



Revision to ASR and/or Exhibits/Attachments

Date: January 19, 2012

To: Clerk of the Board of Supervisors

From: Alan Murphy, Airport Director, John Wayne Airport

ASR Control #(s): 11-001544 Agenda Item(s) # 28 for the January 24, 2012 Board Meeting

Subject: Approval Agreement with Heritage Security Services for Armed Guard Security Guard Service

Explanation:

Increased insurance requirements on Commercial General Liability from \$5,000,000 to \$10,000,000 and added Terrorism Risk Insurance Act (TRIA) and War Risk. Revisions also include changing the contract start date, current year costs and fiscal year annual costs.

Revise Current Year Cost: from \$315,400 to \$320,692

Revise Fiscal Year Annual Costs:

FY 12-13	from \$746,641 to \$754,641
FY 13-14	from \$746,641 to \$754,641
FY 14-15	from \$746,641 to \$754,641
FY 15-16	from \$748,081 to \$756,081
FY 16-17	from \$441,090 to \$445,756

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ORANGE COUNTY
BOARD OF SUPERVISORS

Revised Recommended Action(s)

Revise start date from January 11, 2012 to January 25, 2012 and Contract Amount from \$756,490 to \$766,448:

Authorize the Purchasing Agent or his authorized Deputy to execute a Contract with Heritage Security Services for Armed Security Guard Services, commencing on January ~~11~~, **25**, 2012 through January 31, 2013, a total amount not to exceed ~~\$756,490~~ **\$766,448**; renewable annually for four (4) additional one (1) year periods per Board policy. John Wayne Airport will return to the Board of Supervisors for approval for each year beyond the second consecutive year period per Board policy.

Make modifications to the:

Subject

Background Information

Summary

SUMMARY:

Revising start date from January 11, 2012 to January 25, 2012 and Contract Amount from \$756,490 to \$766,448:

John Wayne Airport (JWA) requests authorization to issue a Contract with Heritage Security Services for Armed Security Guard Services. This Contract will be for a period of one (1) year, effective January 11, 2012 through January 31, 2013, in an amount of \$756,490 ~~\$766,448~~; renewable annually for four (4) additional one (1) year periods per Board policy.

BACKGROUND INFORMATION:

Revise paragraph 4 – Bid Summaries by adding Excess Insurance Coverage in the amount of \$8,000.00:

<u>Company</u>	<u>Base Bid</u>	<u>Additional Services</u>	<u>Excess Insurance</u>	<u>Contract Amount</u>
Heritage Security Services	\$724,891.20	\$21,750.00	\$8,000.00	\$746,641.20 \$766,448.20
AlliedBarton Security Services	\$818,115.60	\$21,750.00	\$8,000.00	\$839,865.60 \$847,865.60
G4S Secure Solutions (USA) Inc.	\$819,493.44	\$21,750.00	\$8,000.00	\$841,243.44 \$849,243.44

Revise paragraph 5 – remove wording and reduce additional days:

Upon authorization to award the Contract, the proposed armed security guards must pass a background check for the badges and Security Awareness Driving Training. ~~which may take up to three weeks.~~ JWA is requesting the first Contract period be extended an additional 20 ~~30~~ days to cover this process.

Revised Exhibits/Attachments (attached)

Revise Attachment A – Contract with Heritage Security Services as follows:

- A. Revisions on page 7 – Article P – Insurance increasing Minimum Limits from \$5,000,000 to \$10,000,000 and adding Terrorism Risk Insurance Act (TRIA) and War Risk:

This policy or policies of insurance maintained by CONTRACTOR shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability Including Terrorism Risk Insurance Act (TRIA) and War Risk	\$5,000,000 combined single limit \$10,000,000 combined single limit

Required Coverage Forms

Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

Add New Paragraph: ~~Commercial General Liability policy shall be amended to include War and TRIA coverage. TRIA shall not exclude Personal Injury.~~

B. Revisions on page 10 – Article 2: Revising start date from January 11, 2012 to January 25, 2012.

2. **CONTRACT Term:** This CONTRACT shall commence on January 11, 2012 through and including January 31, 2013, with the option to renew for four (4) additional consecutive one (1) year periods; unless otherwise terminated as provided herein.

C. Revisions on page 22 – Signature Page: Added Heritage signatures.

D. Revisions on page 29 – Attachment B – Contractor’s Pricing – Article II. Fees and Charges:

II. FEES AND CHARGES

COUNTY will pay the following fees in accordance with the provisions of this CONTRACT based upon CONTRACTOR’S performance of the requested services as described in Attachment A - Scope of Work. Fees paid to CONTRACTOR shall be based upon operation hour.

DESCRIPTION	HOURS*	UNIT	HOURLY RATE	ANNUAL COST (Hours x Rate)
Armed Security Guard – Regular Rate	26,208 26,280	Hour	\$20.00	\$524,160.00 \$525,600.00
Armed Security Guard – Holiday Rate	432	Hour	\$30.00	\$ 12,960.00
Armed Security Supervisor – Regular Rate	8,736	Hour	\$21.60	\$188,697.60
Armed Security Supervisor – Holiday Rate	144	Hour	\$32.40	\$ 4,665.60
Electric Cart (see page 36 23)	N/A	Monthly	\$350.00	\$ 4,256.45
Sub-Total				\$734,739.65 \$736,698.05
Excess General Liability insurance including Terrorism Risk Insurance Act (GRAs) and War Risk				\$8,000.00 \$8,000.00
Additional Services Shall Not Exceed Amount (Attachment A – Article XIII)				\$21,750.00
ANNUAL CONTRACT NOT TO EXCEED AMOUNT				\$756,489.65 \$764,488.05

Additional Information and/or Correspondence (attached)

CC: County Executive Office

CONTRACT MA-280-12010686
BETWEEN THE COUNTY OF ORANGE, JOHN WAYNE AIRPORT
AND
HERITAGE SECURITY SERVICES
FOR ARMED SECURITY GUARD SERVICES

This Agreement, hereinafter referred to as "CONTRACT", for Armed Security Guard Services, as further described herein is made and entered into as of the date fully executed by and between the County of Orange, John Wayne Airport (JWA), a political subdivision of the State of California, hereinafter referred to as "COUNTY" and Heritage Security Services, with a place of business at 1260 Morena Blvd., Suite 200, San Diego, California 92110, hereinafter referred to as "CONTRACTOR", which are sometimes individually referred to as "PARTY" or collectively referred to as "PARTIES."

RECITALS

WHEREAS, CONTRACTOR responded to a Statement of Qualifications (SOQ) and Invitation for Bid (IFB) for Armed Security Guard Services as further set forth herein; and

WHEREAS, CONTRACTOR responded and represented that its proposed services shall meet or exceed the requirements and specifications of the SOQ and IFB; and

WHEREAS, CONTRACTOR agrees to provide services as more specifically described in the Scope of Work, attached hereto as Attachment A and incorporated herein; and,

WHEREAS, COUNTY agrees to pay CONTRACTOR the fees as further set forth in CONTRACTOR'S Pricing, attached hereto as Attachment B and incorporated herein;

NOW, THEREFORE, PARTIES mutually agree as follows:

ARTICLES

General Terms and Conditions:

- A. **Governing Law and Venue:** This CONTRACT has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this CONTRACT, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and PARTIES hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394. Furthermore, PARTIES specifically agree to waive any and all rights to request that an action be transferred for trial to another County.
- B. **Entire CONTRACT:** This CONTRACT, including all Attachments and Exhibits, which are attached hereto and incorporated herein by this reference, when accepted by CONTRACTOR either in writing or by the shipment of any article or other commencement of performance hereunder, contains the entire CONTRACT between the PARTIES with respect to the matters herein and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on COUNTY unless authorized by COUNTY in writing. Electronic acceptance of any additional terms, conditions or supplemental contracts by any COUNTY employee or agent, including but not limited to installers of software, shall not be valid or binding on COUNTY unless accepted in writing by COUNTY'S Purchasing Agent or his designee.
- C. **Amendments – Changes/Extra Work:** No alteration or variation of the terms of this CONTRACT shall be valid unless made in writing and signed by PARTIES; no oral understanding or CONTRACT not incorporated herein shall be binding on either of PARTIES; and no exceptions, alternatives, substitutes or revisions are valid or binding on COUNTY unless authorized by COUNTY in writing.

CONTRACTOR shall make no changes to this CONTRACT without COUNTY'S written consent. In the event that there are new or unforeseen requirements, COUNTY with CONTRACTOR'S concurrence has the discretion to request official changes at any time without changing the intent of this CONTRACT.

If COUNTY-initiated changes or changes in laws or government regulations affect price, CONTRACTOR'S ability to deliver services, or the project schedule, CONTRACTOR shall give COUNTY written notice no later than seven calendar days from the date the law or regulation went into effect or the date the change was proposed by COUNTY and CONTRACTOR was notified of the change. Such changes shall be agreed to in writing and incorporated into a CONTRACT amendment. Said amendment shall be issued by COUNTY-assigned Deputy Purchasing Agent (DPA), shall require the mutual consent of all PARTIES, and may be subject to approval by COUNTY Board of Supervisors. Nothing herein shall prohibit CONTRACTOR from proceeding with the work as set forth in this CONTRACT. No adjustments made to the scope of work will be authorized or paid for without prior written approval of COUNTY assigned DPA.

- D. **Taxes:** Unless otherwise provided herein or by law, price quoted includes California state sales or use tax.
- E. **Delivery:** Time of delivery of goods or services is of the essence in this CONTRACT. COUNTY reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or description, or services that do not conform to the prescribed Scope of Work. Delivery shall not be deemed to be complete until all goods, or services, have actually been received and accepted in writing by COUNTY.
- F. **Acceptance/Payment:** Unless otherwise agreed to in writing by COUNTY, 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of COUNTY, and 2) payment shall be made in arrears after satisfactory acceptance and within 30 calendar days upon the Auditor-Controller's receipt of an approved invoice submitted in accordance with the terms set forth herein, unless otherwise stated. The invoice must be verified and approved by COUNTY'S Project Coordinator and is subject to routine processing requirements of COUNTY.

Payments made by COUNTY shall not preclude the right of COUNTY from thereafter disputing any items or services involved or billed under this CONTRACT and shall not be construed as acceptance of any part of the services.

- G. **Warranty:** CONTRACTOR expressly warrants that goods/services covered by this CONTRACT are fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon CONTRACTOR'S part to indemnify, defend and hold COUNTY and its indemnities as identified in Article "HH", and as more fully described in Article "HH", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by COUNTY by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this CONTRACT, CONTRACTOR shall be solely responsible for clearing the right to use any patented or copy-righted materials in the performance of this CONTRACT. CONTRACTOR warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. CONTRACTOR agrees that, in accordance with the more specific requirement contained in Article "HH", it shall indemnify, defend and hold COUNTY and COUNTY Indemnitees harmless from any and all such

claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, but not limited to, attorney's fees, costs and expenses.

- I. **Assignment or Subcontracting:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the PARTIES. Furthermore, neither the performance of this CONTRACT nor any portion thereof may be assigned or subcontracted by CONTRACTOR without the express written consent of COUNTY. Any attempt by CONTRACTOR to assign, subcontract or transfer the performance or any portion thereof of this CONTRACT without the express written consent of COUNTY shall be invalid and shall constitute a breach of this CONTRACT.

1. Transfers: CONTRACTOR shall not transfer, assign, or hypothecate (hereinafter referred to as "Transfer") any interest of CONTRACTOR in CONTRACT without the prior written approval of COUNTY. CONTRACTOR shall give COUNTY 30 days' prior written notice of all proposed Transfers. CONTRACTOR shall not make any such Transfers for a period longer than the remaining term of CONTRACT.

If COUNTY approves such Transfers, such approval does not constitute a waiver of any of the terms of CONTRACT. All Transfer documents shall be consistent with the terms, covenants, and conditions of CONTRACT, and in the event of any inconsistency, the provisions of this CONTRACT shall govern.

If CONTRACTOR is a corporation, an unincorporated association, or a partnership, Transfers include the acquisition by any person other than CONTRACTOR of any stock or interest in said corporation, unincorporated association, or partnership in the aggregate amount of 51% or more.

The failure by CONTRACTOR to obtain the prior written approval by COUNTY of any Transfer of CONTRACT or any interest in CONTRACT shall constitute a material breach of this CONTRACT by, and shall not confer any rights upon the transferee. Such failure shall be grounds for termination of this CONTRACT for default per Article K - Termination.

2. Conditions of COUNTY Approval: COUNTY agrees that it will not arbitrarily withhold consent to any Transfer, but COUNTY may withhold consent at its sole discretion if any of the following conditions exist:
- i. CONTRACTOR, its successors or assigns are in default of any term, covenant or condition of this CONTRACT, whether notice of default has or has not been given by COUNTY.
 - ii. The prospective assignee or transferee has not agreed in writing to keep, perform and be bound by all the terms, covenants, and conditions of this CONTRACT.
 - iii. The prospective assignee or transferee is not financially capable or not experienced in performing the obligations of this CONTRACT, as determined by COUNTY.
 - iv. All the terms, covenants and conditions of Transfer, including the consideration therefore, of any and every kind, have not been revealed in writing to COUNTY.
 - v. Any construction required of CONTRACTOR as a condition of this CONTRACT has not been completed to the satisfaction of COUNTY.
 - vi. CONTRACTOR has not provided COUNTY with a copy of all documents relating to the Transfer.
3. Bankruptcy Transaction: If CONTRACTOR assumes this CONTRACT and proposes to assign the same pursuant to the provisions of the UNITED STATES BANKRUPTCY CODE, 11 U.S.C. §§101, *et seq.*, then notice of such proposed assignment shall be given to COUNTY.

- i. The name and address of proposed assignee,
 - ii. All of the terms and conditions of such offer, and
 - iii. Adequate assurance to COUNTY of the proposed assignee's future performance under CONTRACT, including, without limitation, the assurance referred to in the United States Bankruptcy Code, 11 U.S.C. §365(b)(3).
 - iv. Any person or entity to which this CONTRACT is assigned pursuant to the provisions of the United States Bankruptcy Code, 11 U.S.C. §§101, et seq., shall be deemed without further act or deed to have assumed all of the obligations arising under this CONTRACT on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to COUNTY an instrument confirming such assumption.
- J. **Non-Discrimination:** In the performance of this CONTRACT, CONTRACTOR agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. CONTRACTOR acknowledges that a violation of this provision shall subject CONTRACTOR to all the penalties imposed for a violation of Anti-Discrimination Law or regulation, including but not limited to, Section 1720 et seq. of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law and those set forth in this CONTRACT, COUNTY has the right to terminate this CONTRACT without penalty immediately with cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of CONTRACT, any misrepresentation or fraud on the part of CONTRACTOR. Exercise by COUNTY of its right to terminate CONTRACT shall relieve COUNTY of all further obligations. Upon termination of CONTRACT with CONTRACTOR, COUNTY may begin negotiations with a third-party CONTRACTOR to provide services as specified in this CONTRACT.

The right of either PARTY to terminate this CONTRACT hereunder shall not be affected in any way by its waiver of or failure to take action with respect to any previous default.

1. Termination for Default: If CONTRACTOR is in default of any of its obligations under this CONTRACT and has not commenced cure within 10 days after receipt of a written notice of default from COUNTY and cured such default within the time specified in the notice, COUNTY shall immediately be entitled to either commence resolution in accordance with this paragraph or to terminate this CONTRACT by giving written notice to take effect immediately.
2. COUNTY may terminate this CONTRACT and all of its obligations hereunder with or without prior notice to CONTRACTOR and may exercise all rights of entry for default and breach, if CONTRACTOR fails to perform on any of its obligations under this CONTRACT including but not limited to the following:
 - i. Failure of CONTRACTOR to maintain the quality of service to the satisfaction of COUNTY Project Coordinator as required by Attachment A – Scope of Work in this CONTRACT, after service of a five (5) day notice to correct the condition.
 - ii. Not providing enough properly skilled workers or proper materials.
 - iii. Persistently disregarding laws and or ordinances.
 - iv. Not proceeding with the work as agreed to herein.
 - v. Substantially violating any provision of this CONTRACT.
 - vi. A general assignment for the benefit of creditors and any transfer without the prior

- written approval by COUNTY.
- vii. The voluntary abandonment or discontinuance of service by CONTRACTOR.
 - viii. The violation by CONTRACTOR of any of the terms of any insurance policy referred to in CONTRACT.
 - ix. If CONTRACTOR is found by the FAA, TSA, other government regulatory or successor agency to have violated specified safety standards in the conduct of CONTRACTOR'S business.
 - x. The violation of any written directions of COUNTY Project Coordinator.
 - xi. The appointment of a receiver to take possession of all, or substantially all, the assets of CONTRACTOR.
 - xii. CONTRACTOR discontinues operations for 24 hours or more.
 - xiii. The failure of CONTRACTOR to obtain from any local, state or federal agency the necessary license(s) and/or permit(s) required to provide the service.
3. Conditions of COUNTY Site Upon Termination or Default: Except as otherwise agreed to herein, upon termination or default of this CONTRACT, CONTRACTOR shall redeliver possession of COUNTY provided space to COUNTY in substantially the same condition that existed immediately prior to CONTRACTOR'S entry thereon, reasonable wear and tear, flood, earthquakes, war and any act of war, excepted. References to the termination of CONTRACT in this CONTRACT shall include termination by reason of expiration.
 4. Disposition of Abandoned Personal Property: If CONTRACTOR abandons or quits CONTRACT or is dispossessed thereof by process of law or otherwise, title to any personal property belonging to CONTRACTOR and left on COUNTY premises 15 days after such event shall be deemed to have been transferred to COUNTY. COUNTY shall have the right to remove and to dispose of such property without liability therefore to CONTRACTOR or to any person claiming under CONTRACTOR, and shall have no need to account therefore. Personal property left on COUNTY premises after termination, expiration, or abandonment of CONTRACT shall not be construed as giving CONTRACTOR possession of the area during the 15 days after termination, expiration or abandonment of CONTRACT.
 5. Termination Claim: After receipt of a termination notice from COUNTY, CONTRACTOR shall submit to COUNTY a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by COUNTY upon written request of CONTRACTOR. Upon termination COUNTY agrees to pay CONTRACTOR for all services performed prior to termination which meet the requirements of CONTRACT, provided, however, that such compensation plus previously paid compensation shall not exceed the total compensation set forth in CONTRACT. Upon termination or other expiration of this CONTRACT, each PARTY shall promptly return to the other PARTY all papers, materials, and other properties of the other held by each for purposes of execution of CONTRACT. In addition, each PARTY will assist the other PARTY in orderly termination of this CONTRACT and the transfer of all aspects, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each PARTY.
- L. **Consent to Breach Not Waiver**: No term or provision of this CONTRACT shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the PARTY claimed to have waived or consented. Any consent by any PARTY to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

- M. **Remedies Not Exclusive:** The remedies for breach set forth in this CONTRACT are cumulative as to one another and as to any other provided by law, rather than exclusive; and the expression of certain remedies in this CONTRACT does not preclude resort by either PARTY to any other remedies provided by law.
- N. **Independent CONTRACTOR:** CONTRACTOR shall be considered an independent CONTRACTOR and neither CONTRACTOR, employees nor anyone working for CONTRACTOR under this CONTRACT shall be considered an agent or an employee of COUNTY. Neither CONTRACTOR, employees nor anyone working for CONTRACTOR under this CONTRACT shall qualify for workers' compensation or other fringe benefits of any kind through COUNTY.
- O. **Performance:** CONTRACTOR shall perform all work under this CONTRACT, taking necessary steps and precautions to perform the work to COUNTY'S satisfaction. CONTRACTOR shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by CONTRACTOR under this CONTRACT. CONTRACTOR shall perform all work diligently, carefully, and in a good and workman-like manner; shall furnish all labor, supervision, machinery, equipment, materials, and supplies necessary therefore; shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of COUNTY required in its governmental capacity, in connection with performance of the work; and, if permitted to subcontract, shall be fully responsible for all work performed by subcontractors.
- P. **Insurance:** Prior to the provision of services under this CONTRACT, CONTRACTOR agrees to purchase all required insurance at CONTRACTOR'S expense and to deposit with COUNTY Certificates of Insurance, including all endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this contract have been complied with and to keep such insurance coverage and the certificates therefore on deposit with COUNTY during the entire term of this CONTRACT. In addition, all subcontractors performing work on behalf of CONTRACTOR pursuant to this CONTRACT shall obtain insurance subject to the same terms and conditions as set forth herein for CONTRACTOR.

All self-insured retentions (SIRs) and deductibles shall be clearly stated on the Certificate of Insurance. If no SIRs or deductibles apply, indicate this on the Certificate of Insurance with a "-0-" by the appropriate line of coverage. Any self-insured retention (SIR) or deductible in an amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by COUNTY Executive Office (CEO)/Office of Risk Management.

If CONTRACTOR fails to maintain insurance acceptable to COUNTY for the full term of this CONTRACT, COUNTY may terminate this CONTRACT.

Qualified Insurer

Minimum insurance company ratings as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com** shall be A- (Secure A.M. Best's Rating) and VIII (Financial Size Category).

The policy or policies of insurance must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier). If the carrier is a non-admitted carrier in the state of California and does not meet or exceed an A.M. Best rating of A-/VIII, CEO/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings. If the non-admitted carrier meets or exceeds the minimum A.M. Best rating of A-/VIII, the agency can accept the insurance.

This policy or policies of insurance maintained by CONTRACTOR shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability including Terrorism Risk Insurance Act (TRIA) and War Risk	\$10,000,000 limit per occurrence; \$10,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Crime Insurance Policy	
• Employee Theft	\$1,000,000 per occurrence
• Forgery or Alteration	\$300,000 per occurrence
• Inside the Premises – Theft of Money and Securities	\$300,000 per occurrence
• Inside the Premises – Robbery or Safe Burglary of Other Property	\$300,000 per occurrence
• Outside the Premises	\$300,000 per occurrence
• Computer Fraud	\$300,000 per occurrence
• Funds Transfer Fraud	\$300,000 per occurrence
• Money Orders and Counterfeit Money	\$300,000 per occurrence

Required Coverage Forms

Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

Commercial General Liability policy shall be endorsed to include War and TRIA coverage. TRIA shall not exclude Personal Injury.

Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of insurance:

1. An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least as broad naming the County of Orange, its elected and appointed officials, officers, employees, agents as Additional Insureds.
2. A primary non-contributing endorsement evidencing that the CONTRACTOR'S insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

All insurance policies required by this CONTRACT shall waive all rights of subrogation against the County of Orange and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees.

All insurance policies required by this CONTRACT shall give the County of Orange 30 days notice in the event of cancellation and 10 days for non-payment of premium. This shall be evidenced by policy provisions or an endorsement separate from the Certificate of Insurance.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to JWA/Insurance: Attn: Melissa Padilla, 3160 Airway Avenue, Costa Mesa, CA 92626.

If CONTRACTOR fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the agency/department purchasing division, award may be made to the next qualified vendor.

COUNTY expressly retains the right to require CONTRACTOR to increase or decrease insurance of any of the above insurance types throughout the term of this CONTRACT. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect COUNTY.

COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If CONTRACTOR does not deposit copies of acceptable certificates of insurance and endorsements with COUNTY incorporating such changes within 30 days of receipt of such notice, this CONTRACT may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit CONTRACTOR'S liability hereunder nor to fulfill the indemnification provisions and requirements of this CONTRACT, nor act in any way to reduce the policy coverage and limits available from the insurer

- Q. **Bills and Liens:** CONTRACTOR shall pay promptly all indebtedness for labor, materials and equipment used in performance of the work. CONTRACTOR shall not permit any lien or charge to attach to the work or the premises, but if any does so attach, CONTRACTOR shall promptly procure its release and, in accordance with the requirements of Article "HH", indemnify, defend, and hold COUNTY harmless and be responsible for payment of all costs, damages, penalties and expenses related to or arising from or related thereto.
- R. **Changes:** See Article C.
- S. **Change of Ownership:** See Article I.
- T. **Force Majeure:** CONTRACTOR shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this CONTRACT caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided CONTRACTOR gives written notice of the cause of the delay to COUNTY within 36 hours of the start of the delay and CONTRACTOR avails himself of any available remedies.

If either PARTY hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, restrictive governmental laws or regulations or other cause without fault and beyond the control of the PARTY obligated (financial inability excepted), performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. However, nothing in this Article shall excuse CONTRACTOR from the prompt payment of any fees or other charge required of CONTRACTOR except as may be expressly provided elsewhere in this CONTRACT.

- U. **Confidentiality:** CONTRACTOR agrees to maintain the confidentiality of all COUNTY and COUNTY-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this CONTRACT. All such records and information shall be considered confidential and kept confidential by CONTRACTOR and CONTRACTOR'S staff, agents and employees.
- V. **Compliance with Laws:** CONTRACTOR represents and warrants that services to be provided under this CONTRACT shall fully comply, at CONTRACTOR'S expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by COUNTY in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by COUNTY. CONTRACTOR acknowledges that COUNTY is relying on CONTRACTOR to ensure such compliance, and pursuant to the requirements of Article "HH", CONTRACTOR agrees that it shall defend, indemnify and hold COUNTY and COUNTY INDEMNITEES harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.
- W. **Freight (F.O.B. Destination):** CONTRACTOR assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this CONTRACT.
- X. **Pricing:** CONTRACT price shall include full compensation for providing all required goods or services in accordance with required specifications, or when applicable, in the scope of services attached to this CONTRACT, and no additional compensation will be allowed therefore, unless otherwise provided for in this CONTRACT.
- Y. **Waiver of Jury Trial:** Each PARTY acknowledges that it is aware of and has had the opportunity to seek advice of counsel of its choice with respect to its rights to trial by jury, and each PARTY, for itself and its successors, creditors, and assigns, does hereby expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim brought by any PARTY hereto against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters whatsoever arising out of or in any way connected with this CONTRACT and /or any other claim of injury or damage.
- Z. **Terms and Conditions:** CONTRACTOR acknowledges that it has read and agrees to all terms and conditions included in this CONTRACT.
- AA. **Headings:** The various headings and numbers herein, the grouping of provisions of this CONTRACT into separate clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not limit or otherwise affect the meaning hereof.
- BB. **Severability:** If any term, covenant, condition or provision of this CONTRACT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- CC. **Calendar Days:** Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.
- DD. **Attorneys Fees:** In any action or proceeding to enforce or interpret any provision of this CONTRACT, or where any provision hereof is validly asserted as a defense, each PARTY shall bear its own attorney's fees, costs and expenses.
- EE. **Interpretation:** This CONTRACT has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this CONTRACT. In addition, each PARTY has been represented by experienced and knowledgeable independent legal counsel of their own choosing, or has knowingly declined to seek such counsel despite being encouraged and given

the opportunity to do so. Each PARTY further acknowledges that they have not been influenced to any extent whatsoever in executing this CONTRACT by any other PARTY hereto or by any person representing them, or both. Accordingly, any rule of law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this CONTRACT against the PARTY that has drafted it is not applicable and is waived. The provisions of this CONTRACT shall be interpreted in a reasonable manner to affect the purpose of the PARTIES and this CONTRACT.

- FF. **Authority:** PARTIES to this CONTRACT represent and warrant that this CONTRACT has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.
- GG. **Employee Eligibility Verification:** CONTRACTOR warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this CONTRACT meet the citizenship or alien status requirement set forth in Federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees for the period prescribed by the law. CONTRACTOR shall indemnify, defend with counsel approved in writing by COUNTY, and hold harmless, COUNTY, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against CONTRACTOR or COUNTY or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this CONTRACT.
- HH. **Indemnification Provisions:** CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY, and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special districts and agencies which COUNTY'S Board of Supervisors acts as the governing Board ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by CONTRACTOR pursuant to this CONTRACT. If judgment is entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and COUNTY agree that liability will be apportioned as determined by the court. Neither PARTY shall request a jury apportionment.

Additional Terms and Conditions:

1. **Scope of Services:** This CONTRACT, including Attachments, specifies the contractual terms and conditions by which CONTRACTOR shall provide the services, as described in Attachment A - Scope of Work.
2. **CONTRACT Term:** This CONTRACT shall commence on January 25, 2012 through and including January 31, 2013, with the option to renew for four (4) additional consecutive one (1) year periods; unless otherwise terminated as provided herein.
3. **Airport Security:** CONTRACTOR, CONTRACTOR'S employees and CONTRACTOR'S subcontractors must complete a background clearance SIDA class in order to obtain an I.D. badge.
 - i. **Badge Acquisition:** Prior to issuance of a security badge(s), designated CONTRACTOR personnel who will be working on-site at JWA terminal, and engaged in the performance of work under this CONTRACT must pass JWA's screening requirements, which include an F.B.I. background investigation (fingerprinting) and Security Threat Assessment (STA)

(estimated fee is \$27 for fingerprinting, \$11 for STA per person and \$10 badge fee for a total cost of \$48 per each of CONTRACTOR'S employees.). It may take up to two (2) weeks to obtain clearance. CONTRACTOR'S designated personnel will need to take a 2-hour SIDA training class at JWA and pass the written test (included in above fees). CONTRACTOR shall be responsible for all costs associated with the background checks, and abide by all of the security requirements set forth by the Transportation Security Agency (TSA) and JWA. CONTRACTOR'S designated personnel must successfully complete the badge acquisition within 14 days of CONTRACT execution, unless other arrangements have been coordinated by COUNTY Project Coordinator or designee in writing.

- ii. **Badge Holder Requirements and Responsibilities:** TSA approved security program for JWA requires that each person issued a JWA security badge is made aware of his/her responsibilities regarding the privilege of access to restricted areas of JWA.
 - a. All persons within the restricted air operation areas of JWA are required to display, on their person, a JWA security badge; unless they are specifically exempted for safety reasons or they are under escort by a properly badge individual. Each JWA employee, JWA CONTRACTOR, subcontractor or tenant employee who has been issued a JWA security badge is responsible for challenging any individual who is not properly displaying a JWA issued or approved and valid identification badge. Any person who is not properly displaying or who cannot produce a valid JWA security badge must immediately be referred to the Sheriff's Department - Airport Police Services Office for proper handling.
 - b. JWA security badge is the property of COUNTY and must be returned upon termination of CONTRACTOR personnel employment and/or termination, expiration or completion of CONTRACT. The loss of a badge shall be reported within 24 hours to the Sheriff's Department - Airport Police Services by calling (949) 252-5000. Individuals that lose their badge shall be required to pay a fee before receiving a replacement badge. The charge for lost badge replacement will be at the current posted rate located in the JWA Administration Office. A report shall be made before a replacement badge will be issued.
 - c. JWA security badge is nontransferable.
 - d. In the event that a CONTRACTOR'S badge is not returned to JWA upon termination of CONTRACTOR personnel employment and/or termination or expiration of CONTRACT, a fine of \$250.00 per badge will be charged to CONTRACTOR. CONTRACTOR'S final payment may be held by COUNTY or a deduction from CONTRACTOR'S payment(s) may be made to ensure that funding is available to cover the fine in the event that badges are not returned.
 - e. CONTRACTOR shall submit the names, addresses, and driver's license numbers for all CONTRACTOR personnel who will be engaged in work under this CONTRACT to COUNTY Project Coordinator within seven (7) days after award of CONTRACT or within seven (7) days after the start of any new CONTRACTOR personnel and/or prior to the start of any work.
 - f. No worker shall be used in performance of this work that has not passed the background check.
4. **Faithful Performance Bond:** CONTRACTOR will provide to COUNTY a Faithful Performance Bond in an amount equal to 25% the annual CONTRACT amount. Bonds must be submitted to COUNTY on COUNTY provided forms within seven (7) calendar days of award notification and prior to the official CONTRACT award. Prior to the provisions of services under this CONTRACT, CONTRACTOR agrees to purchase the required bond at CONTRACTOR'S expense

and to deposit with COUNTY the required bond necessary to satisfy COUNTY requirements and to keep such bond on deposit with COUNTY during the entire term of this CONTRACT. Said bond shall be secured from an admitted surety company authorized to conduct surety insurance in California and satisfactory to COUNTY Offices of County Counsel and Risk Management and in accordance with the General Conditions.

If any surety upon any bond furnished in connection with this CONTRACT becomes unacceptable to COUNTY, or if any such surety fails to furnish reports as to its financial condition from time to time as requested by COUNTY, CONTRACTOR shall promptly furnish such additional security as may be required by COUNTY from time to time to protect the interests of the COUNTY and of persons supplying labor or materials in the prosecution of the work contemplated by this CONTRACT.

COUNTY shall return bonds to CONTRACTOR after successful completion of all CONTRACTOR'S obligations and services required under the CONTRACT.

5. **Licensing:** The following are required on this CONTRACT:
 - i. **California Private Patrol Operators License:** CONTRACTOR shall have a California Private Patrol Operators License at time of CONTRACT and shall remain in full force and effect for the duration of the CONTRACT.
 - ii. **Bureau of Investigative Services License:** Each armed guard provided under this CONTRACT shall have at the time of contracting a California Department of Consumer Affairs, Bureau of Security and Investigative Services Firearms Permit and shall remain in full force and effect for the duration of the CONTRACT.
 - iii. **California Armed Guard Card:** Each armed guard provided under this CONTRACT shall have at the time of contracting a California Armed Guard Card and shall remain in full force and effect for the duration of the CONTRACT.
6. **Child Support Enforcement Requirements:** CONTRACTOR is required to comply with the child support enforcement requirements of COUNTY. Failure of CONTRACTOR to comply with all federal, state, and local reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment shall constitute a material breach of CONTRACT. Failure to cure such breach within 60 calendar days of notice from COUNTY shall constitute grounds for termination of CONTRACT.
7. **Civil Rights:** CONTRACTOR attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
8. **Conditions Affecting Work:** CONTRACTOR shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this CONTRACT and to know the general conditions which can affect the work or the cost thereof. Any failure by CONTRACTOR to do so will not relieve CONTRACTOR from responsibility for successfully performing the work without additional cost to COUNTY. COUNTY assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this CONTRACT, unless such understanding or representations by COUNTY are expressly stated in CONTRACT.
9. **Conflict of Interest – CONTRACTOR'S Personnel:** CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best

interests of COUNTY. This obligation shall apply to CONTRACTOR; CONTRACTOR'S employees, agents, and relatives; sub-tier contractors; and third parties associated with accomplishing work and services hereunder. CONTRACTOR'S efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of COUNTY.

10. **Conflict of Interest – COUNTY Personnel:** COUNTY'S Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. CONTRACTOR shall not, during the period of this CONTRACT, employ any COUNTY employee for any purpose.
11. **Conflict with Existing Law:** CONTRACTOR and COUNTY agree that if any provision of this CONTRACT is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of CONTRACT shall remain in full force and effect. Either PARTY having knowledge of such term or provisions shall promptly inform the other of the presumed non-applicability of such provision. Should the offending provision go to the heart of the CONTRACT, the CONTRACT shall be terminated in a manner commensurate with interests of both PARTIES to the maximum extent reasonable.
12. **Contingency of Funds:** CONTRACTOR acknowledges that funding or portions of funding for this CONTRACT may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the State of California to COUNTY; and inclusion of sufficient funding for the services hereunder in the budget approved by COUNTY'S Board of Supervisors for each fiscal year covered by this CONTRACT. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, COUNTY may immediately terminate or modify this CONTRACT without penalty.
13. **Contingent Fees:** CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this CONTRACT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees of CONTRACTOR or bona fide established commercial or selling agencies maintained by CONTRACTOR for the purpose of securing business.

For breach or violation of this warranty, COUNTY shall have the right to terminate this CONTRACT in accordance with the termination clause and at its sole discretion to deduct from CONTRACT price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee from CONTRACTOR.

14. **CONTRACT Disputes:** PARTIES shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this CONTRACT is not disposed of in a reasonable period of time by CONTRACTOR'S Project Manager and COUNTY'S Project Coordinator, such matter shall be brought to the attention of COUNTY'S Purchasing Agent by way of the following process:
 - i. CONTRACTOR shall submit to JWA assigned DPA a written demand for a final decision regarding the disposition of any dispute between the PARTIES arising under, related to, or involving this CONTRACT, unless COUNTY, on its own initiative, has already rendered such a final decision.
 - ii. CONTRACTOR'S written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to CONTRACT, CONTRACTOR shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects CONTRACT adjustment for which CONTRACTOR believes COUNTY is liable.

- iii. Pending the final resolution of any dispute arising under, related to, or involving this CONTRACT, CONTRACTOR agrees to diligently proceed with the performance of this CONTRACT, including the delivery of goods and/or provision of services. CONTRACTOR'S failure to diligently proceed shall be considered a material breach of this CONTRACT.
- iv. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall be signed by COUNTY'S Purchasing Agent or his designee. If COUNTY fails to render a decision within 90 days after receipt of CONTRACTOR'S demand, it shall be deemed a final decision adverse to CONTRACTOR'S contentions. COUNTY'S final decision shall be conclusive and binding regarding the dispute unless CONTRACTOR commences action in a court of competent jurisdiction to contest such decision within 90 days following the date of COUNTY'S final decision or one year following the accrual of the cause of action, whichever is later.
15. **CONTRACTOR'S Expense:** CONTRACTOR will be responsible for all costs related to photo copying, telephone communications, fax communications, and parking while on COUNTY sites during performance of work and services under this CONTRACT. COUNTY will not provide free parking for any service on COUNTY property.
16. **CONTRACTOR'S Personnel:** CONTRACTOR warrants that all persons employed to provide service under this CONTRACT have satisfactory past work records indicating their ability to accept the kind of responsibility anticipated under this CONTRACT and possess sufficient experience and/or education to perform the services requested by COUNTY. CONTRACTOR'S employees assigned to this CONTRACT must meet character standards as demonstrated by background investigation and reference checks, coordinated by COUNTY.
17. **CONTRACTOR'S Project Manager and Key Personnel:** CONTRACTOR shall appoint a non-dedicated Project Manager to direct CONTRACTOR'S administrative efforts in fulfilling CONTRACTOR'S obligations under this CONTRACT. This Project Manager shall be subject to approval by COUNTY and shall not be changed without the written consent of COUNTY'S Project Coordinator, which consent shall not be unreasonably withheld.

CONTRACTOR'S Administrative Project Manager cost shall be included in the hourly rates provided for in Attachment B – CONTRACTOR'S Pricing and no additional compensation will be permitted.

CONTRACTOR'S Project Manager and CONTRACTOR personnel shall be assigned to this CONTRACT for the duration of this CONTRACT and shall diligently pursue all work and services to meet CONTRACT time lines. COUNTY'S Project Coordinator shall have the right to require the removal and replacement of CONTRACTOR'S Project Manager from providing services to COUNTY under this CONTRACT. COUNTY'S Project Coordinator shall notify CONTRACTOR in writing of such action. CONTRACTOR shall accomplish the removal within three (3) business days after written notice by COUNTY'S Project Coordinator. COUNTY'S Project Coordinator shall review and approve the appointment of the replacement for CONTRACTOR'S Project Manager. COUNTY is not required to provide any additional information, reason or rationale in the event it elects to request the removal of CONTRACTOR'S Project Manager from providing services to COUNTY under this CONTRACT.

18. **CONTRACTOR'S Power and Authority:** CONTRACTOR warrants that it has the full power and authority to grant the rights herein granted and will hold COUNTY hereunder harmless from and against any loss, cost, liability and expense, including reasonable attorney fees, arising out of any breach of this warranty. Further, CONTRACTOR avers that it will not enter into any arrangement with any third party which might abridge any rights of COUNTY under this CONTRACT.

19. **CONTRACTOR'S Responsibility:** CONTRACTOR shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other commodities/services furnished by CONTRACTOR under this CONTRACT. CONTRACTOR shall perform such professional services as may be necessary to accomplish the work required to be performed under and in accordance with this CONTRACT.
- CONTRACTOR shall supply all licenses and permits required to perform this work in accordance with local restrictions and shall pay all fees resulting there from.
20. **CONTRACTOR'S Work Hours and Safety Standards:** CONTRACTOR shall ensure compliance with all safety and hourly requirements for employees in accordance with federal, state and COUNTY'S safety regulations and laws.
21. **Cooperative Agreement:** The provisions and pricing of this CONTRACT will be extended to other political sub-divisions and COUNTY agencies/departments. Political sub-divisions and COUNTY agencies/departments wishing to use this CONTRACT will be responsible for issuing their own purchase documents/price agreements, providing for their own acceptance, and making any subsequent payments. These entities will hold harmless COUNTY from all claims, demands, actions or causes of actions of every kind resulting directly or indirectly, arising out of, or in any way connected with the use of this CONTRACT. The cooperative entities are responsible for obtaining all certificates of insurance and bonds required. CONTRACTOR is responsible for providing each cooperative entity a copy of CONTRACT upon request by the cooperative entity. COUNTY makes no guarantee of usage by other users of this CONTRACT. COUNTY may authorize the loading of this CONTRACT into an electronic commerce system.
22. **COUNTY'S Project Coordinator:** COUNTY shall appoint a Project Coordinator, as specified in Article 46 - Notices, to act as liaison between COUNTY and CONTRACTOR during the term of this CONTRACT. COUNTY'S Project Coordinator shall coordinate the activities of COUNTY staff assigned to work with CONTRACTOR.
23. **Debarment:** CONTRACTOR shall certify that neither CONTRACTOR nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency. Debarment, pending debarment, declared ineligibility or voluntary exclusion from participation by any Federal department or agency may result in termination of the CONTRACT.
24. **Default – Reprocurement Costs:** In case of default by CONTRACTOR, COUNTY may procure services from other sources. If the cost for those services is higher than under this CONTRACT, CONTRACTOR will be responsible for paying COUNTY the difference between CONTRACT cost and price paid, and COUNTY may deduct this cost from any unpaid balance due CONTRACTOR. The price paid by COUNTY shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this CONTRACT and under law.
25. **Drug Free Workplace:** CONTRACTOR hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace.

CONTRACTOR will:

- i. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

- ii. Establish a drug-free awareness program as required by Government Code Section 8355(b) to inform employees about all of the following:
 - a. The dangers of drug abuse in the workplace;
 - b. CONTRACTOR'S policy of maintaining a drug-free workplace;
 - c. Any available counseling, rehabilitation and employee assistance programs; and
 - d. Penalties that may be imposed upon employees for drug abuse violations.
- iii. Provide as required by Government Code Section 8355(c) that every employee who works under this CONTRACT:
 - a. Will receive a copy of CONTRACTOR'S drug-free policy statement; and
 - b. Will agree to abide by the terms of CONTRACTOR'S statement as a condition of employment under this CONTRACT.

Failure to comply with these requirements may result in suspension of payments under the CONTRACT or termination of the CONTRACT or both, and CONTRACTOR may be ineligible for award of any future COUNTY CONTRACTs if the COUNTY determines that any of the following has occurred:

- i. CONTRACTOR has made false certification, or
 - ii. CONTRACTOR violates the certification by failing to carry out the requirements as noted above.
26. **Emergency/Declared Disaster Requirements:** In the event of an emergency or COUNTY is declared a disaster area by COUNTY, state or federal government, this CONTRACT may be subjected to unusual usage. CONTRACTOR shall service COUNTY during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions. The pricing quoted by CONTRACTOR shall apply to serving COUNTY'S needs regardless of the circumstances. If CONTRACTOR is unable to supply the goods/services under the terms of the CONTRACT, then CONTRACTOR shall provide proof of such disruption and a copy of the invoice for the goods/services from CONTRACTOR'S supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster shall not be permitted. In the event of an emergency or declared disaster, emergency purchase order numbers will be assigned. All applicable invoices from CONTRACTOR shall show both emergency purchase order number and CONTRACT number.
27. **Equal Employment Opportunity:** CONTRACTOR shall comply with U.S. Executive Order 11426 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable state of California regulations as may now exist or be amended in the future. CONTRACTOR shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. CONTRACTOR agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. CONTRACTOR agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended,

pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

Regarding Americans with disabilities, CONTRACTOR agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

28. **Errors and Omissions:** All reports, files and other documents prepared and submitted by CONTRACTOR shall be complete and shall be carefully checked by the professional(s) identified by CONTRACTOR as Project Manager and CONTRACTOR personnel attached hereto, prior to submission to COUNTY. CONTRACTOR agrees that COUNTY review is discretionary and CONTRACTOR shall not assume that COUNTY will discover errors and/or omissions. If COUNTY discovers any errors or omissions prior to approving CONTRACTOR'S reports, files and other written documents, the reports, files or documents will be returned to CONTRACTOR for correction. Should COUNTY or others discover errors or omissions in the reports, files or other written documents submitted by CONTRACTOR after COUNTY approval thereof, COUNTY approval of CONTRACTOR'S reports, files or documents shall not be used as a defense by CONTRACTOR in any action between COUNTY and CONTRACTOR, and the reports, files or documents will be returned to CONTRACTOR for correction.
29. **Expenditure Limit:** CONTRACTOR shall notify COUNTY Project Coordinator in writing when expenditures against CONTRACT reach 75% of the dollar limit on CONTRACT. COUNTY will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on CONTRACT unless an amendment to cover those costs has been issued.
30. **Gratuities:** CONTRACTOR warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by CONTRACTOR or any agent or representative of CONTRACTOR to any officer or employee of COUNTY with a view toward securing CONTRACT or securing favorable treatment with respect to any determinations concerning the performance of CONTRACT. For breach or violation of this warranty, COUNTY shall have the right to terminate CONTRACT, either in whole or in part, and any loss or damage sustained by COUNTY in procuring on the open market any services which CONTRACTOR agreed to supply shall be borne and paid for by CONTRACTOR. The rights and remedies of COUNTY provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under CONTRACT.
31. **Hazardous Conditions:** Whenever CONTRACTOR'S operations create a condition hazardous to the public, airport employees, COUNTY staff or CONTRACTOR'S staff, CONTRACTOR shall provide flagmen and furnish, erect and maintain control devices as are necessary to prevent accidents or damage or injury to the public at CONTRACTOR'S expense and without cost to COUNTY. CONTRACTOR shall comply with COUNTY directives regarding potential hazards.

CONTRACTOR shall immediately notify the Airport Police Services Control Service at (949) 252-5000 for any fire, emergency, accident, or reportable spill or release of fuel or hazardous substances.
32. **Headings Not Controlling:** Headings used in CONTRACT are for reference purposes only and shall not be considered in construing this CONTRACT.
33. **Interpretation of CONTRACT:** In the event of a conflict or question involving the provisions of any part of this CONTRACT, interpretation and clarification as necessary shall be determined by COUNTY'S assigned buyer. If disagreement exists between CONTRACTOR and COUNTY'S

assigned buyer in interpreting the provision(s), final interpretation and clarification shall be determined by COUNTY'S Purchasing Agent or his designee.

34. **Limitation of Actions:** No action, regardless of form, arising out of this CONTRACT may be brought by either PARTY more than two (2) years after the cause of the action has arisen, or, in the case of nonpayment, more than two (2) years from the date of the last payment, except where either PARTY, within two (2) years after a cause of action has arisen, provides the other PARTY in writing a notice of a potential cause of action, disclosing all material facts then known by the notifying PARTY concerning such cause of action, then the notifying PARTY may bring an action based on the matter so disclosed at any time prior to the expiration of four (4) years from the time the cause of action arose.
35. **Meet and Confer:** COUNTY and CONTRACTOR hereby agree to meet and confer in good faith in order to resolve any difference affecting the work that may arise during the course of this CONTRACT.
36. **Nondiscrimination – Statement of Compliance:** CONTRACTOR'S signature affixed hereon and dated shall constitute a certification under penalty of perjury under the laws of the state of California that CONTRACTOR has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12900 (a-f) and Title 2, California Code of Regulations, Section 8103.
37. **Ownership of Documents:** COUNTY has permanent ownership of all directly connected and derivative materials produced under this CONTRACT by CONTRACTOR. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become, and remain, the sole property of COUNTY, may be used by COUNTY as it may require without additional cost to COUNTY, and shall be turned over to COUNTY upon demand. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by CONTRACTOR for any other purpose without the express written consent of COUNTY. All materials, documents, data or information, including copies, must be returned to COUNTY at the end of this CONTRACT.
38. **Precedence:** CONTRACT documents consist of this CONTRACT and Attachments. In the event of a conflict between or among CONTRACT documents, the order of precedence shall be the provisions of the main body of this CONTRACT, i.e., those provisions set forth in the recitals and articles of this CONTRACT, and then the Attachments.
39. **Publication:** No copies of sketches, schedules, written documents, computer based data, photographs, maps or graphs, including graphic art work, resulting from performance or prepared in connection with this CONTRACT, are to be released by CONTRACTOR and/or anyone acting under the supervision of CONTRACTOR to any person, partnership, company, corporation, or agency, without prior written approval by COUNTY, except as necessary for the performance of the services of this CONTRACT. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be administered only by COUNTY unless otherwise agreed to by both PARTIES.
40. **Price Increase/Decrease:** No price increases will be permitted during the first period of the CONTRACT. All price decreases will automatically be extended to COUNTY. COUNTY requires bona fide proof of cost increases prior to any price adjustment. A minimum of 30-days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. COUNTY may enforce, adjust, negotiate, or cancel escalating price contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the CONTRACT. Adjustments increasing CONTRACTOR'S profit will not be allowed.

41. **Relationship of PARTIES:** The relationship of the PARTIES hereto is that of COUNTY and CONTRACTOR, and it is expressly understood and agreed that COUNTY does not in any way or for any purpose become a partner of CONTRACTOR in the conduct of CONTRACTOR'S business or otherwise, or a joint venture with CONTRACTOR; and the provisions of this CONTRACT and the contracts relating to fees payable hereunder are included solely for the purpose of providing a method by which fee payments are to be measured and ascertained. This CONTRACT is intended for the sole benefit of the PARTIES hereto and their successors, and, unless otherwise provided herein, or by law, no rights are created, or are intended to be created, for the benefit of, or enforceable by, any third parties.
42. **Reports/Meetings:** CONTRACTOR shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this CONTRACT. COUNTY'S Project Coordinator and CONTRACTOR'S Project Manager will meet on reasonable notice to discuss CONTRACTOR'S performance and progress under this CONTRACT. If requested, CONTRACTOR'S Project Manager and other project personnel shall attend all meetings. CONTRACTOR shall provide such information that is requested by COUNTY for the purpose of monitoring progress under this CONTRACT.
43. **Right to Audit/Records:**
- i. **Defined:** "CONTRACTOR'S records" as referred to in this CONTRACT shall include any and all information, materials, and data of every kind and character in any format, including, but not limited to: records, accounts, financial transactions, books, papers, documents, recordings, notes, daily logs, supervisor reports, receipts, vouchers, memoranda, time sheets, time cards or other employee time tracking methods, payroll registers, payroll records, cancelled payroll checks, employee schedules (or other means of informing employees of their work schedules), any and all other agreements, sources of information and matters that may in COUNTY'S sole discretion have any bearing on or pertain to any matters, rights, duties, or obligations under or covered by CONTRACT, and any other of CONTRACTOR'S records which may have a bearing on matters of interest to COUNTY in connection with CONTRACTOR'S dealings with COUNTY to the extent necessary to adequately permit evaluation and verification of any or all of the following:
 - a. Accuracy of amounts billed to COUNTY for services provided by CONTRACTOR.
 - b. Compliance with any requirement in this CONTRACT.
 - ii. **Availability:** CONTRACTOR'S records shall upon reasonable notice be open to inspection and subject to audit, review, and/or reproduction during normal business working hours at one location within the limits of the County of Orange in the State of California. Such audits may be performed by COUNTY or an outside representative engaged by COUNTY.

COUNTY Project Coordinator, upon request of CONTRACTOR and at said COUNTY Project Coordinator sole discretion, may authorize records to be kept in a single location outside the limits of the County of Orange in the State of California, provided CONTRACTOR shall agree to pay all expenses including, but not limited to, transportation, food, and lodging necessary for COUNTY Project Coordinator or designee to audit or review CONTRACTOR'S records. Said right shall not be exercised by COUNTY Project Coordinator more than once per calendar year.

Upon the request of COUNTY Project Coordinator, CONTRACTOR shall promptly provide, at CONTRACTOR'S expense, necessary data to enable COUNTY to fully comply with any and every requirement of the State of California or the United States of America for information or reports relating to this CONTRACT and to CONTRACTOR'S use of the

Airport. Such data shall include, if required, a detailed breakdown of CONTRACTOR'S operations.

CONTRACTOR agrees to include a similar right for COUNTY to audit records and interview staff of any subcontractors related to performance of this CONTRACT.

- iii. **Period:** COUNTY or its designee may conduct such audits or inspections throughout the term of this CONTRACT and for a period of three (3) years after final payment or longer if permitted by law.
- iv. **Maintenance:** CONTRACTOR shall, at all times during the term of this CONTRACT, keep or cause to be kept true, complete records and accounts of all financial transactions in the operation of all business activities, of whatever nature, conducted in pursuance of the rights granted by CONTRACT.
- v. **Failure to Maintain Adequate Records:** In addition to all other remedies available to COUNTY at law or in equity or under this CONTRACT, in the event that CONTRACTOR fails to maintain and keep records and accounts of its business operations conducted on or from COUNTY and/or source documents relating thereto, or to make the same available to COUNTY for audit or review, or to provide other information to COUNTY regarding fees paid to CONTRACTOR, COUNTY Project Coordinator, at COUNTY Project Coordinator's sole discretion, may:
 - a. Perform such inspections, audits, or reviews itself or through agents or employees as COUNTY and/or its auditors may deem appropriate to confirm the amount of fees paid to CONTRACTOR, and any and all costs and/or expenses incurred by COUNTY in connection therewith shall be promptly reimbursed to COUNTY by CONTRACTOR upon demand.
 - b. Provide accounting services and/or a system for recording all operations by CONTRACTOR upon or from COUNTY, and, at COUNTY'S option, maintain personnel on the Airport to observe and/or record such operations during CONTRACTOR'S business hours.

Costs payable by CONTRACTOR pursuant to this Article shall include reimbursement to COUNTY provided services at such rates as COUNTY may, from time to time, in good faith, establish for such services. In the case of services provided by COUNTY'S employees, such rates shall be sufficient to reimburse COUNTY for employees salaries, including employee taxes and benefits and COUNTY'S overhead or, at COUNTY'S option, may be the rate for such services that would be charged by a qualified third party or parties, approved by COUNTY Project Coordinator, if engaged by COUNTY to perform such services.

- 44. **Rules and Regulations:** COUNTY may adopt and enforce rules and regulations which CONTRACTOR agrees to observe and obey, with respect to the use of the Airport and its appurtenances, facilities, improvements, equipment and services; provided that such rules and regulations shall not be inconsistent with safety and with rules, regulations and orders of the FAA and TSA with respect to all operations of the Airport.

CONTRACTOR shall comply with all Airport rules and regulations and shall observe, obey, comply with and not otherwise hinder or obstruct any and all rules, regulations, laws, ordinances, statutes or orders of any governmental authority, whether Federal, State, or local, lawfully exercising authority over the Airport or the activities thereon, including compliance with FAA, TSA and Airport security rules, regulations and plans, Cal OSHA, the California Regional Water Quality Control Board -- Santa Ana Region, and the SCAQMD.

To the fullest extent authorized by law, CONTRACTOR shall be liable to COUNTY for any and all claims, demands, damages, fines or penalties of any nature whatsoever which may be imposed upon COUNTY due to CONTRACTOR'S violation of any governmental rules, regulations or standards as now or may hereafter be promulgated or enacted, including, but not limited to, the payment of any fines or penalties for any breach of security, arising from the unauthorized entry of any person or vehicle onto the Airport or from any other violations caused directly or indirectly by the act, omission, negligence, abuse or carelessness on the part of CONTRACTOR, its employees, subtenants, agents or suppliers.

COUNTY shall not be liable to CONTRACTOR for any diminution or deprivation of possession, or of its rights hereunder, on account of the exercise of such right or authority as in this section provided, nor shall CONTRACTOR be entitled to terminate the whole or any portion of the rights granted herein by reason of the exercise of such right or authority, unless the exercise thereof shall so interfere with CONTRACTOR'S use and occupancy of the Project Site so as to constitute a termination in whole or in part of this CONTRACT by operation of law in accordance with the laws of the State of California.

45. **Validity:** If any term, covenant, condition, or provision of this CONTRACT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
46. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of COUNTY'S Project Coordinator and CONTRACTOR'S Project Manager routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate PARTY at the address stated herein or such other address as the PARTIES hereto may designate by written notice from time to time in the manner aforesaid.

COUNTY: JWA/Operations
Attn: Scott Hagen, Project Coordinator
3160 Airway Avenue
Costa Mesa, CA 92626

cc: JWA/Purchasing
Attn: Holly Felipe, Deputy Purchasing Agent
3160 Airway Avenue
Costa Mesa, CA 92626

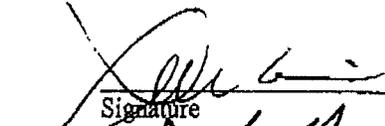
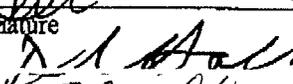
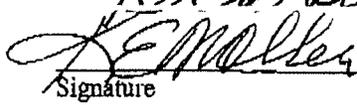
CONTRACTOR: Heritage Security Services
Attn: Ken Hazlett, District Operations Manager
202 W. Lincoln Avenue, Suite J
Orange, CA 92865

County of Orange, John Wayne Airport

MA-280-12010686
Armed Security Guard Services

IN WITNESS WHEREOF, PARTIES hereto have executed this CONTRACT on the dates shown below their respective signatures below.

HERITAGE SECURITY SERVICES*

	LAWRENCE R. RAMAX	CHAIRMAN	1/19/12
Signature	Print Name	Title	Date
	David Hall	Secretary	1-19-12
Signature	Print Name	Title	Date
	KENNETH E. MOLLER	PRESIDENT	1-19-12
Signature	Print Name	Title	Date

* If CONTRACTOR is a corporation, signatures of two specific corporate officers are required as further set forth.

- The first corporate officer signature must be one of the following: 1) Chairman of the Board; 2) President; or 3) any Vice President.
- The second corporate officer signature must be one of the following: a) Secretary; b) Assistant Secretary; c) Chief Financial Officer; or d) Assistant Treasurer.
- In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signature to bind the company.

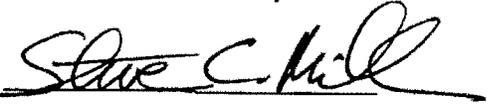
COUNTY AUTHORIZED SIGNATURE:

	Roy Freeman	Deputy Airport Director	
Signature	Print Name	Title	Date

Approved by the Board of Supervisors on:

Approved as to Form:

County Counsel

By: 

Deputy

Date: 1/19/12

**ATTACHMENT A
SCOPE OF WORK****I. GENERAL SCOPE**

JWA is seeking armed security guard services 24 hours a day/7 days a week/365 days a year to enforce access control procedures, comply with Department of Homeland Security (DHS)/Transportation Security Administration (TSA) security directives, monitor activity, and assist Airport tenants and authorized visitors at perimeter vehicle gates that provide access to the Air Operations Area (AOA) of the Airport. Assigned guards and supervisors will be considered part of the JWA Airport Security Plan and will work closely with Airport Operations and Airport Police Services staff.

II. COMMAND CENTER

CONTRACTOR shall maintain a fully staffed operational command center 24 hours a day/7 days a week/365 days a year for the purpose of monitoring services under this CONTRACT.

III. CONTRACTOR RESPONSIBILITY

CONTRACTOR shall:

- A. Provide security guards and supervisors who are capable of exercising sound judgment under both routine and stress conditions.
- B. Provide security guards who can complete standard reports and other performance reports as directed and as necessary for measuring productivity and quality of security services.
- C. Provide security guards that are physically able to perform all of the required duties.
- D. Provide security guards that have the ability to communicate with the COUNTY Project Coordinator and other authorized staff at all times during their shift.
- E. Provide security guards that have been thoroughly:
 1. Trained in their capacity as security guards.
 2. Trained in the requirements of this CONTRACT.
 3. Trained on the facility included under this CONTRACT.
 4. Trained on the procedures included under this CONTRACT.
- F. Assign fully trained security guard(s) for the assignment.
- G. Maintain security guard on that assignment except for illness, injury or excused absence.
- H. Provide replacement security guards who are trained and knowledgeable on assigned tasks and responsibilities.
 - I. Ensure that security guards remain on duty, and are performing the assigned duties throughout the entire designated shift. **Tardiness and absences are not acceptable.**
- J. Provide direction and assistance to security guards.
- K. Ensure security guards have been and are trained in all necessary equipment, including transportation, required to complete their assignment(s).
- L. Enforce Zero Tolerance Drug Testing on security guard personnel assigned to perform services, without additional cost to COUNTY.
- M. Provide a security guard schedule with names a minimum of seven (7) days in advance.
- N. Immediately remove any security guard from assignment upon instructions of COUNTY Project Coordinator.

- O. Change, add, delete, or modify assignments as requested and directed by COUNTY Project Coordinator.
- P. CONTRACTOR must comply with the overtime laws and regulations of the State of California.

IV. SECURITY GUARD REQUIREMENTS and INFORMATION

- A. Security guard(s) employed for the purpose of performing duties under the CONTRACT must:
 - 1. Be a legal resident of the United States.
 - 2. Effectively communicate and follow written and oral instructions in English.
 - 3. Be pleasant and courteous to clients and staff at all times.
 - 4. Be able to comply with written Standard Operating Procedures (SOP).
 - 5. Be sensitive to the wide range of ethnic diversity of patrons, public and staff.
 - 6. Be physically and mentally capable of performing assigned tasks.
 - 7. Be able to perform duties outlined with authority, quickly, quietly; yet not abusive, abrasive or threatening.
- B. CONTRACTOR shall make available the following employment information for each security guard:
 - 1. Employee name
 - 2. Initial hire date
 - 3. Total employment time with employer in months and/or years
 - 4. Job title or position
 - 5. Licenses/Permits:
 - a. Copy of California Private Patrol Operators License
 - b. Copy of California Armed Guard Card
 - c. Copy of California Department of Consumer Affairs, Bureau of Security and Investigative Services Firearms Permit

V. SECURITY GUARD SUPERVISION

CONTRACTOR shall provide one (1) patrolling field supervisor for assigned personnel. Supervisor shall be solely responsible for instituting and invoking disciplinary action of employees not in compliance with CONTRACTOR'S rules and regulations. All shifts must be covered without exception.

- A. CONTRACTOR Supervision shall:
 - 1. Provide direct oversight to CONTRACTOR'S personnel. Supervisors shall be required to perform duties pursuant to the specific post orders, approve all reports, and ensure appropriate follow-up distribution.
 - 2. Maintain an accurate record showing the name of every employee, classification, actual hours work, wages paid, and any benefits paid to each employee.
 - 3. Provide relief of assigned guards for breaks, lunch, emergencies or similar instances as required.
- B. Supervisors may be assigned minimal tasking as mutually agreed upon by CONTRACTOR and COUNTY.

- C. Supervisor may be asked to attend to meeting upon request of Airport Operations Division.

VI. SECURITY GUARD SERVICES TO BE PROVIDED

Security Guards shall:

- A. Report to the site on or before the designated start of shift ready to begin work.
- B. Check in with Airport Operations representative upon arrival to inquire if there are any special situations/circumstances he/she should be aware of on that day.
- C. Observe and report any suspicious activities to Sheriff's Department at (949) 252-5000.
- D. Report security problems to Sheriff's Department at (949) 252-5000 immediately.
- E. Request the assistance of Sheriff at (949) 252-5000, if any individual becomes abusive or unmanageable.
- F. Record the date and time for each patrol in the Daily Activity Report (DAR).
- G. Prepare DAR recording all patrols, incidents, and other pertinent data.
- H. Complete, sign and provide a written report of all incidents and occurrences to COUNTY Project Coordinator within 24 hours of the incident.
- I. Report damage problems to COUNTY Project Coordinator.
- J. Discourage individuals from gathering/meeting in a disruptive way or in any way.
- K. Respond to each page/call within five (5) minutes.
- L. Verify credentials
- M. Inspect vehicle undercarriages, open and inspect inside trunks or cargo areas of vehicles as needed

VII. SECURITY GUARD – INFORMATION, UNIFORMS and EQUIPMENT

A. Information

1. CONTRACTOR shall provide each guard:
 - a. With JWA SOP's.
 - b. A pager, radio, or cell phone with batteries and back-up batteries with charging equipment.
 - c. Operable flashlights and rain gear during inclement weather.
 - d. Appropriate report forms.
 - e. Telephone numbers for emergency services (fire, theft, medical emergency, etc.)
 - f. Emergency telephone numbers for CONTRACTOR and principal representatives of CONTRACTOR.
 - g. A copy of CONTRACTOR'S company rules and operating procedures. CONTRACTOR shall submit a copy of the company rules and operating procedures to COUNTY Project Coordinator.
 - h. Ensure that each armed security guard has a copy of the post orders for the assigned location.

2. COUNTY shall provide:
 - a. 800MHz radio (Public Safety portable radio equipment)
 - b. Restroom facilities
 - c. Emergency and routine contacts
 - d. Space in one of the guard shacks for CONTRACTOR'S record storage.

B. Uniforms

CONTRACTOR shall ensure that each armed security guard will wear clean, pressed, un-torn, and properly fitted uniforms at all times; consisting minimally of the following items, unless otherwise further noted under the terms of this CONTRACT:

1. Trousers/Skirt
2. Shirt/Blouse
3. Belt
4. Socks and Shoes
5. Shoulder patch on both arms
6. Rain gear (as needed)
7. Picture Identification
8. Name Tags
9. Jacket with Company insignia (as needed)
10. CONTRACTOR shall replace worn or torn uniforms at CONTRACTOR'S expense. COUNTY reserves the right to approve or have input on uniform style, color, appearance, and proper fit.

C. Type of Weapon

CONTRACTOR shall list type of properly registered firearm to be provided by CONTRACTOR to staff:

9-mm: Beretta model 92, Ruger P-35 or Smith & Wesson series

VIII. GUARD POST ORDERS

A. Guard Post Orders:

1. An initial copy of Guard Post Orders will be provided to CONTRACTOR by COUNTY Project Coordinator.
2. An additional copy of Guard Post Orders will be provided at a designated location on site for use by security guard staff.
3. An updated copy, if needed, of Guard Post Orders will be provided to CONTRACTOR in accordance with the notice provisions herein. The updated copy will be effective immediately upon issuance.
4. An additional updated copy will be provided at the designated location on site for use by security guard staff.

- B. General content of Guard Post Orders:
1. Guard Duties (SOP's)
 2. Agency/Department Emergency Notification Telephone Numbers and Procedures
 3. Hours of Operation
 4. Security System Operating Instructions
 5. Facility Maps
 6. Specific Attention Items
- C. COUNTY Project Coordinator may issue special instructions on a daily basis in addition to General Post Orders to address specific conditions (e.g., access to a designated CONTRACTOR for after hours work, etc.).

IX. FAILURE TO PROVIDE ARMED SECURITY GUARD AT VEHICLE GATE

Failure to provide armed security guard services shall require JWA/Sheriff Operations to provide back-up. CONTRACTOR shall be charged the current hourly rate, including benefits and COUNTY overhead, for the Sheriff Special Officer to the nearest quarter hour and the Administrative Cost as listed in Attachment E – Basis of Deductions. The current hourly rate inclusive of all benefits as of July 1, 2011 is \$53.68. This figure will be adjusted at each renewal.

X. SECURITY GUARDS – UNACCEPTABLE BEHAVIOR

Armed Security guard(s) employed for the purpose of performing duties under CONTRACT shall not:

- A. Wear head phones, listen to music, smoke, groom, or read unauthorized materials while on duty.
- B. Conduct personal phone calls except in the event of an emergency.
- C. Enter any area designated “off limits” by COUNTY Project Coordinator except as needed to respond to an emergency.
- D. Bring any type of electronic equipment, device, machine, or appliance for personal use on COUNTY property without prior approval from the COUNTY Project Coordinator.
- E. Bring visitors (including children and relatives) on the work site.
- F. Use any COUNTY equipment (copy machines, faxes, computers, etc.).
- G. Use any COUNTY telephone except as specifically needed to perform assigned duties.
- H. Attempt to force or enforce corrective action (other than escort individuals from the premises).
 - I. Have any felony convictions, outstanding warrants, crimes of moral turpitude, and crimes involving domestic violence.
- J. Be under the influence of drugs or alcohol while on duty.
- K. Accept any gratuities.

XI. SCHEDULING

- A. Overtime must be authorized in advance by COUNTY Project Coordinator or designated representative.
- B. COUNTY, at its option, may adjust the schedule at any given location at any time during the term of the CONTRACT upon written notice to CONTRACTOR. Charges will be adjusted, as necessary, based on the hourly rates stated in CONTRACT.
- C. COUNTY, at its option, may adjust the designated tasks at any time during the term of the CONTRACT upon written notice to CONTRACTOR.

XII. VEHICLE GATE KEYS

If guard gate keys are lost by CONTRACTOR'S employees, CONTRACTOR shall notify Sheriff's Department immediately at (949) 252-5000.

XIII. ADDITIONAL SERVICES/EMERGENCIES

CONTRACTOR may be asked to provide either armed or unarmed services including for any similar type of work not stated elsewhere in this Scope of Work. Additional services will be paid by the hourly rate as listed in Attachment B – CONTRACTOR'S Pricing with no minimum amount of hours per request.

COUNTY will provide a minimum 24 hour advance notice for non-emergency requests.

XIV. ELECTRIC CART

CONTRACTOR'S Supervisor will require an electric cart to facilitate travel between guard shacks. Monthly cost for this vehicle must include all fuel, maintenance, and all other costs to maintain the vehicle. No additional charges will be permitted. COUNTY shall furnish a charging station at no charge to CONTRACTOR.

**ATTACHMENT B
CONTRACTOR'S PRICING**

I. COMPENSATION

This is an all-inclusive, not to exceed maximum firm fixed price CONTRACT between COUNTY and CONTRACTOR for services defined in Attachment A - Scope of Work.

CONTRACTOR agrees to accept the specified compensation as set forth in this CONTRACT as full remuneration for performing all services and furnishing all staffing, labor, insurance and bonds, vehicles, equipment, tools, materials, overhead, travel, etc. required for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by CONTRACTOR of all its duties and obligations hereunder. CONTRACTOR shall only be compensated as set forth herein below for work performed in accordance with the Scope of Work. COUNTY shall have no obligation to pay any sum in excess of total CONTRACT amount specified herein unless authorized by amendment in accordance with Article "C – Amendments – Changes/Extra Work" of COUNTY CONTRACT Terms and Conditions.

II. FEES AND CHARGES

COUNTY will pay the following fees in accordance with the provisions of this CONTRACT based upon CONTRACTOR'S performance of the requested services as described in Attachment A - Scope of Work. Fees paid to CONTRACTOR shall be based upon operation hour.

DESCRIPTION	HOURS	UNIT	HOURLY RATE	ANNUAL COST (Hours x Rate)
Armed Security Guard – Regular Rate	26,280	Hour	\$20.00	\$525,600.00
Armed Security Guard – Holiday Rate	432	Hour	\$30.00	\$ 12,960.00
Armed Security Supervisor – Regular Rate	8,760	Hour	\$21.60	\$189,216.00
Armed Security Supervisor – Holiday Rate	144	Hour	\$32.40	\$ 4,665.60
Electric Cart (see page 28)	N/A	Monthly	\$350.00	\$ 4,256.45
Sub-Total				\$736,698.05
Excess General Liability insurance including Terrorism Risk Insurance Act (TRIA) and War Risk				\$8,000.00
Additional Services Shall Not Exceed Amount (Attachment A – Article XIII)				\$21,750.00
ANNUAL CONTRACT NOT TO EXCEED AMOUNT				\$766,448.05

a. **Holidays Observed by CONTRACTOR:**

Holiday	Number of Hours	Number of Guards	Total Number of Holiday Hours
New Year's Day	24	4	96
Memorial Day	24	4	96
Independence Day	24	4	96
Labor Day	24	4	96
Thanksgiving Day	24	4	96
Christmas Day	24	4	96

ADDITIONAL SERVICES/EMERGENCIES	
DESCRIPTION	HOURLY RATE
Unarmed Security Guard – Regular Rate	\$15.20
Unarmed Security Guard – Holiday Rate	\$21.30
Supervisor – Regular Rate	\$16.85
Supervisor – Holiday Rate	\$23.58

III. PAYMENT PROCEDURE

- a. **Payment of Fee to CONTRACTOR:** On or before the 15th day of the month, CONTRACTOR shall submit a monthly invoice to JWA/Accounts Payable. Said monthly invoice shall separately specify the number of hours performed for the previous monthly period. Operation hours submitted shall not exceed the schedule identified Attachment D unless previously approved by COUNTY Project Coordinator.

The invoices shall be itemized and certified under penalty of perjury by a duly authorized representative of CONTRACTOR and shall be in a form and content satisfactory to COUNTY. COUNTY reserves the right to require additional substantiation of any such payment request submitted including but not limited to, shuttle driver logs, employee timekeeping system records, employee work schedules, GPS tracking reports, and other timekeeping records.

- b. **Right to Offset:** COUNTY Project Coordinator, without waiver or limitation of COUNTY'S rights or remedies, reserves the right to offset fees for unsubstantiated operation hours.
- c. **Basis of Deductions:** COUNTY reserves the right to impose deductions in addition to Attachment E - Basis of Deductions based on egregious CONTRACT deficiencies found.

IV. INVOICING

Invoices are to be submitted monthly in arrears, after services have been provided, to the address specified below. Payment will be next 30 days after receipt of an invoice in a format acceptable to COUNTY and verified and approved by COUNTY Project Coordinator and subject to routine processing requirements. COUNTY'S Project Coordinator, or designee, is responsible for approval of invoices and subsequent submittal of invoices to COUNTY Auditor-Controller for processing of

payment. Responsibility for providing an acceptable invoice to COUNTY for payment rests with CONTRACTOR. Incomplete or incorrect invoices are not acceptable and will be returned to CONTRACTOR for correction.

Billing shall cover services and/or goods not previously invoiced. CONTRACTOR shall reimburse COUNTY for any monies paid to CONTRACTOR for services not provided or when goods or services do not meet CONTRACT requirements.

Payments made by COUNTY shall not preclude the right of COUNTY from thereafter disputing any items or services involved or billed under this CONTRACT and shall not be construed as acceptance of any part of the goods or services.

CONTRACTOR will provide an invoice on CONTRACTOR'S letterhead for services rendered. Each invoice will have a number and will include the following information:

- a. CONTRACTOR'S name and address
- b. CONTRACTOR'S remittance address (if different from above)
- c. CONTRACTOR'S Federal I. D. number
- d. Name of COUNTY agency department
- e. COUNTY CONTRACT number
- f. Service dates, hours and hourly rates with extended totals
- g. Service description as listed in Item II – Fees and Charges above
- h. Total Invoice Amount

Invoices and support documentation are to be forwarded to:

John Wayne Airport
Attention: Accounts Payable
3160 Airway Avenue
Costa Mesa, CA 92626

ATTACHMENT C
STAFFING PLAN

I. STAFFING PLAN

Name	Classification	Years of Exp.	Years with Company	Years Licensed*	License #
Moller, Ken	President	50+	17	33	N/A
Hoffman, David	Senior Vice-President, Operations	23	22	22	696309
Hazlett, Kent	District Operations Manager (Program Manager)	12	4	2	1339016
Caballero, Rosalina	Command Center Dispatch	5	1	1	1706328
Johnston, Keith	Patrolling Field (Site) Supervisor	40+	13	14	1157106
Roth, Russell	Field Supervisor	10	7	7	1490258
Alexander, Isiah	Armed Officer	10	9	9	1347693
Bales, Robert	Armed Officer	10	1	1	1742921
Beckham, Cody	Armed Officer	10	1	1	1706526
Biscocho, Evan	Armed Officer	10	3	9	1363229
Brown, Andre	Armed Officer	15	2	11	1297832
Chee, Salvador	Armed Officer	17	7	17	962250
Collins, Craig	Armed Officer	13	5	11	1298384
Cotroneo, Casey	Armed Officer	10	1	10	1357312
Danner, Irving	Armed Officer	13	5	13	1209011
Estrada, Humberto	Armed Officer	20	4	20	842810
Galli, David	Armed Officer	15	11	15	1125713
Huapaya, Angel	Armed Officer	20	8	12	1247288
Jameson, Joseph	Armed Officer	15	6	13	1180625
Lowe, Richard	Armed Officer	13	1	11	1193871
Lytle, Kenneth	Armed Officer	13	8	9	1339449
Murphy, Bruce	Armed Officer	17	17	17	992051
Oh, Ailafo	Armed Officer	11	2	11	1294297
Omar, Emad	Armed Officer	23	8	16	1036139
Robinson, Kevin	Armed Officer	10	1	2	1665786
Sartor, John Sr.	Armed Officer	20	5	8	1429957
Shineman, Frank	Armed Officer	16	1	13	1202372

* Years Licensed with State of California Department of Consumer Affairs

The substitution or addition of other key individuals in any given category or classification shall be allowed only with prior written approval of COUNTY Project Coordinator or designee.

CONTRACTOR'S Armed Security Guards shall have a minimum of 10 years of security guard experience.

**ATTACHMENT D
STAFFING SCHEDULE**

Daily Schedule

JONAIR	Sun	Mon	Tue	Wed	Thu	Fri	Sat
SHIFT SUPERVISOR	07:00 - 15:00 1One, J.	07:00 - 15:00 1One, J.	07:00 - 15:00 1One, J.	07:00 - 15:00 1One, J.	07:00 - 15:00 1One, J.	07:00 - 15:00 2Two, J.	07:00 - 15:00 2Two, J.
	15:00 - 23:00 2Two, J.	15:00 - 23:00 2Two, J.	15:00 - 23:00 2Two, J.	15:00 - 23:00 3Three, J.	15:00 - 23:00 3Three, J.	15:00 - 23:00 3Three, J.	15:00 - 23:00 3Three, J.
	23:00 - 07:00 3Three, J.	23:00 - 07:00 4Four, J.	23:00 - 07:00 4Four, J.	23:00 - 07:00 4Four, J.	23:00 - 07:00 4Four, J.	23:00 - 07:00 4Four, J.	23:00 - 07:00 D, J.
POST 1	07:00 - 15:00 A, J.	07:00 - 15:00 A, J.	07:00 - 15:00 A, J.	07:00 - 15:00 A, J.	07:00 - 15:00 M, J.	07:00 - 15:00 L, J.	07:00 - 15:00 A, J.
	15:00 - 23:00 B, J.	15:00 - 23:00 B, J.	15:00 - 23:00 B, J.	15:00 - 23:00 D, J.	15:00 - 23:00 D, J.	15:00 - 23:00 B, J.	15:00 - 23:00 B, J.
	23:00 - 07:00 C, J.	23:00 - 07:00 C, J.	23:00 - 07:00 H, J.	23:00 - 07:00 H, J.	23:00 - 07:00 C, J.	23:00 - 07:00 C, J.	23:00 - 07:00 C, J.
POST 2	07:00 - 15:00 E, J.	07:00 - 15:00 E, J.	07:00 - 15:00 E, J.	07:00 - 15:00 L, J.	07:00 - 15:00 L, J.	07:00 - 15:00 E, J.	07:00 - 15:00 E, J.
	15:00 - 23:00 F, J.	15:00 - 23:00 F, J.	15:00 - 23:00 M, J.	15:00 - 23:00 M, J.	15:00 - 23:00 F, J.	15:00 - 23:00 F, J.	15:00 - 23:00 F, J.
	23:00 - 07:00 H, J.	23:00 - 07:00 H, J.	23:00 - 07:00 G, J.	23:00 - 07:00 G, J.	23:00 - 07:00 G, J.	23:00 - 07:00 G, J.	23:00 - 07:00 H, J.
POST 3	07:00 - 15:00 I, J.	07:00 - 15:00 L, J.	07:00 - 15:00 L, J.	07:00 - 15:00 I, J.	07:00 - 15:00 I, J.	07:00 - 15:00 I, J.	07:00 - 15:00 I, J.
	15:00 - 23:00 M, J.	15:00 - 23:00 M, J.	15:00 - 23:00 J, J.	15:00 - 23:00 J, J.	15:00 - 23:00 J, J.	15:00 - 23:00 J, J.	15:00 - 23:00 J, J.
	23:00 - 07:00 D, J.	23:00 - 07:00 D, J.	23:00 - 07:00 K, J.	23:00 - 07:00 K, J.	23:00 - 07:00 K, J.	23:00 - 07:00 K, J.	23:00 - 07:00 K, J.

**ATTACHMENT D
STAFFING SCHEDULE**

Weekly Schedule

JONAIR	Sun	Mon	Tue	Wed	Thu	Fri	Sat
1One, J.	07:00 - 15:00 SHIFT SUPERVISOR						
2Two, J.	15:00 - 23:00 SHIFT SUPERVISOR	15:00 - 23:00 SHIFT SUPERVISOR	15:00 - 23:00 SHIFT SUPERVISOR			07:00 - 15:00 SHIFT SUPERVISOR	07:00 - 15:00 SHIFT SUPERVISOR
3Three, J.	23:00 - 07:00 SHIFT SUPERVISOR			15:00 - 23:00 SHIFT SUPERVISOR			
4Four, J.		23:00 - 07:00 SHIFT SUPERVISOR					
A, J.	07:00 - 15:00 POST 1			07:00 - 15:00 POST 1			
B, J.	15:00 - 23:00 POST 1	15:00 - 23:00 POST 1	15:00 - 23:00 POST 1			15:00 - 23:00 POST 1	15:00 - 23:00 POST 1
C, J.	23:00 - 07:00 POST 1	23:00 - 07:00 POST 1			23:00 - 07:00 POST 1	23:00 - 07:00 POST 1	23:00 - 07:00 POST 1
D, J.	23:00 - 07:00 POST 3	23:00 - 07:00 POST 3		15:00 - 23:00 POST 1	15:00 - 23:00 POST 1		23:00 - 07:00 SHIFT SUPERVISOR
E, J.	07:00 - 15:00 POST 2	07:00 - 15:00 POST 2	07:00 - 15:00 POST 2			07:00 - 15:00 POST 2	07:00 - 15:00 POST 2
F, J.	15:00 - 23:00 POST 2	15:00 - 23:00 POST 2			15:00 - 23:00 POST 2	15:00 - 23:00 POST 2	15:00 - 23:00 POST 2
G, J.			23:00 - 07:00 POST 2				
H, J.	23:00 - 07:00 POST 2	23:00 - 07:00 POST 2	23:00 - 07:00 POST 1	23:00 - 07:00 POST 1			23:00 - 07:00 POST 2
I, J.	07:00 - 15:00 POST 3			07:00 - 15:00 POST 3			
J, J.			15:00 - 23:00 POST 3				
K, J.			23:00 - 07:00 POST 3				
L, J.		07:00 - 15:00 POST 3	07:00 - 15:00 POST 3	07:00 - 15:00 POST 2	07:00 - 15:00 POST 2	07:00 - 15:00 POST 1	
M, J.	15:00 - 23:00 POST 3	15:00 - 23:00 POST 3	15:00 - 23:00 POST 2	15:00 - 23:00 POST 2	07:00 - 15:00 POST 1		

**ATTACHMENT E
BASIS OF DEDUCTIONS**

I. Basis of Deductions

Prices shown in the "Basis of Deductions" will be utilized in conjunction with the "Failure to Perform Required Services" clause in making deductions to the CONTRACT price for defective work.

These administrative deductions will be made on top of deductions based upon the severity of the deficiency and shall be imposed as follows:

DESCRIPTION	FREQUENCY	TOTAL PRICE
Administration Cost	Each Instance	\$50.00
Deficiencies found during Inspections	Each Instance	\$100.00
Deficiencies Reported	Each Instance	\$100.00
Non-responsiveness	Each Instance	\$100.00
Insufficient Reporting	Each Instance	\$100.00
Inaccurate Reports	Each Instance	\$100.00
Untimely Reports	Each Instance	\$100.00
Unmanned Guard Shack that require backfill from Airport Police Services	Each Instance	\$250.00 plus hourly rate for Sheriff's Special Officer as listed in "Attachment A - IX – Failure to provide" on page 35
Uniform Deficiencies	Each Instance	\$100.00 and Employee cannot work until Uniform is complete