

**CONTRACT AMENDMENT AGREEMENT**  
(Purchase of Services - Long Form)

Number  
Fund/Org# 1334  
Account # 2310  
Other #

1. Identification of Contract to be Amended.

Number:

Effective Date: September 1, 2008

Department: Human Resources Department

Subject: Total Compensation Study

2. Parties. The County of Contra Costa, California (County), for its Department named above, and the following named Contractor mutually agree and promise as follows:

Contractor: HayGroup, Inc.

Capacity: Corporation

Address: 55 Second Street, Suite 550, San Francisco, CA 94105-3491

3. Amendment Date. The effective date of this Contract Amendment Agreement is January 1, 2009 .

4. Amendment Specifications. The Contract identified above is hereby amended as set forth in the "Amendment Specifications" attached hereto which are incorporated herein by reference.

5. Signatures. These signatures attest the parties' agreement hereto:

COUNTY OF CONTRA COSTA, CALIFORNIA

BOARD OF SUPERVISORS	ATTEST: Clerk of the Board of Supervisors
By _____ Chairman/Designee	By _____ Deputy

CONTRACTOR

Name of business entity: _____  By _____ (Signature of individual or officer)  _____ (Print name and title A, if applicable)	Name of business entity: _____  By _____ (Signature of individual or officer)  _____ (Print name and title B, if applicable)
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Note to Contractor: For Corporations (profit or nonprofit), the contract must be signed by two officers. Signature A must be that of the president or vice-president and Signature B must be that of the secretary or assistant secretary (Civil Code Section 1190 and Corporations Code Section 313). All signatures must be acknowledged as set forth on Form L-2.

ACKNOWLEDGMENT

STATE OF CALIFORNIA )

)

COUNTY OF CONTRA COSTA )

On \_\_\_\_\_, before me, \_\_\_\_\_  
(insert name and title of the officer), personally appeared \_\_\_\_\_

\_\_\_\_\_ who proved to me on the basis of satisfactory  
evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me  
that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s)  
on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is  
true and correct.

WITNESS MY HAND AND OFFICIAL SEAL.

\_\_\_\_\_  
Signature

(Seal)

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)  
(Civil Code §1189)

APPROVALS

RECOMMENDED BY DEPARTMENT

FORM APPROVED  
COUNTY COUNSEL

By: \_\_\_\_\_  
Designee

By: \_\_\_\_\_  
Deputy County Counsel

APPROVED: COUNTY ADMINISTRATOR

By: \_\_\_\_\_  
Designee

***Extension Agreement Specifications***

In consideration for Contractor continuing service, County and Contractor agree to amend the Contract as specific below, while all other portions of the Contract remain unchanged and in full force and effect:

In order extend the Contract, the Contract language will be amended as follows:

3. Term. The term of this Contract between the parties hereto is hereby extended from December 31, 2008 to February 28, 2009.

Initials: \_\_\_\_\_  
Contractor                      County Dept.

1. Contract Identification.

Department: Human Resources Department

Subject: Total Compensation Study

2. Parties. The County of Contra Costa, California (County), for its Department named above, and the following named Contractor mutually agree and promise as follows:

Contractor: Hay Group, Inc.

Capacity: Corporation

Address: 55 Second Street, Suite 550, San Francisco, CA 94105-3491

3. Term. The effective date of this Contract is September 1, 2008. It terminates on December 31, 2008 unless sooner terminated as provided herein.

4. Payment Limit. County's total payments to Contractor under this Contract shall not exceed \$ 92,000.00.

5. County's Obligations. County shall make to the Contractor those payments described in the Payment Provisions attached hereto which are incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

6. Contractor's Obligations. Contractor shall provide those services and carry out that work described in the Service Plan attached hereto which is incorporated herein by reference, subject to all the terms and conditions contained or incorporated herein.

7. General and Special Conditions. This Contract is subject to the General Conditions and Special Conditions (if any) attached hereto, which are incorporated herein by reference.

8. Project. This Contract implements in whole or in part the following described Project, the application and approval documents of which are incorporated herein by reference:

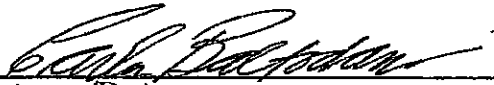
n/a

9. **Legal Authority.** This Contract is entered into under and subject to the following legal authorities:

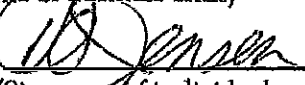
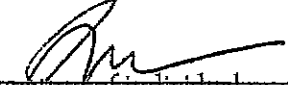
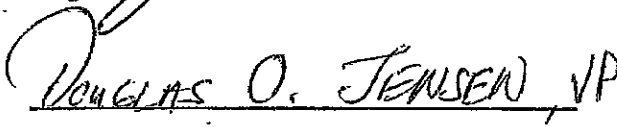
Government Code Section 31000.

10. **Signatures.** These signatures attest the parties' agreement hereto:

COUNTY OF CONTRA COSTA, CALIFORNIA

BOARD OF SUPERVISORS	ATTEST: Clerk of the Board of Supervisors
By  Chairman/Designee	By _____ Deputy

CONTRACTOR

Name of business entity	Name of business entity
By  (Signature of individual or officer)	By  (Signature of individual or officer)
 DOUGLAS O. JENSEN, VP (Print name and title A, if applicable)	JEFFREY H. MARCUS, Secretary (Print name and title B, if applicable)

**Note to Contractor:** For Corporations (profit or nonprofit), the contract must be signed by two officers. Signature A must be that of the president or vice-president and Signature B must be that of the secretary or assistant secretary (Civil Code Section 1190 and Corporations Code Section 313). All signatures must be acknowledged as set forth on Form L-2.

APPROVALS

RECOMMENDED BY DEPARTMENT

By: [Signature]  
Designee

FORM APPROVED  
COUNTY COUNSEL

By: [Signature]  
Deputy

APPROVED: COUNTY ADMINISTRATOR

By: \_\_\_\_\_  
Designee

ACKNOWLEDGMENT

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF CONTRA COSTA    )

On September 9, 2008, before me, Suzanne M. Duganitz  
insert name and title of the officer, personally appeared Jeffrey H. Marcus  
personally known to me (or proved to me on the basis  
of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and  
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

\_\_\_\_\_  
Signature

(Seal)

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)  
(Civil Code §1189)

APPROVALS

RECOMMENDED BY DEPARTMENT

FORM APPROVED  
COUNTY COUNSEL

By: [Signature]  
Designee

By: [Signature]  
Deputy

APPROVED: COUNTY ADMINISTRATOR

By: [Signature]  
Designee

ACKNOWLEDGMENT

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF CONTRA COSTA )

On \_\_\_\_\_, before me, \_\_\_\_\_  
insert name and title of the officer), personally appeared \_\_\_\_\_  
\_\_\_\_\_ personally known to me (or proved to me on the basis  
of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and  
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

\_\_\_\_\_  
Signature

(Seal)

ACKNOWLEDGMENT (by Corporation, Partnership, or Individual)  
(Civil Code §1189)

PAYMENT PROVISIONS  
(Fee Basis Contracts - Long and Short Form)

Number

1. **Payment Amounts.** Subject to the Payment Limit of this Contract and subject to the following Payment Provisions, County will pay Contractor the following fee as full compensation for all services, work, expenses or costs provided or incurred by Contractor:

[Check one alternative only.]

- ☐ a. \$        monthly, or
- ☐ b. \$        per unit, as defined in the Service Plan, or
- ☐ c. \$        after completion of all obligations and conditions herein.
- ☒ d. Other: As specified in the Payment Provisions, attached.

2. **Payment Demands.** Contractor shall submit written demands for payment on County Demand Form D-15 in the manner and form prescribed by County. Contractor shall submit said demands for payment no later than 30 days from the end of the month in which the contract services upon which such demand is based were actually rendered. Upon approval of payment demands by the head of the County Department for which this Contract is made, or his designee, County will make payments as specified in Paragraph 1. (Payment Amounts) above.
3. **Penalty for Late Submission.** If County is unable to obtain reimbursement from the State of California as a result of Contractor's failure to submit to County a timely demand for payment as specified in Paragraph 2. (Payment Demands) above, County shall not pay Contractor for such services to the extent County's recovery of funding is prejudiced by the delay even though such services were fully provided.
4. **Right to Withhold.** County has the right to withhold payment to Contractor when, in the opinion of County expressed in writing to Contractor, (a) Contractor's performance, in whole or in part, either has not been carried out or is insufficiently documented, (b) Contractor has neglected, failed or refused to furnish information or to cooperate with any inspection, review or audit of its program, work or records, or (c) Contractor has failed to sufficiently itemize or document its demand(s) for payment.
5. **Audit Exceptions.** Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exceptions by appropriate county, state or federal audit agencies resulting from its performance of this Contract. Within 30 days of demand, Contractor shall pay County the full amount of County's obligation, if any, to the state and/or federal government resulting from any audit exceptions, to the extent such are attributable to Contractor's failure to perform properly any of its obligations under this Contract.

Initials:

Contractor

County Dept.




## ***Payment Provisions***

Contractor will be paid based on the following schedule:

Completion of Service Plan Steps 1 – 3:	\$18,400 (20%)
Completion of Service Plan Steps 4 – 8:	\$32,200 (35%)
Completion of Service Plan Steps 9 – 10:	\$23,000 (25%)
Completion of Service Plan Step 11:	\$18,400 (20%)

Initials:

  
(Contractor)

  
(County)

## ***Service Plan***

Hay Group, Inc. (Contractor) will provide a Comprehensive Total Compensation Study of the Contra Costa County workforce. The services to be provided include, but are not limited to, the following primary project activities and tasks:

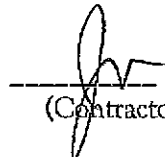
### ***Step 1: Project Planning and Communication***

- Contractor will meet with appropriate individuals of the County to discuss the project methodology, agree on the timetables, accountabilities, key milestone points and deliverables, and clarify project scope, steps, and process.

### ***Step 2: Understanding the Current Compensation Philosophy and Plan***

- Contractor will collect documentation on the County's current classification and compensation plan and any other background information that may be needed.
- County will to provide Contractor with the following information as may be requested:
  - Departmental organization charts;
  - Class specifications for all County positions;
  - County's salary grade structure including the number of employees in each class;
  - Budget information and FTE's for County departments
  - Employee census information
  - Copies of employment contracts and other compensatory agreements;
  - Complete descriptions and inventory of core benefits offered to all employees (Summary Plan Documents) and the County's employee handbooks.
  - Complete descriptions and inventory of any executive benefits and prerequisites; and
  - Financial statements and strategic plan documents as may be requested.

Initials:

  
(Contractor)

  
(County)

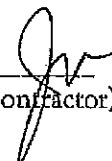
***Step 3: Selection of Benchmark Positions***

- Contractor will review the list of all current classifications and the number of incumbents in each classification. Then, to validate the appropriate benchmark classifications to survey in the market; Contractor will prepare an "Issues to be Considered in Selecting a Benchmark" and will meet with the County to discuss the steps in selecting the benchmark classifications. Approximately 70 – 80 benchmark classifications will be identified. Factors to be considered will include:
  - Making a diagonal slice through the organization, ensuring job representation from different occupational groupings and various organizational levels;
  - Single incumbent and multiple incumbent classifications;
  - The likelihood that the comparator market organizations will be able to match with County benchmark description; and
  - Contractor's experience in selecting benchmarks in other county compensation and benefits surveys.
- Contractor will present their initial list of potential benchmark positions for the County's review and approval.

***Step 4: Confirmation of External Comparator Market***

- The County has identified eight California counties to be used as comparators. To validate this, Contractor will present and discuss a report that will assist in reviewing these counties, test the validity of these potential comparators, and will establish the final list of organizations that will make up the comparator market for survey purposes.
- Based on the identified benchmark classifications, on a case-by-case basis, some private sector employers, including the possibility of cities, may need to be surveyed.
- Contractor may also analyze current data on such issues as:
  - Overall labor turnover as well as turnover in specific occupational categories;
  - Recruiting practices;

Initials:

  
(Contractor)

  
(County)

- Reasons for terminations; and
- Pay mechanisms.

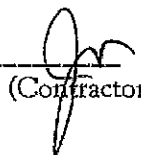
***Step 5: Determining Data to Collect – Compensation and Benefits***

- Contractor will survey the following categories of data with regard to compensation:
  - Range information (minimum and maximum salary)
  - Base salary and any lump sum/bonus data;
  - Total cash/compensation data;
  - Weighing of data (i.e. number of incumbents in a job classification);
  - Salary administration data; and
  - Salary movement criteria.
- Contractor will to survey the following categories of data with regard to benefits:
  - Life insurance plans (all employer paid and voluntary employee paid plans);
  - Disability plans (sick leave, short and long-term disability plans);
  - Health care benefits (medical, dental, vision, and prescription plans);
  - Retirement plan (qualified defined benefit and defined contribution plans and nonqualified plans);
  - Holiday and vacation schedules;
  - Other ancillary Benefit plans, such as Worker's Compensation, Employee Assistance Programs, Flexible Spending Account, Long-term care plans, Tuition Reimbursement, etc.

***Step 7: Design of Data Collection Instruments***

- Based on the mutually agreed outcomes of the previous steps, Contractor will prepare the customized survey instruments for the survey (one for compensation and one for benefits).
- County will provide input on the survey instruments. Based on the County's input, Contractor will finalize the surveys.

Initials:

  
(Contractor)

  
(County)

***Step 8: Distribute Survey and Collect Survey Data***

- Contractor will then submit the surveys to the predetermined County's contact at each organization and will provide follow up reminder e-mails and calls to ensure a high level of participation in a timely manner.
- County agrees to participate in the benefits survey.
- Upon receipt of the survey data, Contractor will review each submission to ensure the data is accurate, valid, and complete.

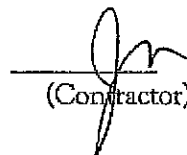
***Step 9: Analysis of External Competitiveness***

- Upon completion of the external salary survey, Contractor will analyze the County's policies and practices against the external market including:
  - Current policy vs. market;
  - Current aggregate actual practice vs. market; and
  - Benchmark classification by classification.
- Upon completion of the external benefits survey, Contractor will prepare a Prevalence of Practice report. This report will show an in-depth review of all major benefit programs offered by the County and the comparator groups. Each individual benefit plan will be analyzed and all plan features will be compared with the comparator group's practices. Benefit plans will be reviewed for internal and external competitiveness, benefit adequacy, appropriateness of overall design, cost effectiveness, tax effectiveness, and any other aspects requested by County.

***Step 10: Recommendation and Reporting***

- Contractor will prepare a preliminary report summarizing all project steps, findings, and recommendations for the County. Issues in the preliminary report will include:
  - Analysis of internal equity;
  - Analysis of external competitiveness;
  - A listing of the benchmark positions surveyed;
  - A listing of the comparator markets used of the survey and for use with future surveys;

Initials:

  
(Contractor)


  
(County)

- Recommended salary structure based on the benchmark jobs;
  - Recommended allocation of positions to that structure based on internal alignment and external competitiveness.
  - Determination of an individual's salary placement on the structure;
  - Reviewing the overall design of the County's employee benefits package, evaluating internal equity and the appropriateness and adequacy of the benefit provisions;
  - Identifying any duplications or gaps in the benefit coverage;
  - Evaluating the external competitiveness of the benefits and perquisites provided to the County's employees; and
  - Guidelines on how to communicate the outcomes to managers, employees, and other stakeholders.
- This preliminary report will be presented to the County for review and feedback. Following the receipt of feedback, Contractor will submit a final written report with the relevant findings and implementation issues.
  - Contractor will be available to make a presentation of the report, project process, and results to County executives, if requested by the County.

***Step 11: Transition and Implementation Planning***

- Contractor will map out an implementation plan for the County, with timetables to enable the adopted recommendations to be communicated and implemented.
- Contractor will provide a Total Compensation Survey template and will train the staff in the Human Resources Department on how to use the template for future total compensation studies.

Initials:

  
(Contractor)

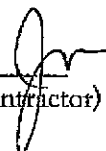
  
(County)

### ***Special Conditions***

1. Paragraph 18 (Indemnification) of the General Conditions is deleted and replaced by the following provision:

Indemnification. The Contractor shall defend, indemnify, save and hold harmless the County and its officers and employees from any and all claims, costs and liability for any damages, sickness, death, or injury to person(s) or property, from any cause whatsoever arising directly or indirectly from or connected with the operations or services of the Contractor or its agents, servants, employees or subcontractors hereunder, save and except claims or litigation arising through the sole negligence or sole willful misconduct of County or its officers or employees. Contractor will reimburse County for any expenditures, including reasonable attorneys' fee, County may make by reason of the matters that are the subject of this indemnification, and, if requested by County, will defend any claims or litigation to which this indemnification provision applies at the sole cost and expense of Contractor.

Initials:

  
(Contractor)

  
(County)

**GENERAL CONDITIONS**  
**(Purchase of Services - Long Form)**

1. **Compliance with Law.** Contractor shall be subject to and comply with all applicable federal, state and local laws and regulations with respect to its performance under this Contract, including but not limited to, licensing, employment and purchasing practices; and wages, hours and conditions of employment, including nondiscrimination.

2. **Inspection.** Contractor's performance, place of business and records pertaining to this Contract are subject to monitoring, inspection, review and audit by authorized representatives of the County, the State of California, and the United States Government.

3. **Records.** Contractor shall keep and make available for inspection and copying by authorized representatives of the County, the State of California, and the United States Government, the Contractor's regular business records and such additional records pertaining to this Contract as may be required by the County.

a. **Retention of Records.** Contractor shall retain all documents pertaining to this Contract for five years from the date of submission of Contractor's final payment demand or final Cost Report; for any further period that is required by law; and until all federal/state audits are complete and exceptions resolved for this contract's funding period. Upon request, Contractor shall make these records available to authorized representatives of the County, the State of California, and the United States Government.

b. **Access to Books and Records of Contractor, Subcontractor.** Pursuant to Section 1861(v)(1) of the Social Security Act, and any regulations promulgated thereunder, Contractor shall, upon written request and until the expiration of four years after the furnishing of services pursuant to this Contract, make available to the County, the Secretary of Health and Human Services, or the Comptroller General, or any of their duly authorized representatives, this Contract and books, documents, and records of Contractor necessary to certify the nature and extent of all costs and charges hereunder.

Further, if Contractor carries out any of the duties of this Contract through a subcontract with a value or cost of \$10,000 or more over a twelve-month period, such subcontract shall contain a clause to the effect that upon written request and until the expiration of four years after the furnishing of services pursuant to such subcontract, the subcontractor shall make available to the County, the Secretary, the Comptroller General, or any of their duly authorized representatives, the subcontract and books, documents, and records of the subcontractor necessary to verify the nature and extent of all costs and charges thereunder.

This special condition is in addition to any and all other terms regarding the maintenance or retention of records under this Contract and is binding on the heirs, successors, assigns and representatives of Contractor.

4. **Reporting Requirements.** Pursuant to Government Code Section 7550, Contractor shall include in all documents or written reports completed and submitted to County in accordance with this Contract, a separate section listing the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of each such document or written report. This section shall apply only if the payment limit under this Contract exceeds \$5,000.

5. **Termination and Cancellation.**

a. **Written Notice.** This Contract may be terminated by either party, in its sole discretion, upon thirty-day advance written notice thereof to the other, and may be cancelled immediately by written mutual consent.



GENERAL CONDITIONS  
(Purchase of Services - Long Form)

- b. Failure to Perform. County, upon written notice to Contractor, may immediately terminate this Contract should Contractor fail to perform properly any of its obligations hereunder. In the event of such termination, County may proceed with the work in any reasonable manner it chooses. The cost to County of completing Contractor's performance shall be deducted from any sum due Contractor under this Contract, without prejudice to County's rights to recover damages.
- c. Cessation of Funding. Notwithstanding Paragraph 5.a. above, in the event that federal, state, or other non-County funding for this Contract ceases, this Contract is terminated without notice.
6. Entire Agreement. This Contract contains all the terms and conditions agreed upon by the parties. Except as expressly provided herein, no other understanding, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.
7. Further Specifications for Operating Procedures. Detailed specifications of operating procedures and budgets required by this Contract, including but not limited to, monitoring, evaluating, auditing, billing, or regulatory changes, may be developed and set forth in a written Informal Agreement between Contractor and County. Informal Agreements shall be designated as such and shall not be amendments to this Contract except to the extent that they further detail or clarify that which is already required hereunder. Informal Agreements may not enlarge in any manner the scope of this Contract, including any sums of money to be paid Contractor as provided herein. Informal Agreements may be approved and signed by the head of the county department for which this Contract is made or its designee.
8. Modifications and Amendments.
- a. General Amendments. This Contract may be modified or amended by a written document executed by Contractor and the Contra Costa County Board of Supervisors or, after Board approval, by its designee, subject to any required state or federal approval.
- b. Administrative Amendments. Subject to the Payment Limit, the Payment Provisions and the Service Plan may be amended by a written administrative amendment executed by Contractor and the County Administrator (or designee), subject to any required state or federal approval, provided that such administrative amendment may not materially change the Payment Provisions or the Service Plan.
9. Disputes. Disagreements between County and Contractor concerning the meaning, requirements, or performance of this Contract shall be subject to final written determination by the head of the county department for which this Contract is made, or his designee, or in accordance with the applicable procedures (if any) required by the state or federal government.
10. Choice of Law and Personal Jurisdiction.
- a. This Contract is made in Contra Costa County and shall be governed and construed in accordance with the laws of the State of California.
- b. Any action relating to this Contract shall be instituted and prosecuted in the courts of Contra Costa County, State of California.

L-5 (Page 2 of 6)  
Initials:

Contractor

County Dept.

**GENERAL CONDITIONS**  
**(Purchase of Services - Long Form)**

11. Conformance with Federal and State Regulations and Laws. Should federal or state regulations or laws touching upon the subject of this Contract be adopted or revised during the term hereof, this Contract shall be deemed amended to assure conformance with such federal or state requirements.

12. No Waiver by County. Subject to Paragraph 9. (Disputes) of these General Conditions, inspections or approvals, or statements by any officer, agent or employee of County indicating Contractor's performance or any part thereof complies with the requirements of this Contract, or acceptance of the whole or any part of said performance, or payments therefor, or any combination of these acts, shall not relieve Contractor's obligation to fulfill this Contract as prescribed; nor shall the County be thereby estopped from bringing any action for damages or enforcement arising from any failure to comply with any of the terms and conditions of this Contract.

13. Subcontract and Assignment. This Contract binds the heirs, successors, assigns and representatives of Contractor. Prior written consent of the County Administrator or his designee, subject to any required state or federal approval, is required before the Contractor may enter into subcontracts for any work contemplated under this Contract, or before the Contractor may assign this Contract or monies due or to become due, by operation of law or otherwise.

14. Independent Contractor Status. This Contract is by and between two independent contractors and is not intended to and shall not be construed to create the relationship between the parties of agent, servant, employee, partnership, joint venture or association.

15. Conflicts of Interest. Contractor, its officers, partners, associates, agents, and employees, shall not make, participate in making, or in any way attempt to use the position afforded them by this Contract to influence any governmental decision in which they know or have reason to know they have a financial interest under California Government Code Sections 87100, et seq., or otherwise.

16. Confidentiality. Contractor agrees to comply and to require its officers, partners, associates, agents and employees to comply with all applicable state or federal statutes or regulations respecting confidentiality, including but not limited to, the identity of persons served under this Contract, their records, or services provided them, and assures that:

a. All applications and records concerning any individual made or kept by Contractor or any public officer or agency in connection with the administration of or relating to services provided under this Contract will be confidential, and will not be open to examination for any purpose not directly connected with the administration of such service.

b. No person will publish or disclose or permit or cause to be published or disclosed, any list of persons receiving services, except as may be required in the administration of such service. Contractor agrees to inform all employees, agents and partners of the above provisions, and that any person knowingly and intentionally disclosing such information other than as authorized by law may be guilty of a misdemeanor.

17. Nondiscriminatory Services. Contractor agrees that all goods and services under this Contract shall be available to all qualified persons regardless of age, sex, race, religion, color, national origin, ethnic background, disability, or sexual orientation, and that none shall be used, in whole or in part, for religious worship or instruction.

18. Indemnification. Contractor shall defend, indemnify, save, and hold harmless County and its officers and employees from any and all claims, costs and liability for any damages, sickness, death, or injury to person(s) or property, including without limitation all consequential damages, from any cause whatsoever arising directly or indirectly from or connected with

**GENERAL CONDITIONS**  
**(Purchase of Services - Long Form)**

the operations or services of Contractor or its agents, servants, employees or subcontractors hereunder, save and except claims or litigation arising through the sole negligence or sole willful misconduct of County or its officers or employees. Contractor will reimburse County for any expenditures, including reasonable attorneys' fees, County may make by reason of the matters that are the subject of this indemnification, and, if requested by County, will defend any claims or litigation to which this indemnification provision applies at the sole cost and expense of Contractor.

19. **Insurance.** During the entire term of this Contract and any extension or modification thereof, Contractor shall keep in effect insurance policies meeting the following insurance requirements unless otherwise expressed in the Special Conditions:

a. **Liability Insurance.** For all contracts where the total payment limit of the contract is \$500,000 or less, Contractor shall provide comprehensive liability insurance, including coverage for owned and non-owned automobiles, with a minimum combined single limit coverage of \$500,000 for all damages, including consequential damages, due to bodily injury, sickness or disease, or death to any person or damage to or destruction of property, including the loss of use thereof, arising from each occurrence. Such insurance shall be endorsed to include County and its officers and employees as additional insureds as to all services performed by Contractor under this agreement. Said policies shall constitute primary insurance as to County, the state and federal governments, and their officers, agents, and employees, so that other insurance policies held by them or their self-insurance program(s) shall not be required to contribute to any loss covered under Contractor's insurance policy or policies. For all contracts where the total payment limit is above \$500,000, the aforementioned insurance coverage to be provided by Contractor shall have a minimum combined single limit coverage of \$1,000,000, and Contractor shall be required to provide County with a copy of the endorsement making the County an additional insured on all general liability, worker's compensation, and, if applicable, all professional liability insurance policies as required herein no later than the effective date of this Contract.

b. **Workers' Compensation.** Contractor shall provide workers' compensation insurance coverage for its employees.

c. **Certificate of Insurance.** The Contractor shall provide the County with (a) certificate(s) of insurance evidencing liability and worker's compensation insurance as required herein no later than the effective date of this Contract. If the Contractor should renew the insurance policy(ies) or acquire either a new insurance policy(ies) or amend the coverage afforded through an endorsement to the policy at any time during the term of this Contract, then Contractor shall provide (a) current certificate(s) of insurance.

d. **Additional Insurance Provisions.** The insurance policies provided by Contractor shall include a provision for thirty (30) days written notice to County before cancellation or material change of the above specified coverage.

20. **Notices.** All notices provided for by this Contract shall be in writing and may be delivered by deposit in the United States mail, postage prepaid. Notices to County shall be addressed to the head of the county department for which this Contract is made. Notices to Contractor shall be addressed to the Contractor's address designated herein. The effective date of notice shall be the date of deposit in the mails or of other delivery, except that the effective date of notice to County shall be the date of receipt by the head of the county department for which this Contract is made.

21. **Primacy of General Conditions.** Except for Special Conditions which expressly supersede General Conditions, the Special Conditions (if any) and Service Plan do not limit any term of the General Conditions.

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22. **Nonrenewal.** Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Contract will be purchased by County under a new contract following expiration or termination of this Contract, and waives all rights or claims to notice or hearing respecting any failure to continue purchasing all or any such services from Contractor.

23. **Possessory Interest.** If this Contract results in Contractor having possession of, claim or right to the possession of land or improvements, but does not vest ownership of the land or improvements in the same person, or if this Contract results in the placement of taxable improvements on tax exempt land (Revenue & Taxation Code Section 107), such interest or improvements may represent a possessory interest subject to property tax, and Contractor may be subject to the payment of property taxes levied on such interest. Contractor agrees that this provision complies with the notice requirements of Revenue & Taxation Code Section 107.6, and waives all rights to further notice or to damages under that or any comparable statute.

24. **No Third-Party Beneficiaries.** Notwithstanding mutual recognition that services under this Contract may provide some aid or assistance to members of the County's population, it is not the intention of either County or Contractor that such individuals occupy the position of intended third-party beneficiaries of the obligations assumed by either party to this Contract.

25. **Copyrights and Rights in Data.** Contractor shall not publish or transfer any materials produced or resulting from activities supported by this agreement without the express written consent of the County Administrator. If any material is subject to copyright, County reserves the right to copyright, and Contractor agrees not to copyright, such material. If the material is copyrighted, County reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such materials, in whole or in part, and to authorize others to do so.

26. **Endorsements.** Contractor shall not in its capacity as a contractor with Contra Costa County publicly endorse or oppose the use of any particular brand name or commercial product without the prior approval of the Board of Supervisors. In its County contractor capacity, Contractor shall not publicly attribute qualities or lack of qualities to a particular brand name or commercial product in the absence of a well-established and widely accepted scientific basis for such claims or without the prior approval of the Board of Supervisors. In its County contractor capacity, Contractor shall not participate or appear in any commercially produced advertisements designed to promote a particular brand name or commercial product, even if Contractor is not publicly endorsing a product, as long as the Contractor's presence in the advertisement can reasonably be interpreted as an endorsement of the product by or on behalf of Contra Costa County. Notwithstanding the foregoing, Contractor may express its views on products to other contractors, the Board of Supervisors, County officers, or others who may be authorized by the Board of Supervisors or by law to receive such views.

27. **Required Audit.** (A) If Contractor is funded by \$500,000 or more in federal grant funds in any fiscal year ending after December 31, 2003 from any source, Contractor shall provide to County at Contractor's expense an audit conforming to the requirements set forth in the most current version of Office of Management and Budget Circular A-133. (B) If Contractor is funded by less than \$500,000 in federal grant funds in any fiscal year ending after December 31, 2003 from any source, but such grant imposes specific audit requirements; Contractor shall provide to County an audit conforming to those requirements. (C) If Contractor is funded by less than \$500,000 in federal grant funds in any fiscal year ending after December 31, 2003 from any source, Contractor is exempt from federal audit requirements for that year, however, Contractor's records must be available for and an audit may be required by, appropriate officials of the federal awarding agency, the General Accounting Office (GAO), the pass-through entity and/or the County. If any

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such audit is required, Contractor shall provide County with such audit. With respect to the audits specified in (A), (B) and (C) above, Contractor is solely responsible for arranging for the conduct of the audit, and for its cost. County may withhold the estimated cost of the audit or 10 percent of the contract amount, whichever is larger, or the final payment, from Contractor until County receives the audit from Contractor.

28. Authorization. Contractor, or the representative(s) signing this Contract on behalf of Contractor, represents and warrants that it has full power and authority to enter into this Contract and perform the obligations herein.

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