Public Works Construction that may be referenced and incorporated into County contracts. Available for commercial purchase at local bookstores, the Greenbook is designed to aid the uniformity of plans and specifications accepted and used by those in Public Work construction. It is designed to assist contractors by identifying steps that are designed to promote competitive bidding.

**HA.** Housing Authority of the County of Los Angeles is responsible for constructing and maintaining affordable housing projects within the jurisdiction of the County of Los Angeles.

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**Indefinite Delivery/Indefinite Quantity Contract (ID/IQ).** A type of contract in which the exact date of delivery or the exact quantity, or a combination of both, is not specified at the time the contract is executed; provisions are placed in the contract to later stipulate how these elements will be accounted for in the subsequent orders and deliveries. See [Fixed-Price Indefinite Quantity Contract](#).

**Individual Surety.** A person, as distinguished from a business entity, who is liable for the entire penal amount of a bond or surety.

**Informal Invitation for Bid.** On small contracts, the County may contact a number of bidders directly without resorting to formal advertising. These bidders may be on a list of qualified bidders maintained by a County department/agency.

**Insurance.** A contract that provides consideration for loss, damage, or liability arising from an unknown or contingent event in return for a fixed premium.

**Internal Services Department (ISD).** The department that performs a significant volume of the County's purchasing services including the contracting of alteration and maintenance contracts for County Buildings.

**Invitation for Bid (IFB).** The solicitation method used when soliciting bids from vendors without requiring them to submit proposals.

**Job Order Contract (JOC).** A JOC is a competitively bid, firm-fixed-priced indefinite quantity contract. It includes a collection of detailed facility repair tasks and specifications that have established unit prices. A JOC is awarded to a contractor on a qualified low bid basis for the accomplishment of repair, alteration, modernization, maintenance, rehabilitation, etc., of buildings, structures, or other real property improvements. Ordering is accomplished by issuance of a Work Order against the not-to-exceed funding limit established in the JOC.

**Jurisdictional Agencies.** All governmental agencies having regulatory authority and functions under the law with respect to (generally) the design and construction phases of County contracts.

**Labor Hour Contract.** A contract for specified categories of labor or skilled workers at fixed hourly rates over the term of the contract.

**Letter Contract.** A written preliminary contractual instrument that authorizes the contractor to begin work or performing services. The Letter Contract will rarely contain prices for the preliminary work or services; however, it may contain a funding limit and a date certain when the letter contract will be replaced by a definitive contract.

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**Liquidated Damages.** An amount fixed in the contract (typically expressed as a daily dollar amount) which is assessed against a contractor when it breaches the delivery provision of a contract (e.g., it fails to complete delivery, installation, services, or the work specified in a contract within the contract period of performance or schedule) where the extent of actual damages would be difficult or impossible to determine. Liquidated damages are a predetermined, set amount and are included in the contract in lieu of attempting to measure actual damages. Liquidated damages, as predetermined, are assessed even if there are no ascertainable damages or greater damages as a result of the contractor's failure to perform in accordance with contract requirements.

**Lump Sum.** A fixed-price amount to be paid upon successful completion of the work or services delivered under contract.

**Mandatory Flow-Down Clauses.** On County contracts, “flow-down” clauses refer to Federal clauses contained in a Federal grant that are incorporated into a County contract and must be cited in contracts with subcontractors. This typically requires the inclusion of the text of the clause either verbatim or substantially verbatim in all purchase order/subcontracts entered into in support of the County contract.

**Market Survey.** The review of competitive “market” prices or rates to be used to determine if a contractor’s bid/proposal is reasonably priced. This practice is also referred to as a “price analysis.”

**Master Schedule.** A detailed, overall project schedule developed and maintained by the County that shows all major activities from project program to final project acceptance.

**Master Service Agreement (MSA).** A County contract for services that sets forth fixed rates and terms. The work is ordered by the County using purchase orders or work orders on an as-needed basis. The MSA is valid for a specified time period and has a maximum dollar ceiling (see [Indefinite Delivery/Indefinite Quantity Contract](#)).

**Material Costs.** Costs of items such as raw materials, parts, sub-assemblies, components, and manufacturing supplies, whether purchased or manufactured by the contractor, which may include such collateral items as inbound transportation and in-transit insurance.

**Minimum Qualifications.** A phrase used to describe the mandatory/minimum qualifications outlined in a solicitation that a bidder or proposer must meet or exceed to be deemed qualified and responsive to the IFB/RFQ requirements (e.g., Class A Contractor’s License, able to post surety requirements).

**Minority/Women Business Enterprise (MBE/WBE).** An MBE enterprise is at least 51 percent owned by one or more members in the following presumptive groups: Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian-Indian Americans, and women (regardless of race, ethnicity, or origin). A WBE enterprise is at least 51 percent owned by one or more

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women, and its management and daily business operations are controlled by one or more of the women who own it.

**Negotiated Contracting.** The process of soliciting proposals in a Request for Proposal (RFP) process that may include some negotiations of the scope, terms, and fee as part of finalizing the contract with the most qualified consultant. Not applicable for County construction contracts where contractors must be selected using an advertised sealed bid process and contracts are awarded to the responsible and responsive low bidder.

**Negotiated Contract.** The final document that memorializes the agreement between the selected consultant and the County following the RFP solicitation process. Some aspects of the contract may be “negotiated” as part of the discussion process to arrive at a mutually acceptable agreement.

**Negotiation.** A bargaining process between two or more parties seeking to reach a mutually satisfactory agreement or settlement on a matter of common interest.

**Noncompetitive Contract.** See [Sole Source Contract](#).

**Noncompetitive Negotiation.** The procurement process by which a proposal is solicited from only one source (either a sole source or a source providing a critical advantage) or, after solicitation of multiple prospective sources, only one source submits a proposal. Negotiations are held with the source and a contract is awarded.

**Non-Responsibility Hearing.** If a potential low bidder is found to be non-responsible, the bidder may request a hearing to review the County’s findings.

**Non-Responsible.** The finding of a bidder/proposer to be incapable of performing as a responsible County contractor, based on past performance history or other relevant documentation. See [“Responsible Bidder/Proposer.”](#)

**Non-Responsive.** Generally, the failure of a bidder/proposer to comply with all solicitation requirements, thus making the bidder/proposer ineligible for consideration in the bid/proposal evaluation process. It is generally not a reflection on the bidder’s/proposer’s capacity to perform as a responsible County contractor and does not require the exercise of the department’s judgment in determining whether the bidder/proposer is responsive. See [“Responsive.”](#)

**Not-to-Exceed.** A maximum contract funding limit that the contractor is not allowed to exceed and beyond which the County will not make further payments.

**Notice.** The contract reporting requirements. A formal communication by one authorized contracting party to another to convey essential information concerning the contract or a warning of changes, non-compliance, or default. The “notice” complies with the legal requirements to provide the information in a timely and proper fashion that meets either the specified contract, or absent such requirements, statutory requirements for properly serving the effected party with essential contract information.

**Notice of Award.** Letter issued to the successful bidder stating that the contract has been awarded to it and stating the effective date of the contract. The County will typically issue a Notice to Proceed before the contractor is authorized to begin work.

**Notice of Default.** A written notice to convey a material contract deficiency that must be immediately remedied (i.e., cured). Failure to properly respond to the notice and address the alleged default may give rise to default termination proceedings.

**Notice Inviting Bids (NIB).** The solicitation method used when soliciting bids from vendors without requiring them to submit proposals.

**Notice to Proceed.** Written direction to commence all or a portion of the work or services called for in the contract. It is sent to the contractor post award and states that the contractor is authorized to commence work as of a specific date. A 2-Part Notice to Proceed may be used when the contractor must provide certain contract deliverables (such as permits, schedules, or other documents or information) to the County after award but prior to commencing all or a portion of the work.

**Offer.** A bid submitted in response to a County Invitation for Bid (IFB) or a proposal submitted in response to a County Request for Proposal (RFP).

**Offeror.** A person or firm submitting an offer.

**Office of Small Business (OSB).** The County office that supports and maintains the Office of Small Business Web Site found at <http://osb.co.la.ca.us/>. The site provides firms with a link to the 37 County departments, as well as the Federal and State governments, cities, and other public agencies. It also serves as a regional data base of business opportunities and an information clearinghouse for businesses on the Internet. The OSB also provides workshops and training on accessing the Web and guidance on selling good and services to County departments.

**Organizational Conflict of Interest.** An organizational conflict of interest exists when the nature of the work to be performed under a proposed contract may, without some restriction on future activities, (1) result in an unfair competitive advantage to the contractor, or (2) impair the contractor's objectivity in performing the work.

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**Payment Bond (Labor And Material).** A bond assuring payment by the contractor as required by law of all subcontractors supplying labor and material in the execution of the work provided for under a contract that exceeds \$25,000.

**Performance Bond.** A bond issued by a surety securing fulfillment of all the contractor's obligations under a contract, generally by paying a penal amount specified or by completion of the work.

**Performance Security.** A form of performance guarantee offer by a bidder to secure his bid. The security can be in the form of (1) cash, (2) a cashier's check made payable to the County, (3) a certified check made payable to the County, or (4) a bidder's bond executed by an admitted surety insurer, made payable to the County. (Ref. [Public Contract Code §20129.](#))

**Period of Performance.** The period of performance is the period of time allowed in the contract documents for completion of the work from the effective date through the final date.

**Policy.** A plan or course of action designed to influence and determine decisions, actions, and other matters.

**Pre-Bid/Pre-Proposal Conference.** A conference during which representatives of the County department or agency requesting bids or proposals in response to a County solicitation meet with prospective bidders or proposers regarding the preparation of their bids or proposals. Responses to questions raised (if any) are formalized and distributed to all holders of Bid/Proposal Solicitation Documents.

**Pre-Negotiation Objectives.** A set of pre-established objectives with respect to the contract price, scope, terms, and schedule, to the extent such items are subject to negotiation.

**Pre-Solicitation Announcement.** The advertised notice of a proposed solicitation.

**Pre-Award Survey.** A review process that includes a facility review to determine a contractor's resources and ability to perform under a proposed contract.

**Price.** The amount the County anticipates it will pay the contractor for full performance under the terms of a contract, including all costs and profit. A fixed monetary amount bid or proposed in exchange for contract performance.

**Price Analysis.** The process of examining and evaluating a prospective price without evaluation of the separate cost elements and proposed profit of the individual offeror.

**Prime Contractor.** See [Contractor](#).

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**Procedure.** Written instructions for the implementation of a policy. A set of established guidelines, processes, or methods for conducting business.

**Proceed Order.** Issued under a construction contract to authorize the contractor to proceed with changed work while the County evaluates the contractor’s proposal.

**Procurement.** The acquisition and solicitation process for goods and services including facility design and construction, repair, maintenance, lease, rental, and the acquisition of related support services, materials, and supplies necessary for the operation and support of all Countywide requirements. The solicitation of construction and construction-related services are functions of procurement that are summarized by this Construction Contracting Manual.

**Project Budget.** The total planned cost of a project as incorporated into the County Capital Project Budget and approved by the Board.

**Project Delivery Team.** A team developed and managed by DPW, consisting of DPW staff and support consultants, responsible to strategize and deliver a completed capital project that meets the User’s Needs Assessment and the approved project program, cost, and schedule.

**Project Manager.** The designated County technical representative providing direction to consultants/contractors and acting as liaison between all the contract entities and outside agencies.

**Project Program Documents.** Documents defining facility needs and space configurations, adjacency/location requirements, specific building systems, budget and schedule limitations, and quality levels to be used during the design and construction phases of the project.

**Project Schedule.** The contractual network diagram of the project’s planned activities, their sequence determined by job logic, the contractual time in working days required for completion (activity duration), and the conditions necessary for their completion (contract specifications).

**Proposal.** A written response to a Request for Proposals (RFP).

**Proposer.** Any individual, firm, partnership, corporation, or combination thereof submitting a proposal for the work solicited by a Request for Proposal or other similar document.

**Proprietary Information.** Information contained in a bid or proposal submitted by an offeror and/or designated as “proprietary” or “confidential,” in accordance with law or regulation, by the offeror or the company.

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**Protest.** A formal written objection or complaint submitted to the County by an interested party attempting to provide good and sufficient reason(s) to cause the County to reconsider its contractor of choice.

**Public Contract Code.** The body of contract law established by the California State Legislature into a single code entitled, “Public Contract Code.” The Legislature enacted this code to (i) clarify competitive bidding requirements, (ii) ensure full compliance with competitive bidding statutes as a means of protecting the public from misuse of public funds, (iii) provide all qualified bidders with a fair opportunity to enter the bidding process, thereby stimulating competition in a manner conducive to sound fiscal practices, and (iv) eliminate favoritism, fraud, and corruption in the awarding of public contracts.

**Public Contracting.** Contracting with or by a public agency such as the County of Los Angeles.

**Public Works Contract.** An agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.

**Purchasing Agent.** A County buyer working within the Internal Services Department (ISD) Purchasing/Contracts department and responsible for purchasing County goods and services.

**Qualified Bidders List (QBL).** A list of bidders (or specialty contractors) listed by category of service and maintained by County departments. These bidders meet the applicable County department’s qualification and experience requirements. On smaller procurements that are not formally advertised, bidders on the QBL may be selected by the County departments or agencies to receive solicitations requesting a bid or proposal.

**Quality.** The composite of all attributes or characteristics with respect to the work that meets the contract specifications/standards and satisfies the County’s expectations for contractor performance.

**Quality Assurance.** A planned and systematic pattern of actions or process necessary to provide adequate confidence that material, data, supplies, and services will continually conform to established technical and performance requirements.

**Quality Assurance/Quality Control.** The procedures and measurements to ensure total quality as specified is achieved throughout the design and construction phases of the project.

**Qualifications-Based Contracting.** A process of competitive selection based only on “demonstrated competence” and on the professional qualifications necessary for the satisfactory performance of the services required. Price is not used as a basis of selection. This selection process is required under California law ([Government Code §4526](#)) by State and local agencies for the professional services of

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private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms.

**Quotation.** A statement of price and delivery terms or a period of performance by a contractor in response to an informal request by the County and only on procurements that are within the dollar limits for “small purchase” transactions.

**Reasonable Cost.** A cost is reasonable if, by its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business.

**Record Documents.** Original contract drawings and specifications, revised, updated, and submitted by the A/E, which incorporate all changes implemented during the course of construction, including those shown on the set of redlined “as-built” documents maintained by the contractor during his contract period.

**Refurbishment.** A periodic updating of existing space with a cost in excess of \$100,000. Refurbishment projects reflect an overall enhancement in décor, functional design, and configuration.

**Request for Proposal (RFP).** Formal solicitation document requesting the submittal of proposals and used in a negotiated procurement when the County reserves the right to award a contract without any or further oral or written discussions or negotiations after selection of the best qualified contractor or consultant. Only the acceptance of the County is required to create a binding contract; however, the County can choose to negotiate certain elements of the contract at its option.

**Request for Qualifications (RFQ) or Request for Statement of Qualifications (RFSQ).** An advertised request for potentially qualified bidders/proposers to submit their qualifications to meet specified requirements and to be considered for future contracting opportunities.

**Responsible Bidder/Proposer.** A capable party that has the financial resources, personnel, facilities, integrity, and overall capability to fulfill specific contractual requirements satisfactorily.

**Responsive Bid.** A bid that meets, without any material deviation, the expressed requirements of a solicitation.

**Responsive Bidder/Proposer.** A capable party whose bid or proposal meets, without any material deviation, the expressed requirements of a solicitation, including all required forms, certifications, etc.

**Return of Security.** The return of a bidder/contractor’s bond or other security upon completion of a specified obligation.

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**Satisfaction of Judgment.** A document confirming that a judgment has been paid. Usually a document discharging a debt previously held by a contractor’s creditor.

**Schematic Design Phase.** The initial project design phase during which alternative building and site concepts, configurations, and systems are proposed, explored, and adjusted until a functionally efficient and affordable plan is approved for further development.

**Scope Change.** A modification to the approved project program, contract, budget, or funding sources.

**Scope of Work.** That portion of a contract describing the actual work to be performed by means of specifications or other specified requirements, descriptions, quantities, performance, time period, and statement of the requisite quality. Should be in sufficient detail to allow a third party the ability to interpret the requirements in the event of a dispute between the primary contracting parties.

**Sealed Bid Procedure.** A method of procurement involving the unrestricted solicitation of bids and award of a contract to the lowest responsible bidder. This procedure is required by law for all County construction contracting.

**Service Provider.** A contractor that is qualified to provide the specified service.

**Settlement.** The act or process of achieving a final resolution to a dispute. Implies a meeting of the minds of the affected parties to reconcile their differences.

**Sheriff’s Department.** The Sheriff’s Department has been granted general authority under the State Government code to enforce the law in the County and to operate correctional facilities and jails as required by law. The Sheriff’s Department also provides services for other counties and cities outside of Los Angeles County, and as a result receives funding that is outside of the County General Fund.

**Small Business Concern (SBC).** A business that is independently owned and operated, and is not dominant in its field; a business concern meeting the government small business size standards for its particular industry.

**Sole Source Contract.** A contract that is solicited from a single contractor believed to be uniquely qualified, capable, authorized, or available to provide the necessary services. Not authorized for County construction contracts.

**Solicitation.** In County contracting, the formal or informal request for responsive and responsible bids or proposals to meet specified County requirements. Solicitation may be conducted through formal advertising, posting requirements on the County’s web site, or by contacting contractors or consultants on standing contracts or on existing County bidder’s lists.

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**Source Selection.** The process wherein the evaluation factors, policies, and guidelines relevant to an award decision in a competitive solicitation are reviewed and determined.

**Source Selection Committee.** The County’s selected mix of technical and administrative individuals who evaluate proposals received in response to an RFP solicitation. The evaluation is conducted according to pre-established proposal evaluation criteria.

**Special Terms and Conditions.** The part of the contract documents that sets forth the legal, business, and technical requirements that are particular to a specific project and contract.

**Specification.** A detailed description of the technical requirements for a material, product, or service that includes performance criteria and all physical characteristics for end item conformance.

**Standard Contract Terms and Conditions.** The part of the contract documents that set forth the rights and responsibilities of the contracting parties and are standard in all contracts of a specific type (e.g., construction, consulting, A/E, etc.).

**Standard Plans for Public Works Construction.** The standard plans contained in this publication complement the contract plans prepared for each Department of Public Works construction project.

**Standard Specifications for Public Works Construction.** Commonly known as the “Greenbook.” See [“Greenbook.”](#)

**Standing Contracts.** Synonymous for Master Contract Agreement, Master Service Agreement or Job Order Contract. A contract that spans a specified period of time for goods or services to be ordered (usually with purchase orders or work orders) during the contract term.

**Statement of Qualifications (SOQ).** A formal submittal of a contractor’s qualifications, experience, organization, past projects, financial standing, and other factors needed to demonstrate the contractor’s ability to provide quality and timely services to the County.

**Subcontract.** A contract between the County’s contractor (or general contractor) and the firms or individuals working as second tier contractors. Broadly defined, a subcontract is any contract (including POs) by which a firm or individual (i.e., contractor, supplier, or distributor) is to furnish supplies or services to the County prime contractor in support of the County’s contract. The County is not a party to any subcontract, thus the subcontractors have no contractual relationship with the County.

**Subcontractor.** This term refers to a second tier contractor who enters into a contract (purchase order/subcontract) with the County’s contractor.

**Substantial Completion.** The date certified by the County when construction is sufficiently complete, in accordance with the contract documents, so the County may occupy or use the work, or designated portions thereof, for its intended use.

**Supplemental Agreement.** Any modification that supplements (i.e., changes) the contract or bid documents that is accomplished by the mutual action of the parties.

**Supplier.** The individual or concern (vendor) actually performing services, or manufacturing, producing, and shipping any supplies required by the contract or purchase order/subcontract. The terms “supplier” and “vendor” are often used interchangeably.

**Surety.** A company (usually an insurance company) that agrees to protect the contractor (the principal) and the County (the obligee) should the contractor default in performing his contractual obligations.

**Termination.** An action taken pursuant to a contract or purchase order clause in which the County unilaterally ends all or part of the work. Termination can be a "Termination for Convenience," in which the ending of work is in the best interest of the County; or "Termination for Default," in which the contractor has not performed according to the terms of the contract.

**Termination for Convenience.** A contract clause giving the County the right to unilaterally terminate (all or a portion of) a contract without cause and for its own convenience. The contractor will immediately stop all work and be paid the fair value of work performed up to the notice date of the termination, plus reasonable costs to terminate all subcontractors and to demobilize from the site, as applicable.

**Termination for Default.** A contract clause giving the County the right to unilaterally terminate the contract if the contractor has failed to meet a material condition of the contract. The contractor is not paid for any termination or demobilization costs in a termination for default. Furthermore, the contractor will be responsible for any net increase in cost the County may incur in completing the work using County resources, outside contractors, or a combination of both.

**Termination for Default Notice.** The formal notice of Default Termination sent by the County communicating its unilateral decision to terminate the contract for default.

**Termination Notice.** The formal notice of Termination sent by the County, communicating its unilateral decision to terminate all or a portion of the contract.

**Termination Proposal.** A proposal requesting consideration for termination costs incurred upon receipt of a Termination for Convenience Notice and subsequent contract termination.

County of Los Angeles All County Departments/Divisions	<b>CONSTRUCTION CONTRACTING          POLICY GUIDELINE</b>	Appendix A Version: Final 3/31/03 Page 25 of 25
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**Terms and Conditions.** All language in a contract, purchase order, or subcontract that specifies the terms and conditions of the agreement including applicable standard clauses, along with the incorporation of any applicable general and special conditions.

**Time-and-Materials Contract.** A type of contract that provides for the payment of services at one or more fixed hourly rates (including overhead and profit) and material, travel, and other direct costs reimbursed at cost (plus an agreed upon markup, if applicable). Useful when it is impractical to estimate schedule and/or the extent of services required at the time of contract award is not well defined.

**Unit Price Contract.** A contract with fixed prices for specified units of work or specified contract line items.

**U.S. Department of Labor Wage Rate Determination.** The required minimum hourly wage and benefits by labor classification, as established by the U.S. Department of Labor, to be paid to workers on County public works construction contracts. Payroll certifications are required by County construction contracts to verify that prevailing wage rates are paid.

**User.** A County department, court, or other agency considered to be the occupants, users, or proprietors of the subject facility or project.

**Value Engineering.** The process of review and revision throughout the design and construction of the project with the goal of optimizing the value received by the County during the construction and over the life of a facility/project.

**Variance.** The difference between projected and actual performance, especially relating to cost or schedule.

**Work Order.** The document used to order/authorize services or supplies under a Master Services Agreement, Job Order Contract, or other standing contract or master agreement. The work order specifies the quantities, schedule and price; whereas the standing agreement serves to establish the terms and conditions of the agreement. The “contract” for the work consists of both the work order and the standing agreement. A Purchase Order is sometimes used in lieu of a work order.



**County of Los Angeles**  
Countywide Construction Policies & Procedures

**APPENDIX B  
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Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/01/01	Revision Date: 3/31/03
Approved by:	Approved by:	

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**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX C  
IMPLEMENTATION INSTRUCTIONS**

**Procedures for Determinations of Contractor Non-Responsibility and  
Contractor Debarment**

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 3/31/03
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**IMPLEMENTATION INSTRUCTIONS  
PROCEDURES FOR DETERMINATIONS OF CONTRACTOR  
NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT**



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## **IMPLEMENTATION OF PROCEDURES FOR DETERMINATIONS OF CONTRACTOR NON-RESPONSIBILITY AND CONTRACTOR DEBARMENT**

On January 11, 2000, the Los Angeles County Board of Supervisors adopted an ordinance for [Determinations of Contractor Non-Responsibility and Contractor Debarment \(Ordinance\), Los Angeles County Code Chapter 2.202](#), which is applicable to all County contracts except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance. These implementation instructions provide guidelines and necessary interpretation to assist departments in implementing the Ordinance.

### **I. Introduction**

In adopting the Ordinance, the Board made a finding that, in order to promote integrity in the County's contracting processes and to protect the public interest, the County's policy shall be to conduct business only with responsible contractors. Requirements for finding contractors non-responsible and debarring contractors are applicable to all County contracts, unless Federal or State law otherwise applies.

Other procedures in these implementation instructions describe the requirements for development and use of a countywide Contract Data Base to monitor contractor performance and contractor labor law violations; these procedures are applicable to Proposition A/Living Wage, information technology, and construction contracts.

Individual departments remain responsible for reviewing past contractor performance (e.g., past labor law issues on both County and non-County contracts) prior to recommending contracts, monitoring contractor performance, inputting relevant contractor information in the Contract Data Base, recommending findings of non-responsibility, and initiating debarment procedures, as applicable.

Semi-annually, the Office of Affirmative Action Compliance (OAAC) and the Internal Services Department (ISD) will jointly review the Contract Data Base to assess departmental follow up on documented violations or other performance deficiencies which may merit debarment. Information in the Contract Data Base will pertain to current and prospective contracts. Contractors will be required to disclose past performance as part of the solicitation process.

Contractor performance problems and contractor labor law violations that are identified in the semi-annual Contract Data Base review, and for which the relevant department has not initiated appropriate action, will be referred to the

Chief Administrative Office (CAO) and the Auditor-Controller (A-C). These two departments will jointly work with the contracting department to determine if the department should pursue debarment of a contractor. The A-C also has responsibility for overall monitoring of departmental compliance with Ordinance requirements.

Department heads will be required to annually certify that they have complied with all required procedures including: 1) completing at least annual contractor performance reviews, 2) inputting required information in the Contract Data Base, as appropriate, and 3) proceeding with non-responsibility and debarment procedures, where required.

## II. General Description of the Ordinance

### A. Determination of Contractor Non-Responsibility.

The Ordinance provides that prior to a contract award, the County may determine that a contractor is non-responsible for purposes of that contract. This finding would be appropriate if the bidder has done any of the following:

- (1) Committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same;
- (2) Committed an act or omission which indicates a lack of business integrity or business honesty; or,
- (3) Made or submitted a false claim against the County or any other public entity.

Such contractors are entitled to written notice of the basis for the proposed non-responsibility finding and a hearing before the department head or his/her designee. The department head makes a recommendation regarding finding of non-responsibility to the Board of Supervisors. The Board can modify, deny, or adopt the recommendation of the department. The Board makes the final determination of non-responsibility.

**NOTE:** Finding a bidder/proposer non-responsible is not the same as finding a bidder/proposer non-responsive to solicitation requirements.

✓ **Non-responsibility** refers to finding a bidder/proposer



incapable of performing as a responsible County contractor, based on past performance history or other relevant documentation.

- ✓ **Non-responsive** generally refers to the failure of a bidder/proposer to comply with all solicitation requirements making the bidder/proposer ineligible for consideration in bid/proposal evaluation process. It is generally not a reflection on the bidder's/proposer's capacity to perform as a responsible County contractor and does not require the exercise of the department's judgment in determining whether the bidder/proposer is responsive. In some instances, however, the distinction may not be clear based on the nature of the bidder's/proposer's omission. If department staff are unsure as to whether an action by a bidder/proposer is an indication of non-responsibility or non-responsiveness, County Counsel shall be consulted.

## **B. Debarment of Contractors.**

The Ordinance provides that the County may debar a contractor who has an existing contract with the County and/or a contractor who submits a bid or proposal for a new contract with the County. Debarment would be appropriate if the County finds that the contractor has:

- (1) Violated any term of a contract with the County;
- (2) Committed any act or omission which negatively reflects on the contractor's quality, fitness or capacity to perform a contract, or engaged in a pattern or practice which negatively reflects on same;
- (3) Committed an act or omission which indicates a lack of business integrity or business honesty; or,
- (4) Made or submitted a false claim against the County or any other public entity.

Such a contractor is entitled to written notice of the basis for the proposed debarment and a hearing before the Contractor Hearing Board (CHB), comprised of CAO, ISD, OAAC, and the Department of Public Works (DPW). The CHB makes a recommendation to the Board regarding

whether the contractor should be debarred and, if so, the appropriate length of time for the debarment. The Board can modify, deny or adopt the recommendation of the CHB. A debarment finding becomes final upon the approval of the Board.

Debarment results in a contractor being prohibited from bidding upon, being awarded, and/or performing work on a contract with the County for a period up to three years. Any or all existing contracts with a debarred contractor may be terminated. A debarred contractor is identified as such in the Contract Data Base.

### **III. Requirements for Invitation For Bids (IFBs), Request for Proposals (RFPs), and Contracts**

As of February 10, 2000, the following requirements set forth in the Ordinance are effective for all solicitations and contracts, except to the extent applicable State and/or Federal laws are inconsistent with the terms of the Ordinance.

#### **A. IFB and RFP Solicitation Documents**

All IFB and RFP solicitations shall include the standard language as provided in [Exhibit I](#). In addition, the most current listing of debarred contractors, which is available from the Contract Data Base, shall be included in all solicitation packages.

#### **B. Standard Contract Language**

All County contracts shall include the standard language as provided in [Exhibit II](#).

### **IV. Contractor Performance Monitoring**

#### **A. All Contracts**

Departments remain responsible for monitoring contractor performance and compliance with all contract terms, consistent with existing Board policy that requires at least an annual evaluation of contractor performance.

**B. Proposition A/Living Wage, Information Technology and Construction Contracts Contract Data Base**

Separate data bases for construction, information technology and Proposition A/Living Wage contracts have been merged into a single Contract Data Base hosted by ISD which is available at the following County Intranet site: <http://contract.co.la.ca.us>.

Departments are responsible for entering specific performance information into the Contract Data Base for all existing and prospective Proposition A/Living Wage, information technology and construction contracts. This information includes contract identifying information and contractor performance data, contractor compliance with contract wage requirements, and contractor labor law violations. The Contract Data Base is targeted to be available for departmental input by mid-March 2000. Training on the Data Base will be provided to departmental contracting staff.

1. Initial identifying information.

Contract identifying information that department staff must input for the affected contracts includes:

- a) Contractor Identifying Information;
- b) Contract Number;
- c) Contract Title;
- d) Service Type (Proposition A/Living Wage, Construction, or Technology) and Sub-Type (e.g., custodial (Prop A), hardware (Technology), public works construction (Construction));
- e) Department ID;
- f) Department Contact ID and Phone Number;
- g) Initial Contract Term (e.g., 3 years plus 2 one-year optional extensions);
- h) Contract Start/Effective Date;
- i) Contract End Date (without optional extensions);
- j) Contract End Date after Exercise of All Optional Extensions;
- k) Contract Cost (Annual Cost).

This information shall be entered into the Contract Data Base upon the Board's or the department head's delegated authority approval

of the affected contract. Department heads shall designate specific staff to input and update the Contract Data Base.

2. Contractor Performance Information

Departments must enter performance information into the Contract Data Base "Report Card", answering "yes" or "no" to standard questions. The Contract Data Base and Report Card must be updated at least annually in conjunction with the required contractor performance review, but more frequently if performance problems are identified and documented. If a contract period is less than one year, the Contract Data Base and Report Card shall be updated at the end of the contract period, at a minimum.

3. Semi-Annual Review of the Contract Data Base

Failure to enter contract identifying information and performance information at least annually, or at the conclusion of a shorter term contract, will trigger the identification of such contracts in a semi-annual review of the Contract Data Base by ISD and OAAC. Such contracts will be identified to the CAO and the A-C for further review and discussion with the contracting department. In addition, indications of performance problems that have not been acted upon by a department will similarly generate an inquiry and an assessment of the need for further action, including consideration of debarment proceedings.

## V. Specific Departmental Roles

The following briefly describes the roles of designated departments in the contract monitoring and non-responsibility/debarment process.

- A. **All County departments:** Responsible for timely and accurate input into the Contract Data Base and for taking remedial action with respect to contractor performance problems, where appropriate. This includes investigating and bringing charges for non-responsibility and debarment proceedings. Also required to append a list of debarred contractors to all IFBs and RFPs.
- B. **Internal Services Department:** Participates with OAAC in the semi-annual review of the Contract Data Base to identify potential problem contractors that show no indication of departmental action. ISD will provide contracting expertise related to contract performance monitoring.

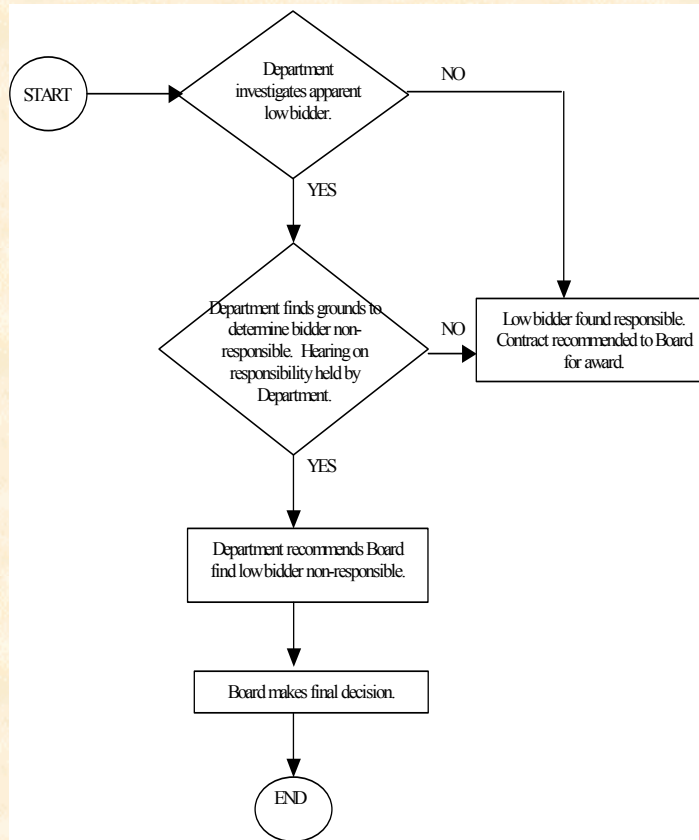
ISD will also host the Contract Data Base, and participate as a member of the CHB.

- C. Office of Affirmative Action Compliance:** Participates with ISD in the semi-annual review of the Contract Data Base to identify potential problem contractors that show no indication of departmental action. OAAC will provide expertise related to monitoring prevailing wage, labor law violations, employment discrimination, civil rights violations, and Living Wage compliance. Also participates as a member of the CHB.
- D. Auditor-Controller:** After notification by ISD and OAAC of a potential problem with a contractor, the A-C and CAO will work with the relevant department to determine if the department should pursue debarment of contractor. A-C also evaluates the contract monitoring process in conjunction with departmental audits, and provides countywide auditing expertise.
- E. Department of Public Works:** Participates on the CHB to bring expertise in the variety of contracts they administer, including construction contracts.
- F. Chief Administrative Officer:** After notification by ISD and OAAC of a potential problem with a contractor, the CAO and A-C will work with the relevant department to determine if the department should pursue debarment of contractor. CAO will also participate on the CHB to bring general contracting and countywide perspective to the process. The CAO will chair the CHB as a non-voting member to prevent tie votes, except in instances when a contract before the CHB involves ISD, DPW, or OAAC. In such an instance, the CAO will exercise its vote in lieu of the relevant department to avoid the appearance of a conflict.
- G. County Counsel:** Advises if there is sufficient cause to proceed with a debarment or non-responsibility action and, if so, assists the department and the CHB in preparing the debarment or non-responsibility case, and provides legal advice throughout the process.

## **VI. Non-Responsibility Determination**

During a contract solicitation process, a department can recommend to the Board that a bidder/proposer be found non-responsible to perform services under the proposed contract, based on criteria established in the ordinance (see [Section II A](#)).

A flow chart for the non-responsibility process is shown below.



### **A. Departmental Assessment of Cause for a Non-Responsibility Finding**

In pursuing a finding of non-responsibility against a contractor, the burden of proof is on the department and must be established by a preponderance of the evidence.

1. Department staff who become aware of information concerning the existence of a cause for finding a bidder or proposer non-responsible shall immediately advise departmental management, who shall promptly notify appropriate County Counsel staff.

2. Departments shall promptly investigate any reports of information concerning the existence of a cause for a non-responsibility finding.

The following are examples of responsibility factors that a department may consider in assessing responsibility.

- ✓ General reputation and experience of the bidder.
- ✓ Bidder's ability to serve the County.
- ✓ Financial ability of the bidder to successfully meet the requirements of the contracts.
- ✓ Prior knowledge of and experience with the bidder in terms of past performance.
- ✓ Nature and extent of company data furnished by bidder upon request of the County.
- ✓ Bidder's experience with the commodities or service.
- ✓ Length of time the commodities or services have been on the market.

Departments must develop evidence/documentation to support such a finding and discuss the adequacy of the documentation with the assigned County Counsel. In addition to the above considerations, a department must include the results of inquiries into past performance on other County and/or other governmental agency contracts, wage and/or other labor law violations. The seriousness and extent of the contractor's acts, omissions, patterns or practices as well as any relevant mitigating factors may be considered in determining whether a contractor should be deemed non-responsible.

#### **B. County Counsel Assistance**

County Counsel will advise the department if there is sufficient cause to proceed with a non-responsibility hearing and provide legal advice, as necessary, throughout the process

### **C. Written Notice of Departmental Non-Responsibility Hearing**

1. Before initiating a hearing on a bidder's or proposer's responsibility, the department shall send written notice to the bidder or proposer stating that the department intends to recommend to the Board of Supervisors that the bidder or proposer be found non-responsible.
2. The notice shall specify the basis for the proposed recommendation of non-responsibility and a summary of any evidence to support such recommendation.

The notice shall also include the date, time and place of the hearing before the department head/designee.

The parties may agree to submit the matter on the basis of documentary evidence only.

2. The notice shall also advise the bidder or proposer that the bidder or proposer is required to confirm with the department that the bidder or proposer and/or representative intends to attend the hearing.
3. The notice shall also advise the bidder or proposer that failure of a bidder or proposer to confirm with the department the hearing date or otherwise respond to the notice may result in the bidder or proposer waiving all rights of appeal.
4. Before a department sends a written notice to a bidder or a proposer pursuant to this Ordinance, such notice must be approved by management at the department and County Counsel. County Counsel will advise as to the appropriate delivery method for the notice.
5. Notices made pursuant to this Ordinance shall be deemed served and effective upon the date the notice is provided in person or by facsimile, or two days after sending by first class mail.

### **D. Non-Responsibility Hearing**

On the date and place specified in the notice, the department shall conduct a hearing where evidence on the proposed non-responsibility determination is presented; the burden of proof is on the department and must be established by a preponderance of the evidence.



1. Departmental Hearing Officer

The department head, or a designee, shall conduct the hearing, examine the evidence on the issue of a bidder's or proposer's responsibility, and prepare a proposed decision and recommendation to the Board of Supervisors regarding whether the bidder or proposer should be found non-responsible. The person acting as the departmental hearing officer must be a different person than the department staff who investigates or presents the charges in support of a finding of non-responsibility at the hearing.

2. Departmental Investigator

The department head shall designate a department staff member who will investigate information concerning the existence of a cause for finding a bidder or proposer non-responsible. The departmental investigator may also act as the departmental advocate (see below).

3. Departmental Advocate

The department head shall designate a department staff member who will present charges of a bidder's or proposer's non-responsibility at a hearing before the departmental hearing officer.

4. County Counsel Representation

County Counsel staff shall represent both the hearing officer and the departmental investigator/advocate. The County Counsel staff representing the departmental investigator/advocate shall be a different County Counsel than the one representing the hearing officer.

5. Bidder/Proposer, Attorney/Authorized Representative

The bidder/proposer and/or attorney or other authorized representative of the bidder/proposer shall be afforded an opportunity to appear at the hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. An authorized representative may be designated by the bidder/proposer in person at the hearing or by letter received at or prior to the departmental hearing, signed by the bidder/proposer who submitted the bid/proposal.

## 6. Presentation of Evidence and Rebuttal

- a. At the departmental hearing, the department shall first present evidence to support a finding that a bidder or proposer is non-responsible. During the department's presentation of its case, the bidder, proposer or representative of same shall not interrupt or challenge the presentation.
- b. The person, on behalf of the department, who presents the charges of non-responsibility has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the bidder or proposer is non-responsible.
- c. After the department's presentation of its case, the bidder or proposer and/or the bidder's or proposer's representative shall present evidence to support a finding that the bidder or proposer is responsible and to rebut evidence that is the basis for the department's recommendation. During the bidder's, proposer's or representative's presentation of his or her case, the department shall not interrupt or challenge the presentation.
- d. The bidder or proposer and/or the bidder's or proposer's representative has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the bidder or proposer is responsible and to rebut evidence that is the basis for the department's recommendation.
- e. Each party shall have the opportunity to rebut the evidence presented by the other party.
- f. The departmental hearing officer may ask questions, seek clarification and request additional information from the parties at any time during the hearing. The departmental hearing officer has discretion to continue the hearing as necessary.

- g. The departmental hearing officer shall close the hearing at the conclusion of the presentation of the evidence. All evidence to be considered by the departmental hearing officer shall be submitted prior to the close of the hearing, unless otherwise specified by the departmental hearing officer.

7. Rules of Evidence

The strict rules of evidence do not apply in the departmental hearing. At the hearing, the departmental hearing officer can consider all relevant information on the issues related to the subject of the hearing, as long as the information presented is the sort of information on which responsible persons are accustomed to rely in the conduct of serious affairs.

8. Burden of Proof and Standard of Proof

The burden of proof is on the department proposing a non-responsibility determination and must be established by a preponderance of the evidence. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

**E. Recording the Departmental Hearing**

The hearing before the departmental hearing officer shall be recorded by any method deemed appropriate by the hearing officer (audio tape, video tape, reporter/transcriber) and a copy of the record of the proceeding shall be made available to the contractor at cost, upon request.

**F. Departmental Hearing Officer Proposed Decision and Recommendation to the Board of Supervisors**

1. After the hearing, the departmental hearing officer shall prepare a proposed decision, which shall contain a recommendation regarding whether the bidder or proposer should be found non-responsible regarding the contract(s) at issue. The departmental hearing officer's proposed decision and recommendation regarding whether the bidder or proposer be found non-responsible shall be based on the record of the hearing.

2. In making the proposed decision and recommendation, the departmental hearing officer may consider such items, including but not limited to, the seriousness and extent of the bidder's or proposer's acts or omissions, patterns or practices, as well as any mitigating or aggravating factors presented at the hearing.
3. The department shall present to the Board of Supervisors the proposed decision, a recommendation on a finding of non-responsibility and a record of the hearing before the department.
4. The department shall give notice to the bidder or the proposer of the proposed decision and recommendation. The notice shall specify the date, time and place of the hearing before the Board of Supervisors. County Counsel will advise as to the appropriate method of delivery.

#### **G. Board of Supervisors' Discretion**

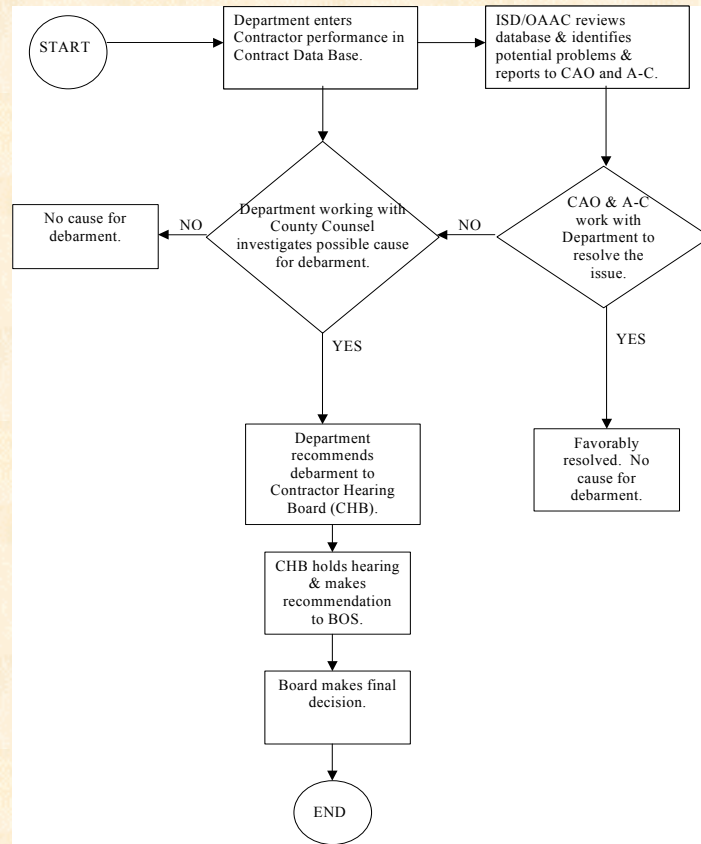
The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny or adopt the proposed decision and recommendation of the departmental hearing officer. A non-responsibility finding shall become final upon approval of the Board of Supervisors; if non-responsibility is determined, the bidder is ineligible for the award of the contract(s) at issue.

#### **H. Contract Data Base Entry**

Designated departmental staff shall enter a Board of Supervisors' finding of non-responsibility into the Contract Data Base Report Card for applicable Proposition A/Living Wage, construction and technology contracts. (See [Section IV. B](#) above for information on the Contract Data Base.)

### **VII. Debarment Determination**

The County may debar a contractor who has an existing contract with the County and/or a contractor who has submitted a bid or proposal for a new contract with the County. Debarment is an action taken by the County which results in a contractor being prohibited from bidding, being awarded, and/or performing work on a contract with the County for a period of up to three years. A contractor who has been determined by the County to be subject to such a prohibition is "debarred." A flow chart for the debarment process is shown on the following page.



## A. Departmental Assessment of Cause for Debarment

In pursuing a debarment action against a contractor, the burden of proof is on the department and must be established by a preponderance of the evidence. The ordinance provides basic guidelines for making such a finding (See [Section II. B](#)).

Contractor performance problems may be identified during routine contract monitoring, the annual performance review, A-C reviews, the semi-annual review of the Contract Data Base by ISD and OAAC, and/or other reports of information concerning the existence of a cause for a debarment action, including complaints from the public or contractor employees.

Departments shall promptly investigate any report of contractor performance that may justify debarment. When a department staff

member becomes aware of performance problems or any cause that potentially merit debarment action, the department staff member shall immediately advise departmental management who shall promptly notify the appropriate County Counsel.

**B. County Counsel Assistance**

County Counsel staff will advise the department if there is sufficient cause to proceed with a debarment hearing and provide legal advice throughout the process.

**C. Contractor Hearing Board**

1. Composition/Structure

The CHB is comprised of the CAO, ISD, OAAC and DPW. The CAO functions as the chair to call meetings as necessary to hear departmental debarment cases. County Counsel acts as a legal advisor to the CHB.

As chair, the CAO will be a non-voting member of the CHB except in the instance when the contract at issue involves ISD, DPW or OAAC. In such an instance, the relevant departmental representative will not vote and CAO will exercise its vote.

2. Scheduling the CHB Hearing

The department requesting a debarment hearing shall contact the designated CAO staff, Nan Flette, at (213) 974-1168, to schedule a hearing date. The CAO shall confirm a hearing date with the other CHB member departments that is responsive to the needs of the department. The hearing date shall be provided to the requesting department for issuance of written hearing notice to the contractor subject to the debarment process, consistent with the requirements in [IV. D](#) below.

**D. Written Notice of CHB Debarment Hearing**

1. Before initiating a debarment hearing before the CHB, the department shall send written notice to the contractor stating that

the department intends to recommend that the contractor be debarred. The notice shall specify the basis for the proposed debarment recommendation and a summary of any evidence to support such recommendation. The notice shall also include the date, time and place of the hearing before the CHB.

The parties may agree to submit the matter on the basis of documentary evidence only.

2. The notice shall also advise the contractor that the contractor is required to confirm with the department that the contractor and/or representative intends to attend the CHB hearing.
3. The notice shall also advise the contractor that failure of a contractor to confirm with the department the hearing date or otherwise respond to the notice may result in the contractor waiving all rights of appeal.
4. Before a department sends a written notice to a contractor pursuant to this Ordinance, such notice must be approved by department management and County Counsel staff. County Counsel will advise as to the appropriate method of delivery.
5. Notices made pursuant to this Ordinance shall be deemed served and effective upon the date the notice is provided in person or by facsimile, or two days after sending by first class mail.

#### **E. Contractor Hearing Board Debarment Hearing**

On the date and place specified in the written notice to the contractor, the CHB shall conduct a hearing where evidence on the proposed debarment action is presented by the contracting department and rebuttal information is provided by the contractor. The burden of proof is on the department and must be established by a preponderance of the evidence.

##### **1. Contractor Hearing Board**

The chair of the CHB shall conduct the hearing and CHB members shall examine the evidence on the issue of the proposed debarment, and prepare a proposed decision and recommendation to the Board of Supervisors regarding whether the contractor should be debarred and, if so, the appropriate length of time for debarment, not to exceed three years.

2. Departmental Investigator

The department head shall designate a department staff member who will investigate information concerning the existence of a cause for debarment. The departmental investigator may also act as the departmental advocate at a CHB hearing (see below).

3. Departmental Advocate

The department head shall designate a department staff member who will present charges in support of contractor debarment at a CHB hearing.

4. County Counsel Assistance

County Counsel staff will advise the department if there is sufficient cause to proceed with a debarment action and provide legal advice, as necessary, throughout the process to both the department initiating the debarment action as well as the CHB. These must be separate counsel.

5. Contractor, Attorney/Authorized Representative

The contractor and/or attorney or other authorized representative of the contractor shall be afforded an opportunity to appear at the hearing and to submit documentary evidence, present witnesses and offer rebuttal evidence. An authorized representative may be designated by the contractor in person at the hearing or by letter received at or prior to the hearing, signed by the contractor who submitted the bid/proposal.

6. Presentation of Evidence and Rebuttal

a. At the hearing, the departmental advocate shall first present evidence to support a finding that a contractor should be debarred. During the department's presentation of its case, the contractor or representative of same shall not interrupt or challenge the presentation.

b. The departmental advocate who presents the charges in support of debarment has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a debarment determination.



- c. After the department's presentation of its case, the contractor and/or the contractor's representative shall present evidence to support a finding that the contractor should not be debarred and to rebut evidence that is the basis for the department's recommendation.

During the contractor's or contractor's representative's presentation of his or her case, the department shall not interrupt or challenge the presentation.

- d. The contractor and/or the contractor's representative has the right to call and examine witnesses, to cross-examine opposing witnesses, to present documentary or any other evidence in support of a finding that the contractor should not be debarred and to rebut evidence that is the basis for the department's recommendation.
- e. Each party shall have the opportunity to rebut the evidence presented by the other party.
- f. Members of the CHB may ask questions, seek clarification and request additional information from the parties at any time during the hearing. The CHB has discretion to continue the hearing, as necessary.
- g. The chair of the CHB shall close the hearing at the conclusion of the presentation of the evidence. All evidence to be considered by the CHB shall be submitted prior to the close of the hearing, unless otherwise specified by the chair.

## 7. Rules of Evidence

The strict rules of evidence do not apply in the CHB hearing. At the hearing, the CHB can consider all relevant information on the issues related to the subject of the hearing, as long as the information presented is the sort of information on which responsible persons are accustomed to rely in the conduct of serious affairs.

## 8. Burden of Proof and Standard of Proof

The burden of proof is on the department proposing debarment and must be established by a preponderance of the evidence. Preponderance of the evidence means proof by information that, compared with that opposing it, leads to the conclusion that the fact

at issue is more probably true than not.

**F. Recording the CHB Hearing**

The hearing before the CHB shall be recorded by any method deemed appropriate by the Chair (audio tape, video tape, reporter/transcriber) and a copy of the record of the proceeding shall be made available to the contractor at cost, upon request.

**G. CHB Proposed Decision and Recommendation to the Board of Supervisors**

1. After the hearing, the CHB shall prepare a proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred and, if so, the appropriate length of time for debarment, not to exceed three years. The CHB's proposed decision and recommendation regarding debarment shall be based on the record of the hearing.
2. In making the proposed decision and recommendation, the CHB may consider such items, including but not limited to, the seriousness and extent of the contractor's acts or omissions, patterns or practices, as well as any mitigating or aggravating factors presented at the hearing.
3. The CHB shall present to the Board of Supervisors the proposed decision and a recommendation on debarment, and a record of the hearing before the CHB.
4. The CHB shall give notice to the contractor of the proposed decision and recommendation. The notice shall specify the date, time and place of the hearing before the Board of Supervisors. County Counsel will advise as to the appropriate method for delivery of the notice.

**H. Board of Supervisors' Discretion**

The Board of Supervisors may, in its discretion, limit any further hearing to the presentation of evidence not previously presented. The Board of Supervisors has the right to modify, deny or adopt the proposed decision and recommendation of the CHB. A debarment determination shall become final upon approval of the Board of Supervisors.

**I. Contract Data Base Entry**

Designated departmental staff shall enter a Board of Supervisors'

determination to debar a contractor into the Contract Data Base Report Card for applicable Proposition A/Living Wage, construction and technology contracts (See [Section IV B](#) for information on the Contract Data Base.)

#### **J. Modification of a Debarment Decision**

For good cause, a debarred contractor may request reconsideration of a debarment determination to either modify/reverse the debarment decision or reduce the period or scope of debarment.

1. Debarred Contractor

The contractor may request in writing that the CHB or the Board of Supervisors reconsider a debarment determination.

2. Basis for Reconsideration

The CHB or Board of Supervisors may consider a request for reconsideration for good cause, including newly discovered material evidence, bona fide changes in ownership of the contractor, elimination of the cause for which the debarment was imposed or other reasons the CHB or Board of Supervisors deems appropriate.

3. Board of Supervisors' Approval

Any recommendation by the CHB to modify/reverse or reduce the period or scope of debarment is subject to approval by the Board of Supervisors. A modification/reversal or reduction in the period or scope of debarment shall become final upon the approval of the Board of Supervisors.

4. Notice to the Contractor

The contractor shall be provided with notice of the decision on reconsideration. County Counsel will advise as to the appropriate method for delivery of notice.

#### **VIII. List of Debarred Contractors**

The Contract Data Base includes a listing of debarred contractors (Living Wage/Proposition A, construction and technology contractors). Departmental

staff shall append a copy of this listing to all IFB and RFP solicitations, as indicated in [Section III. A.](#)

**IX. Department Head Annual Certification of Compliance**

Department heads are required to annually certify to the A-C that they have complied with all required Ordinance procedures, including completing at least annual contractor performance reviews, inputting required information in the Contract Data Base, and proceeding with non-responsibility and debarment procedures where required. A copy of this certification shall be included with the department heads' annual submission of performance assessments.

**STANDARD SOLICITATION LANGUAGE**

1. **Determination of Bidder [Proposer] Responsibility** (Use “Bidder” or “Proposer” as appropriate to the type of solicitation. Use “Contractor,” “Consultant,” “Vendor,” etc. as appropriate to the type of contract).
  - A. A responsible Bidder is a Bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County’s policy to conduct business only with responsible contractors.
  - B. Bidders are hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may determine whether the Bidder is responsible based on a review of the Bidder’s performance on any contracts, including but not limited to County contracts. Particular attention will be given to violations of labor laws related to employee compensation and benefits, and evidence of false claims made by the Bidder against public entities. Labor law violations which are the fault of subcontractors and of which the Bidder had no knowledge shall not be the basis of a determination that the Bidder is not responsible.
  - C. The County may declare a Bidder to be non-responsible for purposes of this contract if the Board of Supervisors, in its discretion, finds that the Bidder has done any of the following: (1) committed any act or omission which negatively reflects on the Bidder’s quality, fitness or capacity to perform this contract with the County or a contract with any other public entity, or engaged in a pattern or practice which negatively reflects on same, (2) committed an act or omission which indicates a lack of business integrity or business honesty, or (3) made or submitted a false claim against the County or any other public entity.
  - D. If there is evidence that the [apparent low Bidder/highest ranked Proposer] may not be responsible, the Department shall notify the Bidder in writing of the evidence relating to the Bidder’s responsibility, and its intention to recommend to the Board of Supervisors that the Bidder be found not responsible. The Department shall provide the Bidder and/or the Bidder’s representative with an opportunity to present evidence as to why the Bidder should be found to be responsible and to rebut evidence that is the basis for the Department’s recommendation. If the Bidder fails to avail itself of the opportunity to rebut the Department’s evidence, the Bidder may be deemed to have waived all rights of appeal.

- E. If the Bidder presents evidence in rebuttal to the Department, the Department shall evaluate the merits of such evidence, and based on that evaluation, make a recommendation to the Board of Supervisors. The final decision concerning the responsibility of the Bidder shall reside with the Board of Supervisors.
- F. These terms shall also apply to proposed [subcontractors/subconsultants] of Bidders on County contracts.

**2. Bidder Debarment**

- A. The Bidder is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), the County may debar the Bidder from bidding on other County contracts for a specified period of time, not to exceed 3 years, and the County may terminate any or all of the Bidder's existing contracts with County, if the Board of Supervisors finds, in its discretion, that the Bidder has done any of the following: (1) violated any term of a contract with the County, (2) committed any act or omission which negatively reflects on the Bidder's quality, fitness or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
- B. If there is evidence that the [apparent low Bidder/highest ranked Proposer] may be subject to debarment, the Department shall notify the Bidder in writing of the evidence which is the basis for the proposed debarment, and shall advise the Bidder of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- C. The Contractor Hearing Board shall conduct a hearing where evidence on the proposed debarment is presented. The Bidder and/or the Bidder's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Bidder should be debarred, and, if so, the appropriate length of time of the debarment. If the Bidder fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Bidder may be deemed to have waived all rights of appeal.

- D.** A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the hearing Board.
- E.** These terms shall also apply to proposed [subcontractors/subconsultants] of Bidders on County contracts.

**STANDARD CONTRACT LANGUAGE**

1. **Contractor Responsibility and Debarment** (Use “Contractor,” “Consultant,” “Vendor,” etc. as appropriate to the type of contract.)
  - A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County’s policy to conduct business only with responsible contractors.
  - B. The Contractor is hereby notified that, in accordance with [Chapter 2.202 of the County Code](#), if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding on County contracts for a specified period of time not to exceed 3 years, and terminate any or all existing contracts the Contractor may have with the County.
  - C. The County may debar a contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated any term of a contract with the County, (2) committed any act or omission which negatively reflects on the Contractor’s quality, fitness or capacity to perform a contract with the County or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.
  - D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence that is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
  - E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor’s representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Contractor may be deemed to have waived all rights of appeal.



- F.** A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G.** These terms shall also apply to [subcontractors/subconsultants] of County Contractors.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX D**  
**POINTS OF CONTACT & WEB SITES**

Final

May 15, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 8/1/01	Revision Date: 5/15/03
Approved by:	Approved by:	

## POINTS OF CONTACT FOR CONTRACTING INFORMATION

Community Development Commission.....	(323) 890-7345
Department of Parks and Recreations.....	(213) 738-2952
Department of Public Works.....	(626) 458-2563
Fire Department.....	(323) 881-3022
Internal Services Department.....	(323) 267-3101
Los Angeles Sheriff's Department.....	(323) 526-5223
Children and Family Services.....	(213) 351-5886

### Other County Resources

Office of Affirmative Action Compliance.....	(213) 974-1080
Office of Small Business.....	(213) 251-7253

### Web Sites Referenced in the Manual

- 1) **California Fair Political Practices Commission:** For listings of local elected officers and candidates for local elective offices, local officials specified in Government Code Section 87200, judicial candidates, designated employees of local government agencies, refer to: [www.fppc.ca.gov](http://www.fppc.ca.gov).
- 2) **California Office of Small Business:** To view the California OSB Internet Home Page, refer to: [http://www.commerce.ca.gov/state/ttca/ttca\\_homepage](http://www.commerce.ca.gov/state/ttca/ttca_homepage).
- 3) **Contract Data Base:** For contractor performance information, visit: <http://contract.co.la.ca.us>.
- 4) **Contracting Opportunities:** Internet postings on the Los Angeles County Web Site can be viewed at: <http://camisvr.co.la.ca.us/lacobids>.

County of Los Angeles All County Departments/Divisions	<b>CONSTRUCTION CONTRACTING POLICY GUIDELINE</b>	Appendix D Version: Final 5/15/03 Page 3 of 3
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### Web Sites (Continued)

- 5) **Department of Housing and Urban Development (HUD):** For information on contracting opportunities and acquisition regulation links for HUD and the HUD Acquisition Regulations, refer to: <http://www.hud.gov/cts/hudar/>.
- 6) **Financial Assistance:** For information regarding financial assistance, contractors and service providers may refer to the Los Angeles County Office of Small Business (OSB) Web Site at: <http://osb.co.la.ca.us/>.
- 7) **Los Angeles County Code:** Those wishing to view the County Code can find it linked to the County's web site at: <http://lacounty.info/>.
- 8) **Los Angeles County Office of Small Business:** To view the OSB Web Site, refer to <http://osb.co.la.ca.us/>.
- 9) **Los Angeles County Web Site:** To view the official County Web Site, refer to: <http://lacounty.info/>.
- 10) **Office of Affirmative Action Compliance Web Site:** To view the Home Page, visit: <http://oaac.co.la.ca.us>.
- 11) **Safely Surrendered Baby Law Fact Sheet:** To view and/or print the fact sheet, visit: <http://www.babysafela.org>.
- 12) **Small Business Advocates:** A complete listing of advocates can be found at: <http://osb.co.la.ca.us/ombudsmen2.htm> or by clicking on the Small Business Advocates link on the OSB Web Site.
- 13) **Vendor Registration:** To register with the County of Los Angeles, visit: <http://camisvr.co.la.ca.us/webven>.



**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX E  
LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM  
ORDINANCE**

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 3/31/03	Revision Date:
Approved by:	Approved by:	

## Title 2 ADMINISTRATION

### Chapter 2.204 LOCAL BUSINESS ENTERPRISE PREFERENCE PROGRAM

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#### **2.204.010 Introduction.**

The board of supervisors finds that it is of benefit to the county of Los Angeles to promote and facilitate the fullest possible participation by all citizens in the affairs of the county in every way possible. It is also essential that opportunities be provided for full participation in our free enterprise system by small business enterprises. Further, it is the policy of the board that the county should aid and assist, to the maximum extent possible, the interests of local small business concerns in order to preserve free competitive enterprise and to ensure that a fair proportion of the total purchases and contracts or subcontracts for purchase of goods or services for the county be placed with such enterprises. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.020 Purpose.**

The county of Los Angeles local small business enterprise preference program is a race and gender-neutral program designed to enhance purchasing and contracting opportunities for local small businesses within the county of Los Angeles. The program priorities were developed to promote and foster inclusiveness and economic development, as well as ongoing evaluation to assure all businesses, including local small businesses, are provided equal opportunities in county purchasing and contracting activities. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.030 Definitions.**

For the purpose of this chapter, the following words and phrases are defined and shall be construed as having the following meaning:

- A. "County" shall mean the county of Los Angeles or any public entities for which the board of supervisors is the governing body.
- B. "Department" shall mean the county department, entity, or organization responsible for the solicitation.
- C. "Local small business enterprise" shall mean:
  - 1. A business having its principal office located in Los Angeles County for at least one year; and
  - 2. A business certified as a small business by the state of California.

D. "Solicitation" shall mean the county's process to obtain bids or proposals for goods and services. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.040 Administration.**

The chief administrative officer (CAO) with the assistance of county counsel (COCO), internal services department (ISD), and the office of affirmative action compliance (OAAC), shall issue interpretations of the provisions of this chapter, and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.050 Certification as a local small business enterprise.**

OAAC shall be responsible for verifying that a local small business is already certified as a small business by the state of California and that the business has its principal office located in Los Angeles County. OAAC shall certify local small business enterprises and maintain records of the certified businesses and their participation in county purchasing and contracting. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.060 Responsibilities and standards.**

A. In order to facilitate the participation of local small business enterprises in county purchases of goods and services, county departments shall provide for local small business enterprise preferences in their purchase of goods and services where responsibility and quality are equal.

B. In solicitations where an award is to be made to the lowest responsible bidder meeting specifications, the preference to the local small business enterprise shall be five percent of the lowest responsible bidder meeting specifications, determined according to the instructions issued by the CAO.

C. In solicitations where an award is to be made to the highest scored proposer based on evaluation factors in addition to price, the preference to the local small business enterprise shall be five percent of the cost/price component of the evaluation method, determined according to the instructions issued by the CAO.

D. The local small business enterprise preference under subsections B and C of this section shall not exceed \$50,000.00 for any one solicitation and award determination.

E. In order for a local small business enterprise to be eligible to claim the preference, the business must request the preference in the solicitation response. (Ord. 2002-0057 § 1 (part), 2002.)

## **2.204.070 Exclusions.**

The local small business enterprise preference shall not be given for the following county purchases:

- A. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar or related group purchasing organization.
- B. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.40 or a successor provision.
- C. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy Manual, Section P-2810 or a successor provision.
- D. A non-agreement purchase with a value of less than \$5,000.00 pursuant to the Los Angeles County Purchasing Policy Manual, Section A-03000 or a successor provision.
- E. Any contract, funded in whole or in part by the federal government, to the extent of any conflict between the requirements imposed by the federal government relating to participation in a contract by a minority or women business enterprise as a condition of the receipt of the federal funds. (Ord. 2002-0057 § 1 (part), 2002.)

## **2.204.080 Violations and sanctions.**

- A. The information furnished by each solicitation respondent requesting a local small business enterprise preference shall be under penalty of perjury.
- B. No person or business shall knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a local small business enterprise for the purpose of this chapter.
- C. No person or business shall willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a county official or employee for the purpose of influencing the certification or denial of certification of any entity as a local small business enterprise.
- D. A business which has obtained county certification as a local small business enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded a contract to which it would not otherwise have been entitled, shall:
  - 1. Pay to the county any difference between the contract amount and what the county's costs would have been if the contract had been properly awarded;
  - 2. In addition to the amount described in subdivision 1 of subsection D of this section, be assessed a penalty in an amount of not more than 10 percent of the amount of the contract involved; and
  - 3. Be subject to the provisions of Chapter 2.202 of the county code (Determinations of Contractor Non-responsibility and Contractor Debarment).



E. The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and OAAC of this information prior to responding to a solicitation or accepting a contract award. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.090 Appeals for reconsideration of local small business enterprise certification.**

OAAC will investigate any complaint of eligibility received by the county concerning the local small business enterprise preference program. (Ord. 2002-0057 § 1 (part), 2002.)

#### **2.204.100 Applicability.**

This chapter shall apply to all solicitations issued 90 days after the effective date of the ordinance codified in this chapter. (Ord. 2002-0057 § 1 (part), 2002.)

## Request for Local SBE Preference Program Consideration and Community Business Enterprise (CBE) Firm/Organization Information Form

**INSTRUCTIONS:** All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

**I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:**

**FIRM NAME:** \_\_\_\_\_

- I AM NOT** A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bids submission.
- I AM**
- 
- As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.  
**My County (WebVen) Vendor Number :** \_\_\_\_\_

**II. FIRM/ORGANIZATION INFORMATION:** The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

<b>Business Structure:</b> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Franchise <input type="checkbox"/> Other (Please Specify) _____						
<b>Total Number of Employees</b> (including owners):						
<b>Race/Ethnic Composition of Firm.</b> Please distribute the above total number of individuals into the following categories:						
Race/Ethnic Composition	Owners/Partners/ Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American						
Hispanic/Latino						
Asian or Pacific Islander						
American Indian						
Filipino						
White						

**III. PERCENTAGE OF OWNERSHIP IN FIRM:** Please indicate by percentage (%) how ownership of the firm is distributed.

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	%
Women	%	%	%	%	%	%

**IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES:**  
*If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)*

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date

**V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.**

Print Authorized Name	Authorized Signature	Title	Date
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**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX F  
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
INSTRUCTIONS & CERTIFICATION FORM**

Final

March 31, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 3/31/03	Revision Date:
Approved by:	Approved by:	

**IMPLEMENTING INSTRUCTIONS FOR  
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
Chapter 2.203 of the County Code**

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On February 26, 2002, the Board of Supervisors adopted County Code Chapter 2.203, creating the County Contractor Employee Jury Service Program (Program) and subsequently, on June 11, 2002, adopted an amendment to the Ordinance to address specific procurement issues raised by the initial Ordinance. Complete Ordinance language is provided in **Exhibit A**. In adopting this Program, the Board made a finding that many businesses do not offer, or are reducing, or even eliminating, compensation to employees who serve on juries. The Board found that this creates a potential financial hardship for employees who do not receive their pay when called to jury service, and that those employees often seek to be excused from having to serve. Further, the Board noted that although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials, and that this reduces the number of potential jurors and increases the burden on employers, such as the County of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the County of Los Angeles determined that it is appropriate to require that businesses with which the County contracts possess reasonable jury service policies. **The requirements of the Ordinance are effective for all contracts with effective dates of July 11, 2002 or later, including optional contract extensions that are exercised July 11, 2002 or later.**

*Note: the initial Ordinance was applicable to contracts effective May 28, 2002. The Ordinance amendment specifies that contracts that commence in the interim period between May 28, 2002 and July 11, 2002, shall be subject to the initial Ordinance provisions only if the solicitations for such contracts stated that the Ordinance would be applicable.*

- **Exhibit B** provides the standard solicitation language that shall be incorporated into all solicitations for contracts that will be effective July 11, 2002 or later.
- **Exhibit C** provides the Contractor Employee Jury Service Program Application for Exception and Certification Form that must be completed by all relevant contractors prior to award of contracts over \$5,000; for competitive contracts, the form must be submitted with a proposal/bid.
- **Exhibit D** provides the standard contract language that shall be incorporated into all eligible contracts effective July 11, 2002 or later.

## **I. Definitions**

The Contractor Jury Service Program Ordinance includes the following definitions:

A. **“Contractor”** means a person, partnership, or other entity which has a contract (including purchase orders) with the County or a subcontract with a County contractor and has or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts. A contractor that does not meet this definition is not required to comply with the Program requirements.

B. **“Employee”** means any California resident who is a full-time employee of a contractor under the laws of California.

*Note: The requirement applies to contractor employees whether or not they are working specifically on the County project. Only citizens can serve on a jury.*

C. **“Contract”** means any agreement with a contractor to provide goods to, or perform services for, or on behalf of, the County, but does not include:

1. A contract where the Board finds that special circumstances exist that justify a waiver of the requirements; or
2. A contract where Federal or State law, or a condition of a Federal or State program, mandates the use of a particular contractor; or
3. A purchase made through a State or Federal contract; or
4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and be integrated with existing supplies, equipment, or systems maintained by the County pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-37000 or a successor provision; or
5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or
6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or
7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or

8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.

*Note: Except as provided below under **Section III. Exceptions**, this requirement applies to all suppliers and service providers, including nonprofits, community-based organizations, small businesses, and master agreement vendors. It does not apply to real estate leases.*

*If a department determines that special circumstance exist to justify waiver of the jury service requirement, the Board letter recommending the contract award shall include a recommendation that the Board make such a finding and the Purpose/Justification section of the Board letter shall include full discussion of the special circumstances.*

- D. **“Full time”** means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Chief Administrative Office, or 2) the contractor has a long-standing practice that defines the lesser number of hours as full time.

*Note: Employees of contractors working 40 hours or more per week providing short-term, temporary services (90 days or less within a 12-month period) shall not be considered full-time employees for purposes of this requirement.*

- E. **“County”** means the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body.

## **II. Applicability**

The requirements of this Ordinance are applicable to contracts and purchase orders and extensions of contracts and purchase orders that are effective July 11, 2002 or later.

- A. Standard Solicitation Language and Certification Form

New solicitations and solicitations currently underway that will result in a contract award, or purchase order issuance, that is effective July 11, 2002 or later must comply with the Jury Service Program requirements.

Exhibit B provides the required standard solicitation language approved by County Counsel. Exhibit C provides the Certification Form that must be completed by all bidders/proposers for contracts with an effective date of July 11, 2002 or later.

B. Contracts and Purchase Orders - Standard Language

Exhibit D provides standard contract language, approved by County Counsel, which shall be included in all contracts and purchase orders

C. Optional Contract Extensions

Departments that intend to exercise optional annual contract extensions that will be effective July 11, 2002 or later shall inform the contractor of the requirements and seek compliance, at no additional contract cost. If permitted under the existing contract terms, the contracting department may consider a contract cost increase, if determined to be in the best interest of the County.

1. Contractors who agree to the amended contract terms shall enter into a contract amendment containing the required contractual language and also complete a Certification Form.
2. If the existing contractor declines to provide the required benefits and does not meet any of the exceptions, the contracting department shall notify the Board and request authority to continue the existing contract on a month-to-month basis, pending completion of a new solicitation.

**III. Exceptions**

As indicated in the Ordinance, a bidder/proposer who meets the definition of contractor may request and receive an exception from the jury service requirements under the following circumstances:

- A. Bidder/proposer is subject to a Collective Bargaining Agreement that expressly provides that it supersedes all provisions of the County's Jury Service Program (a copy of the Collective Bargaining Agreement must be provided).
- B. Bidder/proposer qualifies as a small business, as defined below:
  1. Has ten or fewer employees during the contract period, including full-time and part-time employees; and,
  2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are \$500,000 or less; and,
  3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

**“Dominant in its field of operation”** means having more than ten employees and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

**“Affiliate or subsidiary of a business dominant in its field of operation”** means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

### **Enforcement and Remedies**

For a contractor’s violation of any of the contractor employee jury duty requirements, the contracting department may:

- A. Recommend to the Board of Supervisors the termination of the contract; and/or,
- B. Seek the debarment of the contractor pursuant to County Code Chapter 2.202, Contractor Non-Responsibility and Debarment.



**Title 2 ADMINISTRATION**

**Chapter 2.203 CONTRACTOR EMPLOYEE JURY SERVICE**

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "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 such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or

7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

#### 2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

#### 2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

#### 2.203.050 Other Provisions.

A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.

B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

### 2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

### 2.203.070. Exceptions.

A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.

B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.

C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:

1. Has ten or fewer employees during the contract period; and,
2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

### 2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

**STANDARD SOLICITATION LANGUAGE FOR THE  
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**

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Jury Service Program

The prospective contract is subject to the requirements of the County's Contractor Employee Jury Service Ordinance ("Jury Service Program") (Los Angeles County Code, Chapter 2.203). Prospective contractors should carefully read the Jury Service Program (See Exhibit \_\_), and the pertinent jury service provisions of the model/sample contract (See Exhibit \_\_), both of which are incorporated by reference into and made a part of this RFP. The Jury Service Program applies to both contractors and their subcontractors. Proposals that fail to comply with the requirements of the Jury Service Program will be considered non-responsive and excluded from further consideration.

1. The Jury Service Program requires contractors and their subcontractors to have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employee's regular pay the fees received for jury service. For purposes of the Jury Service Program, "employee" means any California resident who is a full-time employee of a contractor and "full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) the contractor has a long-standing practice that defines the lesser number of hours as full time. Therefore, the Jury Service Program applies to all of a contractor's full-time California employees, even those not working specifically on the County project. 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.
2. There are two ways in which a contractor might not be subject to the Jury Service Program. The first is if the contractor does not fall within the Jury Service Program's definition of "contractor." The Program defines "contractor" to mean 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. The second is if the contractor meets one of the two exceptions to the Jury Service Program. The first exception concerns small businesses and applies to contractors that have: 1) ten or fewer employees; and, 2) annual gross

revenues in the preceding twelve months which, if added to the annual amount of this contract is less than \$500,000; and, 3) is not an “affiliate or subsidiary of a business dominant in its field of operation”. The second exception applies to contractors that possess a collective bargaining agreement that expressly supersedes the provisions of the Jury Service Program. The contractor is subject to any provision of the Jury Service Program not expressly superseded by the collective bargaining agreement.

3. If a contractor does not fall within the Jury Service Program’s definition of “Contractor” or if it meets any of the exceptions to the Jury Service Program, then the contractor must so indicate in the Certification Form and Application for Exception (See Exhibit \_\_) and include with its submission all necessary documentation to support the claim such as tax returns or a collective bargaining agreement, if applicable. Upon reviewing the contractor’s application, the County will determine, in its sole discretion, whether the contractor falls within the definition of Contractor or meets any of the exceptions to the Jury Service Program. The County’s decision will be final.

**COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM  
APPLICATION FOR EXCEPTION AND CERTIFICATION FORM**

The County's solicitation for this contract/purchase order (Request for Proposal or Invitation for Bid) is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program) (Los Angeles County Code, Chapter 2.203). All bidders or proposers, whether a contractor or subcontractor, must complete this form to either 1) request an exception from the Program requirements or 2) certify compliance. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the bidder or proposer is excepted from the Program.

<b>Company Name:</b>		
<b>Company Address:</b>		
<b>City:</b>	<b>State:</b>	<b>Zip Code:</b>
<b>Telephone Number:</b>		
<b>Solicitation For (Type of Goods or Services):</b>		

***If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.***

**Part I: Jury Service Program Is Not Applicable to My Business**

- My business does not meet the definition of "contractor," as defined in the Program as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts (this exception is not available if the contract/purchase order itself will exceed \$50,000). I understand that the exception will be lost and I must comply with the Program if my revenues from the County exceed an aggregate sum of \$50,000 in any 12-month period.
  
- My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below. I understand that the exemption will be lost and I must comply with the Program if the number of employees in my business and my gross annual revenues exceed the above limits.

**"Dominant in its field of operation"** means having more than ten employees, including full-time and part-time employees, and annual gross revenues in the preceding twelve months, which, if added to the annual amount of the contract awarded, exceed \$500,000.

**"Affiliate or subsidiary of a business dominant in its field of operation"** means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

**OR**

**Part II: Certification of Compliance**

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, **or** my company will have and adhere to such a policy prior to award of the contract.

***I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.***

<b>Print Name:</b>	<b>Title:</b>
<b>Signature:</b>	<b>Date:</b>

**STANDARD CONTRACT LANGUAGE FOR THE  
CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM**

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SECTION \_\_\_\_

COMPLIANCE WITH JURY SERVICE PROGRAM

A. 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.

B. Written Employee Jury Service Policy.

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 shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this Section, "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: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the 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.
4. Contractor’s violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.





**County of Los Angeles**  
Countywide Construction Policy Guidelines

**APPENDIX G  
SAFELY SURRENDERED BABY LAW**

Final

May 15, 2003

These guidelines are intended to provide general information only. The rights and obligations of any party contracting with the County will be determined in accordance with the terms of the applicable contract and applicable law.

Originator:	Original Issue: Date: 3/31/03	Revision Date:
Approved by:	Approved by:	




County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

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Fifth District

May 6, 2003

To: All Department Heads  
From:   
David E. Janssen  
Chief Administrative Officer

**COUNTY CONTRACTING POLICY: CONTRACTOR NOTIFICATION TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

On March 20, 2003, the Board of Supervisors' Audit Committee adopted policy language to ensure County contractors and their employees, including any subcontractors, are aware of the Newborn Abandonment Law, also known as the "Safely Surrendered Baby Law" ("Law"). This Board Policy requires that all new and renewed County contracts shall stipulate that each employee in the contract organization, including any subcontractors, be provided information about the Law, its implementation in the County, and where and how to safely surrender a baby. The required employee information is provided to contractors in a fact sheet, available in English and Spanish, which is attached and available at [www.babysafela.org](http://www.babysafela.org) for printing. This Policy supports the Board-approved Safe Haven Task Force recommendations to effectively implement the Law in the County of Los Angeles by providing key information on the Law to all County contractors. Implementation of this Policy was pending completion of the fact sheets.

Below are the instructions necessary to implement this Board Policy, effective May 6, 2003:

1. For all future solicitations (i.e., Request for Quotations (RFQ), Invitation for Bids (IFB), Request for Proposals (RFP), and Request for Statement of Qualifications (RFSQ), services contracts, commodity agreements, and purchase orders – incorporate both the solicitation and contract language contained in the attached Board Policy # 5.135.

2. For existing solicitations for which a response has not been received by the submission date – develop and issue an addendum to the solicitation incorporating both the solicitation and contract language contained in Board Policy # 5.135.
3. For existing solicitations for which a response has been received, discuss new language during negotiations with successful contractor and add language to final contract submitted for Board approval.
4. For existing service contracts and commodity agreements – incorporate contract language contained in Board Policy # 5.135 when developing an amendment for such contract/agreement or when the County exercises any option to extend the term of such contract/agreement.

In addition, departments are to encourage contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent area at their place of business. Contractors are to encourage their subcontractors, if any, to display the poster as well. Contractors should contact the Department of Children and Family Services (DCFS) at (213) 351-5886 to request a poster.

If you have any questions or need additional information, your staff may contact Deena Margolis, Service Integration Branch via e-mail at [dmargolis@cao.co.la.ca.us](mailto:dmargolis@cao.co.la.ca.us) or via phone at (213) 974-4604 or Daniel Medrano, Internal Services Department via e-mail at [dmedrano@isd.co.la.ca.us](mailto:dmedrano@isd.co.la.ca.us) or via phone at (323) 267-2233.

Thank you for your continued efforts to increase awareness of the Safely Surrendered Baby Law to ensure that newborns are safely surrendered in the County of Los Angeles.

DEJ:ASD:dm

#### Attachments

- c: Administrative Deputies Network (via e-mail)  
Countywide Contracting Network (via e-mail)  
Los Angeles County Material Managers Group (via e-mail)

# No shame.

# No blame.

# No names.

**Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.**



**In Los Angeles County:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**State of California**  
Gray Davis, Governor

**Health and Human Services Agency**  
Grantland Johnson, Secretary

**Department of Social Services**  
Rita Saenz, Director



**Los Angeles County Board of Supervisors**

Gloria Molina, Supervisor, First District

Yvonne Brathwaite Burke, Supervisor, Second District

Zev Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

## **What is the Safely Surrendered Baby Law?**

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

## **How does it work?**

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

## **What if a parent wants the baby back?**

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## **Can only a parent bring in the baby?**

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

## **Does the parent have to call before bringing in the baby?**

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

## **Does a parent have to tell anything to the people taking the baby?**

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

## **What happens to the baby?**

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

## **What happens to the parent?**

Once the parent(s) has safely turned over the baby, they are free to go.

## **Why is California doing this?**

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

## **A baby's story**

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

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**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

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*It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.*

# **Sin pena. Sin culpa. Sin peligro.**

**Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.**



**En el Condado de Los Angeles:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**Estado de California**  
Gray Davis, Gobernador

**Agencia de Salud y Servicios Humanos**  
(*Health and Human Services Agency*)  
Grantland Johnson, Secretario

**Departamento de Servicios Sociales**  
(*Department of Social Services*)  
Rita Saenz, Directora



**Consejo de Supervisores del Condado de Los Angeles**

Gloria Molina, Supervisora, Primer Distrito  
Yvonne Brathwaite Burke, Supervisora, Segundo Distrito  
Zev Yaroslavsky, Supervisor, Tercer Distrito  
Don Knabe, Supervisor, Cuarto Distrito  
Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

### **¿Qué es la Ley de Entrega de Bebés Sin Peligro?**

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

### **¿Cómo funciona?**

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

### **¿Qué pasa si el padre/madre desea recuperar a su bebé?**

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

### **¿Sólo los padres podrán llevar al recién nacido?**

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

### **¿Los padres deben llamar antes de llevar al bebé?**

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

### **¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?**

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

### **¿Qué ocurrirá con el bebé?**

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

### **¿Qué pasará con el padre/madre?**

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

### **¿Por qué California hace esto?**

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

### **Historia de un bebé**

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

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**Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.**

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*Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.*



*Los Angeles County*  
**BOARD OF SUPERVISORS POLICY MANUAL**

Policy #:	Title:	Effective Date:
5.135	County Contractor Notification to Contract Employees Regarding the Newborn Abandonment Law (SB 1368) (The Safely Surrendered Baby Law).	06/04/02

**PURPOSE**

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To ensure County contractors and contract employees, including any subcontractors, are aware of the Newborn Abandonment Law (The Safely Surrendered Baby Law) that permits a parent to safely surrender a newborn baby, at designated sites, without fear of prosecution, so that no baby in Los Angeles County is discarded or abandoned.

**REFERENCE**

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June 4, 2002, Board Order adopting the Children's Planning Council's "Recommendations for More Effectively Implementing the Newborn Abandonment Law," Synopsis 116

August 1, 2002 joint memorandum from the Director of Internal Services and County Counsel to Each Supervisor, "Safe Haven Task Force Report - Recommendation No. 11"

**POLICY**

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All new and renewed County contracts shall stipulate that each staff person in that contract organization, including any subcontractors, be provided information about the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby.

All solicitations shall include the following standard language:

**Safely Surrendered Baby Law**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the



Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Appendix \_\_\_ (title) of this solicitation document and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

All contracts shall include the following two standard provisions:

**NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

**The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit \_\_\_ (title) of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.**

**CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

**RESPONSIBLE DEPARTMENT**

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Internal Services Department

County Counsel

Chief Administrative Office

**DATE ISSUED/SUNSET DATE**

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**Issue Date: March 20, 2003**

**Sunset Date: March 20, 2006**