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SECTION 00700
GENERAL CONDITIONS

1. **DEFINITIONS.**

Whenever the following words appear in the Contract Documents, they will be construed to have the following meanings:

- a. "Acceptance of the Project" means Los Angeles County Board of LACDAers or Executive Director's acceptance of the work.
- b. "Architect" means the architect selected by the LACDA or that architect's authorized representative.
- c. "Award of Contract" means the date the Board of Commissioners awards the construction Contract to the Contractor.
- d. "Awarding Entity/LACDA" means either the LACDA; the County, as agent for such joint powers authority or nonprofit corporation as may be involved in the issuance of bonds, certificates of participation or other evidences of indebtedness to finance the work contemplated herein; or said joint powers authority or nonprofit corporation.
- e. "Bid Documents" shall mean those documents which are made available by the LACDA to the Bidder for the Project
- f. "Bid Forms" means those documents which are made available by the LACDA to the Bidder for the Project, and on which the bids for this Project must be submitted.
- g. "Board of Commissioners" means the Board of Commissioners, County of Los Angeles, California.
- h. "LACDA" means the Los Angeles County Development Authority.
- i. "Contract" means the agreement, which has been executed by the Contractor and the LACDA.
- j. "Contract Documents" means those documents identified in section 10 of the General Conditions.
- k. "Contract Time" shall mean the amount of time specified in the Contract Documents for the completion of the Work.

- l. "Contractor" means the Prime Contractor awarded the Contract by the Board of Commissioners.
- m. "County" means the County of Los Angeles.
- n. "Day" means calendar day unless otherwise specified.
- o. "Disputes Review Panel" reviews all matters related to disputes over the interpretation of the Drawings and Specifications.
- p. "Drawings" or "Drawings and Specifications" means that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the work, and performance of related services, as well as, the graphical and pictorial portions of the Contract Documents, wherever located and whenever issued, showing the design, location and dimensions of the work, generally including plans, elevations, sections, details, schedules, and diagrams.
- q. "Executive Director" means the Executive Director of the LACDA or his authorized representative.
- r. "Inspection Notice": A sequentially numbered written notice issued to the Contractor for the purpose of, but not limited to, the following:
 - i. Define items/installations that deviate from the Contract Documents and which payment may be withheld.
 - ii. Alert as to problem areas prior to issuing Noncompliance.
 - iii. Void previously issued Inspection or Noncompliance Notice when corrections have been made.
 - iv. Give notice of approval.
 - v. Provide general project information.
 - vi. Define delinquent submittals.
 - vii. Advise Contractor of not complying with safety requirements.
- s. "Notice to Bidders" means any written modification to the Contract Documents issued prior to the bid date.

- t. "Noncompliance Notice": A sequentially numbered written notice issued to the Contractor that defines materials, installations, and/or situations that do not comply with codes or the Contract Documents and which payment cannot be made. The statement "remove and replace" will be included when required.
- u. "Notice to Proceed" means the date the Executive Director or Contracting Officer authorizes the Contractor to precede with the Contract work.
- v. "Owner" means, for the purpose of this Contract only, the Los Angeles County Development Authority, represented by the Construction Management Division.
- w. "Owner's Representative" means that individual, entity, or division designated by the Owner as its representative for purposes of this Project. For purposes of this Project the Owner's Representative is designated as the Construction Management Division.
- x. "Part A" means the packet of documents entitled "Instructions to Bidders and General Conditions for the Construction Contract".
- y. "Part B" means the packet of documents entitled "General Requirements and Technical Specifications".
- z. "Part C" means the packet of documents entitled "Bidder's Documents, Representations, Certifications, Bid and Other Statements of Bidders".
- aa. Not Applicable.
- bb. "Project" is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include Work by the LACDA or others.
- cc. "Project Manual" means the manual prepared for the project, consisting of the Bid and Contract Requirements, Conditions of the Contract, and Technical Specifications.
- dd. "Specifications" means that portion of the Contract Documents consisting of the written requirements for materials, equipment, construction systems, standards and workmanship for the work, and performance of related services.

- ee. "Substantial Completion" means the Date of Substantial Completion of the Work, or designated portion thereof as set forth in the Contract Documents, certified by the LACDA when construction is sufficiently complete, in accordance with the Contract Documents, so the LACDA may occupy or use the Work, or designated portion thereof, for the use for which it is intended.
- ff. "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The work may constitute the whole or a part of the project.

2. BID FORMS:

One copy of the Bid Forms accompanies the Project Manual for Bidder's use. All bids, including Bidder's complete responses to Part C, must be submitted on a timely basis.

3. EQUALS:

- a. Except as may be provided in these General Conditions, whenever any material, product, thing or service is specified or indicated in the Bid Documents by brand, trade, patent or proprietary name and/or by the name of the manufacturer, the item so specified or indicated shall be deemed to be followed by the words "or equal."
- b. While preparing the bid, the Bidder may, at its own risk, submit an item not specified in the Bid Documents as an "or equal" for consideration by the LACDA. Failure to do so within the time frame described in subsection d below may, in the sole discretion of the LACDA bar the Bidder from proposing or substituting an "or equal" item for an item specified in the Bid Documents.
- c. If the Bidder includes an "or equal" item with the bid, the Bidder must submit sufficient data to the LACDA to substantiate the specific characteristics and qualities which make the "or equal" item the equivalent in all respects of the item specified in the Bid Documents as described in Subsection d below. The Bidder, at its sole expense, shall furnish such substantiating data or arrange for any necessary tests to verify the equivalent qualities of the "or equal" item.

- d. The first and second apparent low bidder will have two (2) calendar days after the bid opening to submit their list of equals and ten (10) calendar days after the bid opening to submit all substantiating data and test results. If the contractor provides equals after above stated deadline, then the LACDA may, in its sole discretion, taken the equals into consideration, but is not required to
- e. The LACDA, in its sole discretion, shall determine whether the substantiating data demonstrates that an "or equal" item is equal in all respects to the item specified in the Bid Documents. If the LACDA determines that the "or equal" item has not been substantiated to be equal in all respects, the item specified in the Bid Documents shall be furnished and/or installed by Contractor without modification of the bid amount or Contract Documents.
- f. The Contract Time for completion of the Work specified in the Contract Documents shall not be affected by any circumstances whatsoever arising from the provisions of this article.
- g. The Contract Documents, Drawings, and Specifications have been prepared to complement and accommodate certain specified equipment, products, or systems and any modifications, adjustment, or redesign required to assimilate any LACDA approved substitution or "or equal" equipment, products, or systems shall be at the Contractor's sole expense. Contractor shall provide a complete and workable application and shall satisfy design criteria and aesthetic values to the sole satisfaction of the LACDA.

4. ADDITIONAL SETS OF DRAWINGS AND PROJECT MANUAL:

Upon award of Contract, the Contractor will be furnished with two (2) full-size sets of Drawings & Specifications and Project Manuals for construction use.

5. CONTRACTOR'S BID SUBMITTAL REQUIREMENTS:

All bids must be submitted on the forms provided in the "Bidder's Documents" package, Part C, provided by the Owner. Bidders shall furnish all the information required by the solicitation. Failure to do so is grounds upon which the bid may be rejected as non-responsive. In addition, Contractor shall submit the following items as an attachment to the Bid Forms:

- A. A completed MANDATORY MINIMUM REQUIREMENTS FOR BIDDER QUALIFICATIONS & ATTESTATION form and COMPLETED PROJECT

REFERENCE INFORMATION FORM (These forms can be found in Part C of the Bid Documents), which clearly documents that the general contractor has satisfied the following requirements:

As a threshold requirement for consideration for contract award Bidder/Proposer:

All bidders responding to this solicitation **shall have completed within the last 8 years preceding the bid start date:** At least two ground up new construction of civic, community/publicly oriented type buildings, OR substantial gut rehabilitation/renovation of two civic, community/publicly oriented type buildings, OR a combination thereof. Each of these projects shall be located within California; each will have a total hard cost value in excess of \$2 million dollars, and each with a total square footage in excess of 8,000 S.F. Such projects shall have included at least three of the following items: low voltage systems, interior acoustical treatments, prefabricated furniture or shelving systems, custom millwork, relocation or construction of architectural and/or structural walls, pre-action fire suppression system, new finishes (carpet, tile, paint), and/or utility feeds.

Failure to meet the foregoing requirements shall result in disqualification of the bid for failure to meet the mandatory minimum requirements of the bid. However, the LACDA, in its sole discretion, may determine, based upon the information submitted, whether the bidder meets the requirements set forth hereinabove.

- B. Provide **a letter indicating** if the bidding company or any affiliated business with the company, or previously owned companies, have had any or are going through **bankruptcies** in the past five (5) years.

Attach to PART C a **photocopy of current valid contractor's license** in the classifications identified in the Notice to Bidders.

Provide a list of all construction projects that the Bidder has worked on or is currently working on for the County of Los Angeles, and the Los Angeles Development Authority in the last ten (10) years.

6 **CONTRACTOR'S POST-BID AND PRE-AWARD SUBMITTAL REQUIREMENTS**

Upon request by the Owner, the Contractor shall submit the following items:

- A. A **comprehensive shop drawing and submittal schedule** that documents the timely start, review, completion, and approval of **all** shop drawings and material submittals required by specifications. This shop drawing and submittal schedule shall be coordinated with the general project schedule prepared by the Contractor.

- B. Surety Bonds: The Contractor shall represent and warrant to the LACDA in writing that it can comply with the bond requirements as specified in the General Conditions.
- C. Provide a **preliminary schedule**, per Part B, Section 01 32 16
- D. Provide a list of **key team members** that will be assigned to this project, if awarded, from the Bidder's firm that also describes their experiences with new construction projects valued at \$2,000,000 (Two Million Dollars) or greater.
1. The Contractor's management team shall, at a minimum, consist of a Project Manager, Superintendent, and Project Engineer dedicated full time to this project. These team members shall each have a minimum of 10 years experience in the construction industry and have had completed at least two (2) projects with a construction value of at least \$2,000,000 (Two Million Dollars). .
 2. The Owner will require the Contractor to provide the following information for each team member:
 - a. Formal education and degrees,
 - b. Training seminars attended,
 - c. Certifications and professional registrations,
 - d. Overall work experience,
 - e. List of last five (5) projects worked on, with role and responsibility, project scope and dollar amount, name of Owner, location of project, name of Contractor, and
 - f. List of all new construction and projects worked on in the last ten (10) years.

Bidders may attach resumes of the team members; however, the resumes must include the above requested information.

3. The initial approval of the team members shall be based on the experience of the team, as both individuals and collective team members. This evaluation shall consist of a review of similar project experience and performance for the individually assigned team members. The overall experience of the Contractor is not being evaluated in this review, except through the staff assignments made by the Contractor. If the Owner rejects a team member, the Contractor will provide a suitable replacement prior to acceptance. Once a team is approved, the Contractor will maintain that team for the project duration, except as provided in section 4 below.
4. Substitution of team members: If an unforeseen event necessitates the change of staffing, the Owner will require a formal

submission of replacement staff to meet the criteria in sections 1 and 2 above.

5. Recovery plans staffing: Should the project experience a two-week or greater schedule slippage or delay on the critical path or use more than 50% of the float on any related network path, the Contractor will provide within forty eight (48) hours, and at no additional cost to the Owner, additional resources in the form of staff or consultants to resolve the constraints causing the slippage or delay. The Contractor shall prepare an organizational chart showing the overall company staffing structure and management reporting relationships and highlight the location of the staff assigned to this project within that chart.

7. CONTRACTOR'S POST-AWARD SUBMITTAL REQUIREMENTS & OPERATIONAL REQUIREMENTS

In addition to all other submittal requirements in the contract documents, the Contractor shall submit the following items within ten (10) days of award of contract. The Notice to Proceed will not be issued until the Owner has approved and accepted these items. The following items may be requested by Owner to increase coordination and avoid lost time and delays during construction:

- A. A **comprehensive staging plan** that shows how the work will be coordinated with other work in terms of time, logistics, delivery and storage of materials to the site, delivery of materials to the point of application, disposal of debris and hazardous materials, parking for Contractor staff, subcontractors & material suppliers, sanitary facilities, safety barriers, planned access, minimizing nuisances to neighbors, securing approvals, etc.
- B. A **security plan** that comprehensively protects the premises from theft or other harm during the construction phase while the construction contract is in effect.
- C. A **building materials transportation & storage plan**, which documents how building materials will be transported to the site, how materials will be stored on the site, how materials will be transported to the specific locations in or around the building, and how this will be done securely to avoid theft.
- D. A **safety plan** that specifies what the Contractor will do to prevent injuries, and what the Contractor will do in the event of a medical emergency or accidental injury. This safety plan must comply with applicable Cal OSHA requirements and any other relevant regulatory requirements.

- E. **Labor Compliance submittals:** The following forms will be provided to the Contractor and subcontractors to submit on or before the pre-construction conference. All forms must be filled out completely.
 - 1. Contractor Notification of Subcontracts Awarded
 - 2. Request for Acceptance of Subcontractor, for each Subcontractor, duly completed
 - 3. Notice of Equal Employment Opportunities
 - 4. Certification of Understanding & Authorization
 - 5. Certification of Applicable Fringe Benefit Payment
- F. **Surety Bonds:** The Contractor shall file with the Owner the bonds as specified in the General Conditions and duly executed by a solvent and admitted Surety Company satisfactory to the Owner.
- G. **Insurance:** The Contractor shall provide evidence of its compliance with the insurance requirements set forth in the Contract, including, but not limited to, the requested certificates of insurance and additional insured endorsements.
- H. All **material and other submittals** required by any section of the contract documents shall also be submitted at this time.
- I. **Local & Targeted Worker Hiring Requirement** – Upon request, Manpower Utilization Plan that contains the manpower schedule for hiring of Local and Targeted Workers, and the assignment and use of the subcontractors’ workforce to meet the Local and Targeted Worker hiring requirement.

8. **DRAWINGS AND SPECIFICATIONS**

Drawings and Specifications (“Drawings & Specifications”) are intended to establish the standards for quality, performance, and technical requirements for all labor, workmanship, material, methods, and equipment necessary to complete the Work shown or reasonably implied on the Drawings & Specifications. The Drawings & Specifications are intended to establish the scope, arrangement, graphic detail, and to illustrate the contract requirements. The Drawings & Specifications are intended to compliment and supplement one another, and any part of the Work that may be mentioned or indicated in the one and not represented in the other shall be done the same as if it had been mentioned or represented in both. Work, materials, or equipment of a minor nature which may not be specifically mentioned in the specifications or indicated on the Drawings & Specifications, but which may be reasonably assumed as necessary for the completeness of the Work, shall be performed and or supplied by the Contractor the same as if it were shown on or described in the Drawings & Specifications. In

case of discrepancy either in the figures or on the Drawings & Specifications, the matter shall be promptly submitted to the Executive Director, or the Executive Director's representative, who shall promptly make a determination in writing.

9. EQUIPMENT LAYOUT DRAWINGS & SPECIFICATIONS:

When any section of the Drawings & Specifications requires the submittal of an "Equipment Layout Drawing" or when reasonably requested by Owner, the Contractor shall coordinate all work under various sections of the Drawings & Specifications to assure that no interferences occur in the rooms or areas for which such Drawings & Specifications have been required and that necessary clearances are provided. Installation of affected equipment shall not proceed until required drawings have been approved by the LACDA.

10. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE:

A. In the event that any provision(s) in any component part of the Contract Documents conflicts with any provision(s) of any other component part, the following order of precedence among the Contract Documents component parts shall govern:

1. Written Amendments and Change Orders to the Contract in reverse chronological order
2. Addenda and Notices to Bidders in reverse chronological order
3. LACDA-Contractor Agreement
4. Project Manual and Drawings & Specifications
5. Performance Bond
6. Labor and Material Payment Bond

B. In the event there is a conflict between or among any provisions within one of the component parts of the Contract Documents, the higher standard or the more stringent requirement shall govern.

11. INTERPRETATION OF DRAWINGS & SPECIFICATIONS:

A. The Executive Director, or his authorized representative, will interpret the meaning of any part of the Drawings & Specifications about which any misunderstanding may arise. Should there appear to be any inconsistency or discrepancy in or between the Drawings & Specifications, the Contractor shall refer the matter to the Executive Director, and then proceed without delay to complete the Work under question after the matter has been resolved by the Executive Director. Should the Contractor proceed with the Work without referring the matter to, or obtaining resolution from the Executive Director, Contractor does so on Contractor's own responsibility

and without recourse to the LACDA or LACDA's employees, agents, or representatives.

- B. If the Contractor disagrees with the interpretation of the Executive Director, or his authorized representative, it shall promptly, and within ten (10) days after receipt of the interpretation, file a written request for a hearing before the Disputes Review Board as provided herein. Such written request shall outline in detail areas and scope of the Contractor's disagreement with the interpretation. The Contractor shall continue with the Work in accordance with the Executive Director's interpretation, maintaining accurate and complete records of all cost and time impacts related to the Work involved in the disputed interpretation. These records shall be filed with the Executive Director in a timely manner as the Work progresses.

- C. The Disputes Review Board selected by the Executive Director is composed of three LACDA personnel having a grade of Division Manager or higher. The Board will convene to hear all matters related to the dispute within forty-five (45) calendar days after receipt of an acceptable request to convene. An acceptable "request for hearing" is defined as a request that outlines in detail the following:
 - 1. Areas and scope of disagreement with the interpretation.
 - 2. All areas of inconsistency/discrepancy in the Drawings & Specifications related to the dispute. Cite the specific drawings, details, specification sections, and sections.

The Executive Director shall determine whether a hearing will be conducted and may reject the request for hearing on the basis of information presented in the request.

- D. The hearing will be informal and formal rules of evidence will not apply. The Board will submit its recommendation within a reasonable period of time following conclusion of the hearing. The Executive Director will promptly render an interpretation notice to the Contractor.

12. PROJECT MANUAL:

- A. The Project Manual is divided for convenience into divisions and sections as set forth in the Table of Contents preceding these General Conditions. Format is based upon the Master Spec and CSI Format for Construction Specifications. Schedules of Work included in these sections are given for

convenience and shall not be considered as a comprehensive list of items necessary to complete the Work of any section.

- B. Where devices or items, or parts thereof are referred to in the singular, it is intended that such reference shall apply to as many such devices, items, or parts as are required to properly complete the Work.

13. STANDARD SPECIFICATIONS:

- A. Where these Specifications or the Building Code stipulate that a material shall conform to the American Society for Testing Materials (ASTM) specifications or other recognized standards, the Contractor shall, when so required, deliver to the LACDA an affidavit or certificate in triplicate, signed by the manufacturer or supplier that the material furnished conforms to specifications or standards mentioned. When tests are required, the results of such tests shall be delivered to the LACDA.
- B. References to the "Building Code" are to the edition of the applicable Building Code listed on the Drawings & Specifications, including any amendments thereto.

14. SUBSTITUTIONS REQUIRED BECAUSE OF FEDERAL GOVERNMENT RESTRICTIONS OR LACK OF PRODUCT AVAILABILITY:

- A. In the event that certain materials or equipment specified are entirely unobtainable or not obtainable in sufficient quantities or within a reasonable time, due to Federal Government restrictions or other causes growing out of the national defense or war programs, the awarding entity may permit the use of equal and equivalent materials of other type of manufacture in their place. Before such substitutions can be made, the Contractor shall submit a written statement to the awarding entity setting forth in full the reasons why the materials specified are unobtainable and describing in full the materials which he proposed to supply in their place. Substitutions shall not be made until the approval of the awarding entity, in writing, has first been obtained.
- B. Should a specified item not be obtainable due to product unavailability, provided that Contractor has timely ordered (in LACDA's sole discretion) such products, the awarding entity may permit the use of equal and equivalent materials of other type of manufacture in their place. Contractor shall follow the procedure identified in Section A above in order to obtain approval.

15. AS-BUILT DRAWINGS:

- A. The Contractor shall keep one (1) complete and up-to-date set of prints at all times on the job, reserved for use as a record set of changes from the bid set. Throughout the duration of the construction work, this set of prints shall be the responsibility of the Contractor to maintain as a record of all field changes including, but not limited to, underground runs, which are installed in locations other than those indicated on the Contract Drawings & Specifications and those that have been indicated as to be field run as located. The lines shall be located on the Drawing dimensionally from a fixed point, such as a street-curb line, or centerline, or a permanent structure. A copy of the updated as-built prints and as-built specifications shall be made available to the LACDA Project Manager with the monthly progress payment requests.
- B. Contractor progress payment will be contingent upon the as-built drawings and specifications being maintained in current status, and the LACDA Inspector will not approve progress payments unless these as-built drawings and specifications are current.
- C. As a condition to certifying the final payment under this Contract, within 30 calendar days after substantial completion, the Contractor will submit to the Project Manager the original set of as-built prints as well as the set of as-built specifications. If needed, a complete set of blue line prints of the Drawings & Specifications will be furnished to the Contractor for which the as-built drawings are required. All variations from the Contract Drawings & Specifications and any additional information required by the Specifications shall be entered on the as-built drawings and specifications as they occur, neatly and legibly, in ink of a contrasting color or otherwise marked as approved by the LACDA. Each set of as-built drawings and specification shall be signed and dated before being accepted by the LACDA representative at the completion of the Work. The Contractor shall submit electronic copies of the as-built drawings and specifications to LACDA within 30 calendar days after substantial completion.

16. REFERENCE MATERIALS:

The Contractor shall furnish and maintain on-site reference material including, but not limited to, at least one copy of all applicable codes referenced in the Contract Documents necessary for the performance of the Work specified.

17. PROJECT SCHEDULE:

- A. All time limits stated in the Contract Documents are of the essence of the Contract. The Contractor shall prosecute the Work at such time and in such manner that Substantial Completion of the Work shall occur in accordance with the Contract and the Contract Time, including authorized adjustments thereto.
- B. The Contractor shall provide a Project Schedule for the Work in accordance with the requirements of Section 01 32 16, Project Schedule.
- C. The term "day" when used in the Contract Documents shall mean calendar day unless otherwise specifically designated.

18. INTENTIONALLY LEFT BLANK

19. LACDA'S RIGHT TO DELAY COMMENCEMENT OF THE WORK:

The LACDA shall have the right to direct that the Contractor shall withhold actual commencement of the Work of construction until sufficient material, in the opinion of the LACDA, has been delivered to the site of the Work to insure completion of the Work without interruption, and the Contractor shall comply with such instructions when issued. The Contractor shall be granted an extension of the completion time of the contract equal to the number of working days delay caused to Contractor pursuant to Contractor's compliance with such instructions.

20. REQUESTS FOR INFORMATION (RFI'S)

During the time between contract award and Start of Construction established in the Notice to Proceed, the Contractor shall endeavor to identify issues to be addressed by the RFI process. Each RFI shall be numbered sequentially and sent to the Owner's project manager.

The Owner and its design consultants will meet with the Contractor and its subcontractors to discuss these RFI issues. The purpose of the meeting is to address the issues by answering RFIs during the meeting or by requesting clarification of RFIs that cannot be answered at the meeting. Our goal is to reduce the time for answering RFIs and to lessen the potential for time or monetary impacts to the project.

21. UPDATED SCHEDULES:

Updated schedules shall be attached with the Contractor's request for payment and shall be a condition required prior to payment. Each schedule shall include a

narrative report defining problem areas, anticipated delays, and their impact on the schedule, and the corrective action that shall be taken by the Contractor and its affect.

22. CHANGES IN THE WORK:

A. Written Changes

1. The LACDA may, at any time, without notice to the Surety, make changes in the Work within the general scope of the Contract, including changes:
 - a. in the Drawings & Specifications;
 - b. in the method or manner of performance of the Work;
 - c. in the facilities, equipment, materials, services, or site to be furnished by the LACDA;
 - d. directing acceleration in the performance of the Work; or
 - e. directing the Contractor to suspend, delay, or interrupt all or any part of the Work for such period of time as the LACDA may determine to be appropriate for the convenience of the LACDA.
2. Such changes shall be made in accordance with either of the following methods:
 - a. By a written Supplemental Agreement ordered by the LACDA (or awarding authority if other than the LACDA) in the manner specified by Public Contract Code Sections 20136, 20137, 20138, or 20145, or other successor statutes.
 - b. By written Change Order, signed by the Executive Director or his representative, in the manner and amounts specified by Public Contract Code Section 20142 or its successor statutes.
3. If any change or proposed change under this section causes or would cause an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the Work, whether changed or not changed by any such order, the Contractor may request an equitable adjustment under the terms of this section

and under "Project Schedule," Section 01 32 16. At LACDA's option, the LACDA may negotiate an equitable adjustment for the price and time impact for the proposed changed Work either prior to, or after, directing the Contractor to proceed.

4. In the event the LACDA elects to evaluate a bid prior to directing the Contractor to proceed, the LACDA will issue a notice describing the proposed Change Order in the form of a Request for "Quotations" (RFQ). If the Contractor does not respond within fourteen (14) calendar days after receipt of the notice, or such other time as agreed upon, with an equitable adjustment requested in accordance with section B.5.(b) under "Equitable Adjustments," the LACDA may issue a Change Order with no change in the Contract Amount or Contract Time. The Contractor shall not proceed with any aspect of the proposed changed Work, or delay, suspend, or interrupt any unchanged Work until the LACDA issues the Change Order.
5. If, in the opinion of the Executive Director, it is in the LACDA's best interest and it is deemed necessary to proceed with a required change in the Contract Documents, and time precludes thorough analysis of the Contractor's proposal, or the parties fail to reach an agreement, the Executive Director may order the Contractor to proceed (Proceed Order) on the basis of a tentative price based on the best estimate available at the time, with the firm price to be determined later. If a Proceed Order is issued, the Contractor shall submit his proposal for the changes in the Work within thirty (30) days after the Proceed Order or completion of the changed Work, whichever is later. All charges arising out of a Proceed Order are to be documented and verified in a manner acceptable to the Director.
6. In the event that the LACDA requires certain Work to be accomplished and the Contractor fails in the discharge of any or all of his responsibilities described hereinbefore, the LACDA may issue a Unilateral Change Order which is a change order issued by or at the direction of the LACDA without the full and timely agreement of the Contractor.
 - a. A Unilateral Change Order may be issued before, during or after the changed Work is physically accomplished under the following conditions:
 1. The Contractor fails to submit price and/or time extension proposal for the changed Work within thirty

(30) days of receipt of the request for "Quotations" for within a reasonable time thereafter as specified by the LACDA.

2. The Contractor fails or refuses to execute a Change Order by affixing his signature thereto within thirty (30) days of receipt or within a reasonable time thereafter as specified by the LACDA.
3. The LACDA notifies the Contractor in writing that the Change Order is considered to be unilateral and is to be an effective change to the Contract. A notation will be made on the face of the Change Order that it is unilateral and the effective date thereof. Normal distribution of copies will then be made.
7. Any other written order including direction, instruction, interpretation, or determination from the LACDA that causes a change in the Contractor's obligations may be treated as a proposed Change Order as provided in Part B of this Article, "Constructive Changes."
8. Except as provided in this Article, no order, statement, or conduct of the LACDA shall be treated as a Change Order under this clause or entitle the Contractor to an equitable adjustment.
9. No equitable adjustment request by the Contractor shall be allowed if asserted after Final Payment of the Contract.

B. Constructive Changes

1. Notice: The primary purpose of this section is to obtain prompt reporting of LACDA conduct or changed conditions either caused by an act of God (Public Contract Code Section 7105) or digging trenches or other excavations that extend deeper than four feet below the surface (Public Contract Code Section 7104) that the Contractor considers to constitute a change to this Contract. Except for changes identified as such in writing and signed by the LACDA or the Executive Director, the Contractor shall notify the LACDA in writing within fourteen (14) calendar days from the date of LACDA conduct (including actions, inactions, and written communications) that the Contractor regards as a change to the Contract. On the basis of the most accurate information available to the Contractor, the notice shall state:

- a. the date, nature, and circumstances of the conduct regarded as a change;
- b. the name, function, and activity of each Contractor official, agent, or employee involved in or knowledgeable about such conduct;
- c. the identification of any documents and the substance of any communication involved in such conduct;
- d. in the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
- e. the particular elements of Contract performance for which the Contractor may seek an equitable adjustment under this clause, including:
 1. what specific Drawings & Specifications, or sections thereof, have been, or may be, affected by the alleged change;
 2. what labor and/or materials have been, or may be, added, deleted, or wasted by the alleged change;
 3. what delay and disruption in the manner and sequence of performance and effect on continued performance have been, or may be, caused by the alleged change in accordance with Section 013216, "Project Schedule;" and
 4. what adjustments to Contract Amount and other provisions affected by the alleged change are estimated;
- f. the Contractor's estimate of the time by which the LACDA must respond to the Contractor's notice to minimize cost, delay, or disruption of performance, in accordance with Section 013216, "Project Schedule."

2. Continued Performance: Following submission of the notice required by section B.1 of this Article above, the Contractor shall diligently continue performance of this Contract as though not

changed by the conduct reported under section B.1 until notified of the LACDA's response under section B.3 of this section, below.

3. Response: The LACDA will, within fourteen (14) calendar days after receipt of notice, respond to the notice in writing. In responding, the LACDA will either:
 - a. confirm that the conduct of which the Contractor gave notice constitutes a change and, when necessary, direct the mode of further performance in accordance with Part A of this Article, "Written Changes;"
 - b. countermand any communication regarded as a change;
 - c. deny that the conduct of which the Contractor gave notice constitutes a change, and when necessary, direct the mode of further performance; or
 - d. in the event the Contractor's notice information is inadequate to make a decision under A, B, or C above, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the LACDA will respond.
4. Appeals: In the event the Contractor does not agree with the LACDA's response under B.3 above, the Contractor may submit a request to the Disputes Review Board.
5. Equitable Adjustment:
 - a. If the LACDA confirms that the LACDA's conduct effected a change as alleged by the Contractor, the Contract will be modified in writing accordingly in conformance with Part A of this Article, "Written Changes". Except for a proposed change to the Drawings & Specifications, no request for equitable adjustment under this section shall be allowed for any costs incurred more than fourteen (14) calendar days before the Contractor gives written notice under Part B of this Article.
 - b. In the case of a necessary change to the Drawings & Specifications for which the LACDA is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting

to comply with the Drawings & Specifications before the necessary change is identified. When the cost of property made obsolete or in excess as a result of a change confirmed by the LACDA under this section is included in the equitable adjustment, the LACDA will have the right to prescribe the manner of disposition of the property or its proceeds. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided respectively in sections (1) and (2) above of this part.

C. Compensation for Changes in the Work

1. Changes in the Work issued and signed by the Contractor pursuant to the requirements of this Contract represent and constitute full and final settlement for all costs and time (hereinafter referred to as compensation) associated with the Work (or event) described therein. Compensation is defined to include all direct and indirect labor costs, all material and equipment expenses, and all impact costs related to and/or occasioned by the Work described therein, as well as all taxes, insurance, and profit. It is agreed that the basis of compensation to the Contractor for Work either added or deleted by Changes in the Work shall be determined by one or more of the following methods below. All amounts for overhead, profit, insurance, and all other direct and indirect costs of the changes in the Work (except for bonds as provided in section C.2) shall be computed in accordance with percentages set forth in sections C.1.c and C.8.c of this Article.

a. Method A

By unit prices for items of Work scheduled to be done under the unit price provisions of the Contract. The cost or credit for such added or omitted Work shall be determined by multiplying the number of units added to or omitted from the Work by the applicable unit price.

b. Method B

By agreed lump sum. All lump sum quotations prepared by the Contractor shall be supported by legible and itemized cost by trades. The itemized breakdown accompanying the quotation shall quantify all added and deleted labor, material,

and construction equipment directly involved. The Contractor must also obtain and furnish with quotation, itemized breakdown(s) as described above, signed by each subcontractor or vendor participating in the change regardless of tier. All labor cost, including associated fringe benefits and insurance costs shall be verified by certified payrolls and/or standard rates in accordance with the Prevailing Wage Scale.

c. Method C

If neither Method A nor Method B are agreed upon before the changes to the Work are commenced, then the Contractor shall be paid as follows:

The actual cost, documented to the satisfaction of the LACDA, of labor, materials, and equipment furnished by the Contractor and/or the actual cost of subcontractor Work incurred by the Contractor as provided in section C.8, plus the following percentages which are considered fair and reasonable compensation for overhead, profit, insurance, and all other direct and indirect costs of the Changes in the Work (except for bonds as provided in section C.2:

15% of the cost of labor as provided in Section C.3 where furnished by the Contractor;

15% of the cost of materials as provided in Section C.4 where furnished by the Contractor;

10% of the actual cost of equipment as provided in Section C.5; and

5% of the actual cost of the first tier subcontract Work as provided in Section C.8.

Overhead charges shall include those charges as specified in Section C.3.c below.

d. Unilateral Change Order

1. The terms of a Unilateral Change Order, including the change in Contract price and/or completion date shall, in the LACDA's judgment, be fair and reasonable.

2. When a Unilateral Change Order has been issued, it will have the full force and effect of a Contract modification. It will be included in schedules, payment applications, reports, and all official records of the Contract. The issuance of a Unilateral Change Order will not prejudice any of the Contractor's rights to make claims or appeal disputed matters under other provisions of the Contract.
 3. If the Contractor objects to a Unilateral Change Order, Contractor shall state, in writing, specific objections to, or specific points of disagreement with, the Work described in the Unilateral Change Order within thirty (30) days of receipt of the Unilateral Change Order.
2. To the total additional cost of the Work as computed by any of the three above methods, the Contractor may add, upon furnishing to the LACDA satisfactory evidence of the cost thereof, the actual cost of additional bond premiums incurred by the Contractor as a result of the additional cost to the Work up to a sum not to exceed 1.5 percent (1.5%) of the additional cost to the Work.
 3. Labor: The cost of labor used in performing the Work, whether the employer is the Contractor, Subcontractor, or other forces, will be the sum of the following:
 - a. The gross actual wages paid including income tax withholdings but not including any employer payments to or on behalf of the workmen for health and welfare, pension, vacation, insurance, and similar purposes.
 - b. To the actual gross wages, as defined above, a percentage will be applied based upon current applicable labor rates concerning payments made to or on behalf of workmen other than actual wages. This percentage shall constitute full compensation for all payments other than actual gross wages as specified below. The Contractor shall compute a separate percentage for each craft, or a composite percentage for all crafts if so approved by the LACDA. All computed percentages shall be submitted to the LACDA for approval within thirty (30) days after receipt of Notice to Proceed with the

changes to the Work or as directed by the LACDA prior to any changed Work being performed.

- c. The charges for labor shall include all classifications through foremen when engaged in the actual and direct performance of the Work. They shall not include charges for such overhead personnel as superintendents, assistant superintendents, office personnel, timekeepers, and maintenance mechanics.
4. Materials: The cost of materials required for the accomplishment of the Work shall be the delivered cost to the purchaser, whether Contractor, subcontractor, or other forces, from the supplier thereof, except as the following are applicable:
 - a. If cash trade discount by the actual supplier is offered or available to the purchaser, it shall be credited to the LACDA if such discount was taken.
 - b. If materials are procured by the purchaser by any method which is not a direct purchase from and a direct billing by the actual supplier, to such purchaser, the cost of such materials, including handling, shall be deemed to be the price to the actual supplier as determined by the LACDA.
 - c. If the materials are obtained from a supply or source owned wholly or in part by the purchaser, payment therefore will not exceed the lesser of the price paid by the purchaser for similar materials furnished from said source on Contract items or the current wholesale price for such materials delivered to the worksite, whichever price is lower.
 - d. The cost of such materials shall not exceed the lowest current wholesale price at which such materials are available in the quantities concerned, delivered to the job site, less discounts as provided in Subsection 4.a.
 - e. If the Contractor does not furnish satisfactory evidence of the cost of such materials from the actual supplier thereof, the cost shall then be determined in accordance with Subsection 4.d.
 5. Equipment: Equipment rented/leased by the Contractor or subcontractor and utilized on this project for the purposes of this

Article shall be paid for on the basis of arms-length rental agreements entered into and invoices paid by the Contractor or subcontractor for that equipment. These invoices shall be submitted as evidence of the expense incurred.

- a. The Contractor or subcontractor shall be paid for the use of owned equipment at prices for the use of machinery and equipment determined by using 80 percent (80%) of equipment use costs published by the Associated Equipment Distributors, which edition is in effect at the time of the change. Contractor or subcontractor-owned equipment required to be on stand-by or to be present on the site, even though idle, shall be paid for at 50 percent (50%) of the owned equipment rate established above.
- b. The Contractor or subcontractor shall furnish all data, which might assist the LACDA in the establishment of such rates.
 1. Operators of equipment will be paid for as provided under Subsection C.3 above.
 2. All equipment shall be in good working condition and suitable for the purpose for which the equipment is to be used. Contractor is responsible for any necessary repairs and ongoing maintenance of said equipment.
 3. Unless otherwise specified, manufacturer's ratings and manufacturer modifications shall be used to classify equipment for the determination of applicable equipment rates. Equipment which has no direct power unit shall be powered by a unit of at least the minimum rating recommended by the manufacturer.
 4. Individual pieces of equipment or tools having a new value of five hundred dollars (\$500.00) or less, whether or not consumed by use, shall be considered to be small tools and no payment will be made therefore.
6. Equipment Located at the Site: The time to be paid for equipment located at the site shall be the time the equipment is required for the changed Work being performed. Moving time, loading, unloading, and hauling will not be paid for if the equipment is already located at the Site.

7. Equipment Not Located at the Site: For the use of equipment moved to the Site and used exclusively for changed Work, the Contractor will be paid the rates hereinbefore specified, as follows:

- a. The period shall begin at the time the equipment is unloaded at the site; shall include each day that the equipment is at the site, excluding Saturdays, Sundays, and other legal holidays unless the changes to the Work are performed on such days; and shall terminate at the end of the day on which the Changes in Work has been completed or the LACDA directs the Contractor to discontinue the use of such equipment, whichever is earlier. The maximum time to be paid per day will not exceed eight (8) hours without prior written approval from the Executive Director or his representative.
- b. Payment for transporting, loading, and unloading equipment will be made only when such equipment has been moved to the site for the sole and express purpose of accomplishing the changed Work.

8. Subcontracts: The cost for Subcontract work will be the actual cost to the Contractor or subcontractor for the Changes in Work performed by a Subcontractor as follows:

- a. The cost incurred by the first tier subcontractor for labor, materials, and equipment as limited by sections C.3, C.4, and C.5; plus
- b. The following percentages are considered fair and reasonable compensation for overhead, profit, insurance and all other direct and indirect costs of the changes in the Work (except for bonds as provided in section C.2):

15% of the cost of labor as provided in section C.3;

15% of the cost of materials as provided in section C.4;

10% of the cost of equipment as provided in section C.5.

- c. To the total additional cost to the Work as computed in accordance with sections 8.a and 8.b above, the subcontractor, upon furnishing satisfactory evidence of the cost thereof, the actual cost of additional bond premiums incurred by the Subcontractor as a result of the additional cost to the Work up to a sum not to exceed 1.5 percent (1.5%) of the additional cost to the Work.

D. ALLOWANCES

An allowance has been established for inclusion in the contract sum to cover the costs of prescribed work and items not specified in detail with the provision that any variation between the allowance amount and the final cost of the prescribed work and items will be made by change order in order to appropriately adjust the contract sum. The Allowance must be included in the estimated construction cost. The Allowance will be used in the final discretion and direction of the County for work, services, and items related to and including, but not limited to, the following: utilities, unknown conditions, and other work, services, and items that may not have been foreseen by the County. At substantial completion of the Work, the contract sum will be appropriately adjusted for the Allowance. Any amount of Allowance that remains at substantial completion of the Work will be returned to the County and the contractor will have no right to any such remainder.

23. PROVISIONS FOR EXTRAS:

No new Work of any kind performed hereunder shall be considered as extra Work outside the scope of the Contract, unless a separate estimate is given for said Work before it is commenced, the same is approved by the LACDA as reasonable and equitable, and the new Work has been ordered under one of the three methods set forth in article, "CHANGES IN THE WORK," sections A, B, or C. Except for extra Work ordered by the LACDA according to unit prices or by changes or additions in the Work embraced in a Change Order issued by it, any extra Work performed will not be paid for by the LACDA.

The Contractor will use software, which must be approved by the LACDA, to prepare and submit change order requests unless otherwise instructed by the Executive Director or his representative.

24. TIME EXTENSIONS AND COMPENSATION FOR DELAY:

- A. Adjustments in the Contract Time shall be governed by the principles of this Article and shall be made in accordance with the conditions stated in Specification Section 01 32 16, Project Schedule.

- B. Actions or inactions of the LACDA, or events for which the LACDA has assumed contractual responsibility, which would independently delay the date of Substantial Completion beyond the current Contract Completion Date shall be designated as Compensable Delays.
- C. Events which are outside the control of, and without the fault or negligence of either the LACDA or the Contractor, which would independently delay the date of Substantial Completion beyond the current Contract Completion Date shall be designated as Excusable Delays. Extensions of time because of inclement weather will not be considered Excusable delays, unless the LACDA, in its sole discretion, considers that extreme circumstances warrant such extensions..
- D. Actions or inactions of the Contractor, or events for which the Contractor has assumed contractual responsibility, which would independently delay the date of Substantial Completion beyond the current Contract Completion Date shall be designated as Non-excusable Delays.
- E. “Concurrent delay is any combination of the above three types of delay occurring on a calendar date, except in cases where the combination consists of two or more instances of the same type of delay occurring on a calendar date. Contractor shall not be entitled to any additional compensation, or any adjustment to the contract amount, during a Concurrent Delay”
- F. Any event, action, inaction, or other cause which may give rise to a delay may constitute a basis for adjustment in:
 - 1. Contract Time, only if it can be demonstrated that the date of Substantial Completion will be delayed beyond the current Contract Completion Date and that the delay is classified as a Compensable Delay or Excusable Delay; and/or
 - 2. Contract Amount, only if it can be demonstrated that the Contractor's time-related costs to complete the Work will be increased and the delay is classified as a Compensable Delay.

25. OBSERVATION:

- A. All Work shall meet with the approval of the LACDA and shall be completed in conformity with the Drawings & Specifications and Project Manual approved by, and on file with, the LACDA. The Drawings & Specifications

and Project Manual will be made part of the Contract to be entered into for the Work referred to herein. The LACDA at its sole discretion may require the Contractor to obtain approval/clearance from the appropriate governmental and/or city agencies for certain items to ensure the quality of the Work.

- B. The LACDA or its representative will have access to the Work at all times. The Contractor will furnish all facilities for inspection at the construction site, and at shops or yards, and shall not cover up any Work until the same has been approved by the appropriate governmental and/or city agencies. If Work should be covered up before being inspected, the Contractor will be required to remove such portions of the Work as may be necessary to disclose the part in question.
- C. The LACDA or its authorized representatives will be given access to the Work at all times. Such access will not be subject to restrictions which are not directly related to the provision and maintenance of health and safety.
- D. The Contractor will be issued a "Notice of Noncompliance" for any portion of the contract Work that does not satisfy the requirements of the Drawings & Specifications. No Work subject to a "Notice of Noncompliance" will be paid for by the LACDA until such Work is brought into full compliance with the Drawings & Specifications to the satisfaction of the LACDA. The Contractor must obtain the LACDA's approval for all corrected deficiencies and/or non-compliant work prior to proceeding with work that may be affected by the deficient and/or non-compliant work. The Contractor shall not build on or conceal work that is efficient and/or non-compliant. Furthermore, work that is built or dependent upon item(s) that are deficient and/or not-compliant will not be approved on the progress payment request.
- E. An Inspection Notice will be issued if the contract Work has not been executed in full compliance with the Drawings & Specifications. The Contractor is responsible for bringing all Work subject to an Inspection Notice into full compliance with the Drawings & Specifications at no additional cost to the LACDA.
- F. Technical Reports may be generated for the purpose of evaluating the quality, correctness, functionality, etc., of the Contractor's Work or performance under this contract in accordance with the requirements of the Drawings & Specifications.

26. SURVEY OPERATIONS:

The Contractor shall be responsible for all survey and layout operations and shall be responsible for the following:

- A. Employ an independent, state of California licensed Land Surveyor or registered civil engineer licensed to practice surveying to establish horizontal and vertical control points, establish property lines and other required staking.
- B. Locate elevations of all improvements and establish control points and bench marks adequate for the use of all trades so that all parts of the Work are within the specified and indicated tolerances.
- C. As the Work proceeds, verify all grades, lines, and dimensions indicated on the Drawings & Specifications, report errors and inconsistencies to the Architect in writing, and prepare and submit certifications as required. Contractor shall not proceed until errors and inconsistencies are corrected.
- D. Maintain staking as required by construction progress and maintain control points and benchmarks until final completion of the project.

27. PERMITS, LICENSES, AND INSPECTIONS:

- A. The Contractor will obtain and pay for all permits and bonds required for the Work. Furthermore, the Contractor will obtain and pay for all permits and bonds incidental to the Work or made necessary by Contractor's operation. This includes, but is not limited to, Contractor/Manufacturer designated structures such as, fire sprinkler systems, special shoring, including grading, Security/Bond, and the like. The Contractor shall also pay for the plan check, shop drawings, and any other required submittals, and all deferred submittal items, including, but not limited to, fire alarms and fire sprinklers. The LACDA shall reimburse the contractor for the costs of only the following construction permits: building, mechanical, electrical, plumbing, grading.
- B. To comply with Section 3800 of the Labor Code of the State of California, the Contractor and all Subcontractors requiring a permit (building, plumbing, grading, electrical, etc.) shall file a Workers' Compensation Certificate with the LACDA.
- C. The Contractor will schedule all off-site inspections of the Work including certification thereof required by the Drawings & Specifications or governing authorities.

- D. Contractor shall be responsible for scheduling any and all inspections related to the Work.
- E. The LACDA will not pay any costs for licenses required in the performance of the Work. The Contractor shall assume sole responsibility for such.

28. TESTS:

A. LACDA's Responsibilities

- 1. The LACDA reserves the right to test or require the Contractor to obtain "called tests" of any materials or performance over and above "required tests" as defined in the following section B.1, and provided such "called tests" show the Work meets the specified requirements, the LACDA will pay for the cost of the tests. If the Contractor was required to obtain the test from a third party, the LACDA will reimburse the Contractor on the basis of Contractor's certified statement of the results and costs, with appropriate supporting documentation.

B. Contractor's Responsibilities

- 1. The Contractor will arrange and pay for all tests of materials or performance as required by the Drawings & Specifications, by ordinance. or by governing authority. These are defined as "required tests".
- 2. The Contractor shall pay for all "called tests" as defined in preceding subsection A.1, when the test results show the materials or performance fails to meet the specified requirements. Immediately thereafter, the Contractor, at Contractor's own expense, shall remove the improper Work and replace same with materials or performance meeting the specified requirements. The Contractor shall also bear the expense of any tests required of the replaced Work, and of any subsequent removal, replacement, and testing as may be necessary to obtain materials or performance meeting the specified requirements.

29. SUBSTANTIAL COMPLETION:

- A. The date of Substantial Completion of the Work, or designated portion thereof as set forth in the Contract Documents, is the date certified by the LACDA when construction is sufficiently complete, in accordance with the

Contract Documents, so the LACDA may occupy or use the Work, or designated portion thereof, for the use for which it is intended.

- B. When the Contractor considers that the Work, or designated portion thereof as set forth in the Contract Documents, is substantially complete as defined above, the Contractor shall prepare for submission to the LACDA a list of items to be completed or corrected. The failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents. When the LACDA determines that the Work or designated portion thereof is substantially complete, it will issue a Certificate of Substantial Completion which shall establish the date of Substantial Completion. The Certificate shall state the responsibilities of the LACDA and the Contractor for security, maintenance, heat, utilities, damage to the Work, and insurance, and shall list remaining items to be corrected or completed. The Work not fully completed or corrected shall be completed to the satisfaction of the LACDA within thirty (30) calendar days after Substantial Completion, or within a period of time mutually agreed upon between the Contractor and the LACDA. In the event the Contractor fails to complete or correct the remaining items within the allotted time, the LACDA may complete or correct the items and deduct the cost thereof from the Contract amount.
- C. Warranties required by the Contract Documents, as discussed in Article 49 of the General Conditions, shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.
- D. Upon Substantial Completion of the Work or designated portions thereof, and upon application of the Contractor, the LACDA, in LACDA's sole discretion, may release and/or reduce the amounts retained subject to the limitations of Public Contract Code Section 9203.
- E. In accordance with the General Conditions, the LACDA reserves the right to occupy substantially completed portions of the Work and any such portion shall be subject to the above provisions for Substantial Completion.

30. OCCUPANCY BY THE LACDA:

- A. The Contractor, Contractor's employees, and representatives will be admitted by the LACDA to the premises for the purpose of executing the Work to be performed under this Contract, but they shall have no tenancy.

- B. It is further understood that the LACDA shall have the right to take temporary possession of, or use any portion of, any substantially completed part of the Work. Before taking possession of any Work, the LACDA shall furnish the Contractor a list of items of Work remaining to be performed or corrected on those portions of the Work that the LACDA intends to take possession of or use. However, a failure of the LACDA to list any item of Work shall not relieve the Contractor of responsibility for complying with the terms of the Contract. The LACDA's possession or use shall not be deemed an acceptance of any Work under the Contract.
- C. While the LACDA has such possession or use, the Contractor shall be relieved of the responsibility for the loss of, or damage to, that portion of the Work in place resulting from the LACDA's possession or use. If prior possession or use by the LACDA delays the progress of the Work or causes additional expense to the Contractor, an adjustment may be made in the Contract Amount or the Contract Time, under the applicable scheduling and cost provisions of this Contract.

31A. STATE PREVAILING WAGE REQUIREMENTS

This construction project is funded in whole with public funds. The Contractor shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations (DIR), Division of Labor Statistics, these rates can be obtained on the website at www.dir.ca.gov. The Contractor and Subcontractor shall also: (1) Pay not less than the prevailing wage to all workers, as defined in the California Code of Regulations (CCR) section 16000(a), and as set forth in Labor Code Sections 1771 and 1774; (2) Comply with the provisions of Labor Code Sections 1773.5, 1775, and 1777.5 regarding public works job sites; (3) Provide workers' compensation coverage as set forth in Labor Code Section 1861; (4) Comply with Labor Code Sections 1778 and 1779 regarding receiving a portion of wages or acceptance fee; (5) Maintain and make available for inspection payroll records, as set forth in Labor Code Section 1776; (6) Pay workers overtime pay, as set forth in Labor Code Section 1815 or as provided in the collective bargaining agreement adopted by the DIR Director as set forth in CCR's section 16200; (7) Comply with Section 16101 of these regulations regarding discrimination; (8) Be subject to provisions of Labor Code Section 1777.7 which specifies the penalties imposed on a contractor who willfully fails to comply with provisions of Section 1777.5; (9) Comply with those requirements as specified in Labor Code Sections 1810 and 1813; and (10) Comply with any other requirements imposed by the State of California.

31B. WORKERS:

Only workers skilled in the various trades required on this Contract shall be employed for the Work. Any mechanic or laborer employed for the Work who, in the opinion of the LACDA, is non-cooperative or who shall prove careless or incompetent, shall be immediately removed from the Work by the Contractor, when notified to do so, and shall not be re-employed for the Work.

32. HOURS OF WORK:

Work in excess of eight (8) hours per day will be permitted by employees of contractors under this Contract only so long as Section 1815 of the Labor Code of California is complied with by such contractors.

33. SATURDAY, SUNDAY, HOLIDAY, AND OVERTIME WORK:

A. No construction Work shall be done on Saturdays, Sundays, or holidays recognized by the LACDA and no Work shall be performed outside of normal Working hours without the consent of the LACDA, unless required under these specifications. In any event, all Work shall be subject to approval of the LACDA. Prior to the start of such Work, the Contractor shall arrange with the LACDA for the continuous or periodical inspection of the Work and tests of materials, when necessary. If requests are made by contractors for permission to Work overtime, nights, Saturdays, Sundays, or holidays, and such requests are granted, the Contractor shall bear all extra expense to the LACDA or the awarding entity for inspection and other incidental expenses caused by such overtime work. If Contractor is requested, in the interest of the awarding entity, to work overtime by the LACDA; or if overtime Work is specifically required by this Contract, all extra expense of inspection will be paid by the LACDA. Should the Contractor find it necessary in order to complete the Work according to schedule to perform certain of Contractor's operations on Saturdays, Sundays, holidays or overtime, these operations shall be performed as part of the Work included in the contract price and shall not constitute a basis for additional payments.

B. The LACDA reserves the right to order in writing Work outside of normal working hours to avoid inconvenience of occupants of existing facilities or to perform special operations that, in the judgment of the LACDA best serve the intent of the Contract Documents and the orderly prosecution of the Work. If the LACDA elects to order Work outside of normal working hours, the Contractor shall make all arrangements to supply an adequate Work force for the task to be accomplished and will be compensated for the

premium portion of the wages paid, plus labor burdens applicable to the premium portion only of the wages paid. Contractor shall submit copies of Contractor's payrolls indicating the premium wages actually paid, and the LACDA will issue a Change Order to reimburse the Contractor for Contractor's actual costs only.

34. PREVAILING WAGE SCALE:

- A. The Contractor shall comply with all provisions of the Labor Code of the State of California.
- B. Under the provisions of said Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workers, or mechanic needed to execute any contract which may be awarded by the awarding entity.
- C. Particulars of the current Prevailing Wage Scale, which are applicable to the Work contemplated under the Contract Documents, are filed with the awarding entity and the LACDA and must be posted at the project site.

35. EMPLOYMENT OF INDENTURED APPRENTICES:

- A. If Contractor employs registered apprentices, then it shall comply with California Labor Code Section 1777.5 and 1777.7 and all the related sections thereto. Contractor shall also be responsible to ensure that any of its subcontractors who employ registered apprentices also comply with such Labor Code sections.
- B. Contractor and Subcontractors shall keep accurate records showing the name of the craft and wage rate of each apprentice and journeyman employed by each entity. Subcontractor shall provide, weekly, such records to the Contractor. Records shall be made available to the Division of Apprenticeship Standards and the LACDA or the awarding entity, for the purpose of determining compliance. Failure to comply may result in withholding payments and other penalties as provided by the California Labor Code.

36. AFFIRMATIVE ACTION PLAN FOR EQUAL EMPLOYMENT OPPORTUNITY:

- A. The following provisions pertaining to equal employment opportunity are incorporated into this Contract. All references herein to "Contractor" shall be deemed to refer to the "general" Contractor.

B. During the performance of any construction Contract in excess of \$10,000, the Contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor certifies and agrees that all persons employed by such firm, Contractor's affiliates, subsidiaries, or holding companies are, and will be, treated equally by the firm without regard to or because of race, color, religion, sex, or national origin and in compliance with all anti-discrimination laws of the United States of America and the State of California.
2. In all advertisements for labor or other personnel, or requests for employment of any nature, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The Contractor shall deal with Contractor's Subcontractors without regard to or because of race, color, religion, sex or national origin.
4. The Contractor shall comply with current Federal and State employment and reporting requirements for LACDA-funded construction contracts. Specifically, the Contractor shall make a good faith effort to comply with federal employment goals for minority and female employment and shall report minority and female employment data in a timely manner on the federal form provided by the contract awarding authority.
5. The Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract of understanding, a notice, to be provided by the contract awarding authority, advising the said labor union or workers' representative of the Contractor's commitments under this section.
6. The Contractor shall allow the LACDA access to Contractor's employment records during regular business hours to verify compliance with these provisions when so requested by the LACDA.
7. The Contractor agrees that if the LACDA finds that any of the above provisions has been violated, the same shall constitute a material breach of contract upon which the LACDA may, at its sole discretion, elect to cancel, terminate, or suspend the Contract. While the

LACDA reserves the right to determine independently that the anti-discrimination provisions of the Contract have been violated, in addition, a determination by the Federal Equal Employment Opportunity LACDA or the California Fair Employment and Housing LACDA that the Contractor has violated federal or state anti-discrimination laws may constitute a finding by the LACDA that the Contractor has violated the anti-discrimination provisions of the Contract.

8. At LACDA's sole discretion, and in lieu of canceling, terminating, or suspending the Contract, the LACDA may impose damages for any violation of the anti-discrimination provisions of this section, in the amount of two hundred dollars (\$200) for each violation found and determined. The LACDA and Contractor specifically agree that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because, from the circumstances and the nature of the violation, it is impracticable and extremely difficult to fix actual damages.
9. The Contractor shall include the provisions of the foregoing sections B.1. through B.8. in every subcontract, so that such provisions will be binding upon each Subcontractor performing Work required by this Contract.

37. CERTIFIED PAYROLL REPORTS

The Contractor shall comply with the requirements of California Labor Code Section 1776. Maintain payroll records as enumerated in Subdivision (a). The Contractor and Contractor's Subcontractors shall submit weekly to the LACDA a copy of all certified payrolls, indicating that the wage rates are not less than those determined by the State Division of Industrial Relations and the classifications set forth for each laborer or mechanic conform with the Work they performed. Submission of a "Weekly Payroll Report" (Form 347 or similar) is required under this Contract. The Contractor shall be responsible for the submission of copies of payrolls for all subcontractors within seven (7) days after their payroll period. Failure of the Contractor to comply with the California Labor Code requirements to pay prevailing wages and to maintain certified payroll records may result in withholding from progress payments amounts for underpaid wages and penalties as authorized by the California Labor Code.

38. QUALITY OF WORK AND MATERIAL:

- A. All materials, parts, and equipment furnished by the Contractor shall be new, first quality, and free from defects and imperfections. Workmanship shall be in accordance with the best standard practices.
- B. Any item or Work installed by the Contractor, but not in conformance with the Drawings & Specifications, shall be removed by and at the Contractor's expense upon written request from the LACDA.
- C. If such items or Work are not removed or satisfaction obtained by the LACDA within thirty (30) calendar days of such request, then the LACDA may have such items or Work removed and Work completed to conform to Drawings & Specifications at the Contractor's sole expense.

39. RESPONSIBILITY OF CONTRACTOR AND OF CONTRACTOR'S REPRESENTATIVE ON THE WORK:

- A. The Contractor shall give personal attention and supervision to the Work until same is entirely completed. In the absence of the Contractor from the Work, he shall have a representative in charge who shall be competent to superintend and direct the progress of the Work and who shall be authorized to receive instructions and to act for the Contractor on all matters related to the Work. The name of this representative shall be sent by letter to the LACDA immediately after the awarding of the Contract.
- B. The Contractor shall submit to the Owner copies of its daily foreman report, or similar report that the Contractor prepares and maintains. If the Contractor does not prepare and maintain this type of report as part of its ordinary business records then it shall prepare this type of report for this project. The report shall capture, in writing, the daily work activities cross-referenced to the activity IDs (tasks) on the Project Schedule, construction problems or issues, extra work, delays, safety issues, shutdowns, property damage, thefts, diary entries, and labor and equipment usage. These reports shall be submitted no later than the end of the next working day. Submission of these reports shall not be a substitute for, nor waive any of the notice requirements specified elsewhere in the Contract Documents.

40. REPAIRING DAMAGED WORK:

- A. All portions of the Work that may be damaged by accident or in the course of or on account of building operations, or by reason of any other cause whatsoever during the progress of the Work, shall be carefully and neatly

repaired or reconstructed and the whole left in first-class condition and turned over to the LACDA ready for use.

- B. Should any part of the Work of this contract be cut into or damaged by other Contractors, the Contractor and party causing such damage shall make adjustments between themselves relative to reconstruction or repairs and payment for same.

41. BACK CHARGES

In the event Contractor fails to adequately manage and prosecute the Work, such that the project schedule, budget, construction of work items, or compliance with construction documents fail to meet the Contract requirements to the satisfaction of LACDA, and that Contractor fails to cure such deficiency to the satisfaction of LACDA within 5 calendar days of receiving written notice of same, then LACDA is hereby authorized to use its own forces and/or to retain outside consultants to provide additional oversight management to monitor or correct the deficiency in a manner consistent with requirements of this Contract. It is further agreed that in the event of such authorized use of additional oversight management by LACDA (either through the use of its own forces and/or the retention of outside consultants), the Contractor shall be responsible to pay to LACDA all such costs and expenses reasonably incurred by LACDA and assessed against the Contractor as a result thereof. It is further agreed that LACDA may deduct said assessed amounts from any money then or thereafter due to the Contractor under the Contract. Any such assessed amounts which are not deducted from any unpaid amounts due the Contractor shall be payable by the Contractor to LACDA at the demand of LACDA.

42. LIST OF SUBCONTRACTORS AND SUBLETTING WORK:

- A. No part of the construction Work shall be done as piece Work, nor shall it be let to a Subcontractor after the execution of the original Contract except as provided by law. In case part of the Work should be sublet, these General Conditions shall govern each trade insofar as they may apply to the Work of that trade.
- B. Where more than one Contractor or where Subcontractors are engaged upon the Work, they shall coordinate their efforts (in accordance with these General Conditions regarding other contractors, or under the control and guidance of the General Contractor), and shall be responsible, one to the other, for any damage or injury to the Work.

- C. Bidders and Contractor shall be governed by the provisions of the California Public Contract Code Sections 4100 to 4113, inclusive. Bidders shall set forth in their Bids, on forms provided for same, the name and location of the mill, shop, or office of each Subcontractor who shall perform the Work or labor or render service to the Contractor in or about the construction of the Work, and the portion of the Work which shall be done by each Subcontractor.
- D. No subcontract shall be assigned or transferred except as provided in the above sections of the Public Contract Code.
- E. In case any Work is let to a Subcontractor, the Contractor shall be at all times responsible for the Work so done to same extent as if the Contractor were doing or had done the Work.
- F. If a Subcontractor is named who shall perform the Work or labor or render service to the Contractor with respect to a material specified or indicated by patent or proprietary name and/or by the name of the manufacturer, and such Subcontractor cannot reasonably act with like respect to the material offered as an equal then, the Bidder shall, in his Bid Form, include with the pertinent data to be listed on the "Equals" page(s), the name and address of the Subcontractor who shall act with respect to the equal material.
- G. In accordance with Public Contract Code Sections 4100, et seq., the Bidder must list all subcontractors who shall perform in excess of one-half of one percent of the Work. (See Subcontractor's Section of the Instructions to Bidders).

43. ADVERTISING:

No advertising matter shall be attached or painted on surfaces of buildings, fences, or canopies, except that names of Contractors and Subcontractors, with their addresses and the designation of their particular branch, may be shown on signs of a removable type. Size and location of such signs shall be subject to approval of the LACDA. The Contractor shall provide a project identification signboard as specified by Owner.

44. CERTIFICATE AS TO COMPLIANCE WITH CERTAIN REGULATIONS:

- A. The Contractor shall file with the LACDA, prior to the acceptance of the Work, a certificate in form, substantially as follows:

- B. I (We) hereby certify that all Work has been performed and materials supplied in accordance with the drawings, specifications, and contract documents for the above Work, and that:
1. Not less than the prevailing rates of wages as ascertained by the LACDA has been paid to laborers, workers, and mechanics employed on this Work.
 2. There have been no unauthorized substitution of Subcontractors; nor have any unauthorized subcontracts been entered into.
 3. No subcontract was assigned or transferred or performed by anyone other than the original Subcontractor; except as provided in Sections 4100-4113, inclusive, of the Public Contract Code.

(Signed) _____
Contractor

45. COORDINATION WITH OTHERS AND OTHER CONTRACTS:

- A. The LACDA reserves the right to award other contracts for any Work on any portion of the project not included in this Contract.
- B. Where coordination with other contractors is required, the Contractor shall make the appropriate provisions in Contractor's CPM schedule for the access to the site by those contractors, the schedules of Work developed by them, and any coordination required between any of those Contractors and between any of them and this Contractor.
- C. The Contractor shall perform the Work of the Contract so that it will properly coordinate and fit the Work performed by other contractors. He shall give the other contractors every reasonable opportunity to perform their Work, store materials, and place equipment thereof, and fit their Work to the Work of other contractors. They shall furnish to the other contractors all information necessary in order that they may properly connect and fit their Work to Contractor's in ample time, so that they may have reasonable opportunity to prepare their Work therefore. They shall make the Work of this Contract ready to receive the Work of the other contractors at the time fixed thereof, and shall fit this Work to that of the other contractors at the time fixed therefore.

- D. The Contractor shall cooperate with others in the prosecution of all Work and shall not interfere with material, equipment, or workers of the LACDA or other contractors engaged by the LACDA at the site of the Work.
- E. All contractors engaged in Work at the site shall have, insofar as practical, equal use of the premises and facilities. In case of disagreement regarding such use, the matter shall be referred to the LACDA, whose decision relative to said use shall govern.
- F. If any part of the Contractor's Work depends on proper execution or results upon the Work of any other separate contractor, the Contractor shall inspect and promptly report to the Executive Director or his representative any apparent discrepancies or defects in such Work that render it unsuitable for such proper execution and results. Failure of the Contractor to inspect and report shall constitute an acceptance of the other contractor's Work as fit and proper to receive the Contractor's Work, except as to defects which may develop in the other separate contractor's Work after the execution of the Contractor's Work.
- G. Should the Contractor cause damage to the Work or property of any separate contractor on the project, the Contractor shall, upon due notice, settle with such other contractor by agreement or arbitration if it will so settle. If such separate contractor sues the LACDA or initiates an arbitration proceeding on account of any damage alleged to have been so sustained, the LACDA shall notify the Contractor who shall indemnify, defend, and hold the LACDA harmless, at the Contractor's expense, and if any judgment or award against the LACDA arises therefrom, the Contractor shall pay or satisfy it and shall reimburse the LACDA for all attorney's fees and court or arbitration costs which the LACDA has incurred.

46. CONTRACTOR'S CONSTRUCTION EQUIPMENT:

The Contractor shall furnish and maintain all equipment, including, but not limited to, stairs, ramps, runways, scaffolds, and hoists, required for the proper execution of the Work. All such equipment and construction shall meet all requirements of all ordinances and laws applicable thereto.

47. CONTRACTOR PERSONNEL:

- A. The Contractor agrees to employ only orderly and competent workers, skillful in the performance of the type of Work required under this Contract, to do the Work and agrees that whenever the LACDA informs the Contractor in writing that any workers on the Site are incompetent or disorderly, such

Worker shall be discharged from the Work and shall not again be employed on the Work without the LACDA's written consent.

- B. The Contractor shall give adequate attention to the faithful prosecution and completion of this Contract and shall keep on the Site at all times during project's progress, competent personnel superintendent and any necessary assistants to supervise and direct the Work. Grounds for removal of Contractor personnel specifically include (but is not limited to) the failure or refusal of such personnel to adhere to the Contractor's planned Project Schedule as developed by the Contractor under Section 01 32 16.

48. AUDITS AND RECORDS:

The Contractor shall maintain all data and records pertinent to the Work performed under this Contract, in accordance with generally accepted accounting principles, and shall preserve and make available all data and records until the expiration of four (4) years from the date of final payment under this Contract, or for such longer period, if any, as is required by applicable statute or by other articles of this Contract. The authorized representatives of the LACDA shall have access to all such data and records for such time period to inspect, audit, and make copies thereof during normal business hours. Contractor covenants and agrees that it shall require that any subcontractor utilized in the performance of this Contract shall permit the authorized representatives of the LACDA similarly inspect and audit all data and records of said Subcontractors relating to the performance of said Subcontractors under this Contract for the same time period.

49. WARRANTY AND CORRECTIONS TO WORK:

- A. In addition to any other warranties in the Contract Documents, the Contractor warrants that Work performed under this Contract conforms to the Contract requirements and is free of any defect in equipment, material, or design furnished, or workmanship performed by the Contractor or any Subcontractor or supplier at any tier.
- B. Corrections to the Work may be required during construction or any applicable warranty period. At the LACDA's option, the cost of such corrections may be withheld from progress payments.
- C. This warranty shall continue for a period of one (1) year from the date of Substantial Completion of the Work. If the LACDA takes occupancy of any part of the Work before Substantial Completion, a warranty covering that specific portion of the Work shall begin for a period of one (1) year from the date the LACDA takes partial occupancy. The LACDA will notify the

Contractor in writing of the scope of any partial occupancy and the specific items under warranty.

- D. The Contractor shall remedy, at the Contractor's sole expense, any failure to conform to the requirements of the Contract Documents or any defect. In addition, the Contractor shall remedy at the Contractor's sole expense any damage to LACDA-owned or controlled real or personal property, when that damage is the result of:
 - 1. The Contractor's failure to conform to or comply with Contract requirements; or
 - 2. Any defect of Contractor-furnished equipment, material, workmanship, or design.

- E. The Contractor shall restore any Work damaged in fulfilling the terms and conditions of this Article. The Contractor's warranty with respect to Work repaired or replaced shall be extended for one (1) year from the date of repair or replacement.

- F. The Executive Director or his representative shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage.

- G. If the Contractor fails to remedy any failure, defect, or damage within ten (10) working days (or immediately in the case of an emergency where delay would cause serious risk of loss, damage, injury or death) after receipt of notice, the LACDA shall have the right to remove, replace, repair, or otherwise remedy the failure, defect, or damage. All direct and indirect costs of such removal, replacement, repair, and correction, including compensation for additional professional services, shall be paid by the Contractor.

- H. With respect to all warranties, express or implied, from Subcontractors, manufacturers, or suppliers for Work performed and materials furnished under this Contract, the Contractor shall:
 - 1. Obtain all warranties that would be given in normal commercial practice;
 - 2. Require all warranties to be executed, in writing, for the benefit of the LACDA and

3. Enforce all warranties for the benefit of the LACDA

- I. In the event the Contractor's warranty has expired, the LACDA may bring suit at LACDA's expense to enforce a Subcontractor's, manufacturer's, or supplier's warranty.
- J. Unless a defect is caused by the Contractor or Subcontractor or supplier at any tier, the Contractor shall not be liable for the repair of any defects of material or design furnished by the LACDA, nor for the repair of any damage that results from any defect in LACDA-furnished material or design. The LACDA's approval of any of the Drawings & Specifications or Work shall not relieve Contractor from any liability for the Work.
- K. This warranty shall not limit the LACDA's rights under other articles of this Contract or as provided by law with respect to latent defects, gross mistakes, or fraud.
- L. The terms of this Article do not relieve the Contractor of any legal liability for defects discovered after one (1) year from the date of occupancy. The obligations imposed by this article shall survive termination of the Contract.

50. HAZARDOUS MATERIAL

- A. Hazardous Material is any product, substance, chemical, crude oil (or any products, by-products, or fractions thereof), whose nature, quantity, and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other material or materials in, on or about the project site: (a) is or becomes potentially injurious to the public health, safety or welfare, environment, or the project site; (b) is or becomes regulated or monitored by any governmental authority; or (c) may, according to statutory or common law theory, such as nuisance (public or private), waste, trespass, negligence, strict liability, or tort, be a basis for liability in tort, or be a basis for liability to third parties.
- B. Contractor shall notify the LACDA when the Contractor has reason to suspect the presence of any Hazardous Material on the project site, whether or not such material was generated by Contractor, LACDA, or any third party.
- C. In the event the presence of hazardous material is suspected or discovered on the project site, the LACDA shall retain an independent testing laboratory to determine the nature of the material encountered and whether corrective measures or remedial action is required.

- D. Except as may be otherwise provided herein, the Contractor shall not be obligated to commence or continue Work in the affected area until any known or suspected hazardous material discovered on the project site has been removed, or rendered or determined to be harmless by the LACDA, as certified by an independent testing laboratory and approved by the appropriate government agency.
- E. In the event the presence of hazardous materials on the project site is not caused by the Contractor, the LACDA shall pay for all costs of testing and remediation, if any, and shall compensate Contractor any additional costs incurred or project delay in accordance with the applicable provisions of changes in the work herein. In addition, the LACDA shall defend indemnify and hold harmless the Contractor and its agents, officers, directors and employees from and against any and all claims, damages, losses, costs, and expenses incurred in connection with the performance of the Work in the area affected by the hazardous material.
- F. In the event the presence of hazardous materials on the project site is caused by the Contractor, the Contractor shall pay for all costs of testing and remediation, if any, and shall compensate the LACDA for any additional costs incurred as a result of Contractor's generation of hazardous material on the project site. In addition, the Contractor shall defend, indemnify, and hold harmless the LACDA and its elected and appointed, officers, officials, representatives, employees, and agents, from and against any and all claims, damages, losses, costs, and expenses incurred in connection with, or arising out of, or relating to, the presence of hazardous material on the project site.
- G. The terms of this hazardous material provision shall survive the completion of the Work and/or any termination of this Contract.

51. CONTRACTOR SAFETY REQUIREMENTS:

In the performance of this Contract, the Contractor shall comply with all applicable federal, state, and local laws governing safety, health, and sanitation.

- A. **Jobsite Safety:** The Contractor shall be solely responsible for ensuring that all work performed under the Contract is performed in strict compliance with all applicable Federal, State and local occupational safety regulations. The Contractor shall provide at its sole expense all safeguards, safety devices, and protective equipment, and shall take any and all actions appropriate to providing a safe jobsite.

- B. **Project Safety Official:** The Contractor shall designate in writing a Project Safety Official who shall be at the jobsite at all times, and who shall be thoroughly familiar with the Contractor's Injury and Illness Prevention Program (IIPP) and Code of Safe Practices (CSP). The Project Safety Official shall be available at all times to abate any potential safety hazards and shall have the authority and responsibility to shut down an operation, if necessary. Failure by the Contractor to provide the required Project Safety Official shall be grounds for the LACDA to direct the cessation of all work activities and operations at no cost to the LACDA until such time as the Contract is in compliance.
- C. **Safety Indemnification:** To the extent allowed by law, the Contractor agrees to defend, indemnify and hold harmless the LACDA and its elected and appointed, officers, officials, representatives, employees, and agents, from and against any and all investigations, complaints, citations, liability, expense (including defense costs and legal fees), claims and/or causes of action for damages of any nature whatsoever, including but not limited to injury or death to employees of the Contractor, its subcontractors or LACDA attributable to any alleged act or omission of the Contractor or its subcontractor which is in violation of any CAL/OSHA regulation. The obligation to defend, indemnify and hold harmless includes all investigations and proceedings associated with purported violations of Section 336.10 of Title 8 of the California Code of Regulations pertaining to multi-employer work sites. The LACDA may deduct from any payment otherwise due the Contractor any costs incurred or anticipated to be incurred by the LACDA, including legal fees and staff costs, associated with any investigation or enforcement proceeding brought by CAL/OSHA arising out of the Project.

52. INDEMNIFICATION:

Contractor shall comply with all indemnification provisions set forth in the contract attached hereto as Sample Contract in Part A of the Bid Documents.

53. GENERAL INSURANCE REQUIREMENTS:

Contractor shall comply with all insurance and bonding provisions set forth in the contract attached hereto as Sample Contract in Part A of the Bid Documents.

54. ASSIGNMENT:

The Contractor shall not assign this Contract without the prior written consent of the LACDA.

55. COMPLIANCE WITH LAWS:

Contractor shall comply with Compliance With Laws provisions set forth in the Sample Contract, section 10.5, attached hereto in Part A of the Bid Documents.

56. PATENTS:

In the event that any patented article, material, or process is to be installed or used in the performance of the Work as shown on the drawings or particular specifications therefore, the Contractor shall pay the royalty chargeable and shall indemnify, defend, and hold the LACDA harmless from all damage, costs, and expenses by reason of any infringement of the patent therefore, or by reason of the failure to pay the royalty chargeable for use thereof, and any loss to the LACDA or the awarding entity in the event that the LACDA is enjoined from using such patented article or material and the incidental damage caused by the loss of use and damage to LACDA property or awarding entity in removing same, and cost of replacing the article or material the use of which is enjoined. Provided further the Bond for Faithful Performance shall be deemed to expressly apply to this provision.

57. SUSPENSION AND/OR TERMINATION OF WORK AND/OR CONTRACT:

A. Suspension of Work

1. The Executive Director or his representative may order the Contractor in writing to suspend, delay or interrupt all or any part of the Work for such period of time as he may determine to be appropriate for the convenience of the LACDA.
2. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the Work covered by the order during the period of Work stoppage.
3. If the performance of all or any part of the Work is, for an unreasonable period of time, suspended, delayed, or interrupted by (a) an act of the LACDA in the administration of this Contract, or (b) by the LACDA's failure to act within the time specified in this Contract (or, if no time is specified, within a reasonable time), a reasonable adjustment shall be made for any increase in cost of performance of this Contract (excluding profit) necessarily caused by such unreasonable suspension, delay, or interruption, and the Contract

modified in writing accordingly. However, no adjustment shall be made under this Article for any suspension, delay, or interruption to the extent (a) that performance would have been suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor, or (b) for which an adjustment is provided for or excluded under any other provision of this Contract.

4. No claim under this section shall be allowed (a) for any costs incurred more than fourteen (14) calendar days before the Contractor shall have notified the LACDA in writing of the act or failure to act involved, (but this requirement shall not apply as to a claim resulting from a suspension order), and (b) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such suspension, delay, or interruption, but not later than the date of final payment. No part of any claim based on the provisions of this clause shall be allowed if not supported by adequate evidence showing that the cost would not have been incurred but for a delay within the provisions of this Article.

B. Termination for Convenience

The LACDA reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in such termination.

This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the LACDA, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

- A. After receipt of a notice of termination and except as otherwise directed by the LACDA, the Contractor shall:
- B. Stop work under this Contract on the date and to the extent specified in such notice, and
- C. Complete performance of such part of the work as shall not have been terminated by such notice.

All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Paragraph 10.6 - Access and Retention of Records.

C. Termination for Default

1. If the Contractor refuses or fails (a) to commence the Work within the time required by this Contract, (b) to prosecute the Work or any separable part with the diligence that will ensure completion within the time specified in this Contract, including any authorized extension, (c) to provide sufficient and properly skilled workers or proper materials or equipment to complete the Work in an acceptable manner and without delay, (d) to promptly pay its subcontractors, laborers, and materialmen, (e) to perform any of Contractor's other obligations under this Contract, or (f) to complete the Work within the time specified in this Contract (collectively the "events of default"), the LACDA may, by written notice to the Contractor, terminate the right to proceed with the Work (or the separable part of the Work). In this event, the LACDA may take over the Work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the site necessary for completing the Work. The Contractor and Contractor's sureties shall be liable for any damage to the LACDA resulting from events of default, whether or not the Contractor's right to proceed with the Work is terminated. This liability includes any increased costs incurred by the LACDA in completing the Work.
2. The Contractor's right to proceed shall not be terminated because of delays, nor will the Contractor be charged with damages under this article, if:
 - a. the delay in completing the Work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor (examples of such causes include: (i) acts of God, (ii) acts of the public enemy, (iii) acts of the LACDA in either its public or contractual capacity, (iv) acts of another Contractor in the performance of a contract with the LACDA, (v) fires, (vi) floods, (vii) epidemics, (viii) quarantine restrictions, (ix) strikes, (x) freight embargoes, (xi) unusually severe weather, or (xii) delays of Subcontractors or Suppliers at any tier arising from unforeseeable causes beyond the

control and without the fault or negligence of both the Contractor and the Subcontractors or Suppliers); and,

- b. the Contractor, within fourteen (14) calendar days from the beginning of any delay (unless extended by the LACDA), notifies the LACDA in writing of the causes of the delay in accordance with Specification Section 01 32 16, Project Schedule. The LACDA shall ascertain the facts and the extent of the delay. If, in the judgment of the LACDA, the findings warrant such action, the time for completing the Work shall be extended by Change Order. The findings of the LACDA will be final and conclusive on the parties.
3. If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of the LACDA.
4. The rights and remedies of the LACDA in this article are in addition to any other rights and remedies provided by law or under this Contract. Time is of the essence for all delivery, performance, submittal, and completion dates in this Contract.

D. Termination for Improper Consideration

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

7.6.2 The Contractor shall immediately report any attempt by the LACDA officer or employee to solicit such improper consideration. The Report shall be made to the LACDA manager in accordance with the

supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

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

E. Notice of suspension or termination for any reason shall be given in writing and shall be complete one day after deposit in the United States mail in a sealed envelope with postage prepaid and directed to the Contractor at Contractor's address as filed with the LACDA, or upon personal delivery to any person whose actual knowledge of such suspension or termination would be sufficient notice to the Contractor. Actual knowledge of such suspension or termination by an individual Contractor or by a copartner, if the Contractor be a partnership or by the president, vice-president, secretary or general manager, if the Contractor be a corporation, or by the managing agent regularly in charge of the Work on behalf of said Contractor, shall in any case be sufficient notice.

58. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Contractor shall comply with the provisions of LACDA's Child Support Compliance Program as set forth in the contract attached hereto as Sample Contract in Part A of the bid documents.

59. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT:

Contractor shall acknowledge the provisions of the County's Commitment to Child Support Enforcement as set forth as "Post L.A.'s Most Wanted Parent List" in the contract attached hereto as Sample Contract in Part A of the bid documents.

60. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT:

The Contractor shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) as amended. Violations shall be reported to the LACDA and the Regional Office of the Environmental Protection Agency.

61. LOBBYING OF COUNTY OFFICIALS

Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Contract upon which LACDA may immediately terminate or suspend this Contract.

62. LIMITATION OF LIABILITY:

A. This project may be awarded by or the Contract may be assigned to a joint powers authority or a nonprofit corporation established by the awarding entity. Bonds, certificates of participation, or other evidences of indebtedness will be issued by a joint powers authority or nonprofit corporation or the awarding entity or the LACDA, for the purpose of constructing the Work contemplated by the Drawings & Specifications. The proceeds of said sale shall be the sole source of funds for payment of all Work to be done and all claims of any kind that may be made under the provisions of this Contract. Neither the awarding entity, nor (if different) the issuing entity, nor any individual parties thereto, nor the LACDA, nor the LACDA's agents and Special Districts, shall have any liability whatsoever to the Contractor or others arising out of, or in any way connected with, Work to be performed hereunder, save and except as such liability may be paid and discharged out of said proceeds, and except as specifically provided for in these specifications. Contractor shall look solely to said proceeds for payment of Work to be done or any claims whatsoever that may be asserted hereunder. Contractor expressly releases and discharges the awarding entity, the issuing entity, and the LACDA and each of them from any and all liability, cost, or expenses save and except such liability, cost, and expense as may be paid for out of said proceeds.

B. The issuing entity will adopt a policy to sell and issue bonds, certificates of participation, or other evidences of indebtedness at such times and in sufficient amounts to ensure that funds are provided for the prompt payment, as installments become due, for Work performed hereunder.

63. FORUM SELECTION:

Contractor hereby agrees to submit to the jurisdiction of the courts of the State of California. The exclusive venue of any action brought by Contractor, on Contractor's behalf or on the behalf of any Subcontractor, which arises from this

Contract or is concerning or connected with services performed pursuant to this Contract, shall be deemed to be in the courts of the State of California located in Los Angeles County, California or the United States District Court for the Central District of California as the subject matter jurisdiction may require.

64. WAIVER:

Contractor shall comply with Waiver provisions set forth in the Sample Contract paragraph 10.17 attached hereto in Part A of the Bid Documents.

65. PRIOR AGREEMENTS:

This Contract contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this Contract and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Contract may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successor-in-interest.

66. PAYMENTS

Payments on account of the Work comprising the Contract shall be made upon demand of the Contractor as follows:

- a. A working day of the month shall be selected by the LACDA and the Contractor, which day shall remain constant throughout the life of the Project, and vary only as needed to fall on a working day. A payment request equal to ninety percent (90%) of the labor performed and material actually installed in the Work during the previous thirty (30) days or since the last payment request shall be submitted by the Contractor and presented to the LACDA for payment.
- b. A payment request for the five percent (5%) withheld from the monthly progress payments shall be submitted by the Contractor to the LACDA upon completion and acceptance by the LACDA of all the Work called for under the Contract.
- c. In the event of payment on account of additional work for a Change Order, supplemental agreement, or unit price authorization, the retention shall be as stipulated by the Contract.
- d. When progress payments are to be made, no payment on account of the Work and at any time while there is Work in progress will be considered an acknowledgment that any or certain portions of the Work have been done

in accordance with the Drawings & Specifications. Should there be any balance due the Contractor at the time of the acceptance of the Work such balance shall be paid upon said acceptance.

- e. All demands for payment shall be itemized and rendered in six (6) copies by the Contractor and shall be certified by the Executive Director when found by him to be correct. Payment will be made to the Contractor within thirty (30) days after the approval by the Executive Director.
- f. Cost of bonds or liability insurance shall not be included as an item in the demands for monthly progress payments. In the compilation of demands for progress payments, neither stipulated nor bid unit prices for deductions shall be used as the basis for computing prices for the Work completed.
- g. The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the LACDA before the start of construction. The Contractor shall submit to the LACDA all of its payrolls for each pay period within 7 days after the pay period has ended. The Contractor shall also collect, review and submit to the LACDA all of its subcontractors' payrolls for each pay period within 7 days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within 7 days after the pay period has ended, is a violation of this contract and entitles the LACDA to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated ongoing or flagrant failures by the contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this contract which may result in the LACDA terminating the contract for default.

67. PAYMENT FOR STORED MATERIAL

The LACDA, at its discretion, may authorize "Progress Payments" at the invoiced price, minus retention specified under "Payments", for:

- a. Material and equipment delivered to the site but not incorporated in the Work.
- b. Material and equipment delivered and stored off the site in a bonded warehouse or other location within Los Angeles County, which warehouse or other location is satisfactory to and has been approved by the LACDA.

- c. The provisions allowing prepayment for materials will be applied to large items of equipment and construction materials of special manufacture or order for the job, such as:
1. Electrical switchgear, generators, and transformers over 15 KVA.
 2. Mechanical items including air handlers over 15 horsepower, boilers, chillers, and fabricated ductwork.
 3. Reinforcing steel and structural steel when fabricated to job requirements.
 4. Electrical fixtures (less lamps) and light standards.
 5. Door and security hardware.
 6. Window and Wall Assemblies

Contractor must furnish with his Request for Payment acceptable evidence showing such material and/or equipment has been paid for in full, together with a verified statement that same is/are free from all liens and encumbrances and will be utilized in the Work covered by this Contract and a material list sufficient for physical inventory at the storage location. All shop drawings and material submittals must be approved prior to authorizing payments.

All storage, handling and rehandling costs, insurance and responsibility for protection and proper installation of such material and equipment, is the obligation of the Contractor. No payment, pursuant to this provision for material or equipment, shall in any way relieve the Contractor of its responsibility to obtain or provide, at its expense, any such material or equipment, or release the Contractor from any of its obligations under this Contract.

LACDA may enter upon the premises where the material and/or equipment is stored for inspection, checking, or any other purpose it deems necessary.

68. PROGRESS PAYMENTS:

If any payment request submitted by Contractor is determined not to be a proper payment request suitable for payment, it shall be returned to the Contractor as soon as practicable, but not later than seven (7) days after receipt accompanied by a document setting forth in writing the reasons why the payment request is not proper. The Contractor will use Primavera Expedition 9.1 (or the latest version) to

prepare and submit progress payments unless otherwise instructed by the Executive Director or his representative.

69. ACCEPTANCE OF FINAL PAYMENT AS RELEASE:

The acceptance by the Contractor of the final payment shall be and shall operate as a release to the LACDA and the awarding entity of all claims and all liability to the Contractor for all things done or furnished in connection with this Work and for every act and neglect of the LACDA, awarding entity, and others relating to or arising out of this Work. No payment, however final or otherwise, shall operate to release the Contractor or his sureties from any obligation under this contract or the Performance and Payment Bond.

70. SUBSTITUTION OF SECURITIES FOR RETENTION:

In accordance with Public Contracts Code Section 22300 et seq., the Contractor may substitute securities for retention monies to be withheld to ensure performance under this Contract. At the request and expense of the Contractor, securities equivalent to the amount withheld may be deposited with the LACDA, or with an approved State or Federally chartered bank as the escrow agent. The LACDA will then pay such retention moneys to the Contractor. It is the Contractor's obligation to secure the services of a state or federally chartered bank to act as escrow agent. Securities eligible for investment include those listed in Government Code Section 16430 or bank or savings and loan certificates of deposit. The Contractor shall be the beneficial owner of any securities substituted for retention monies withheld and shall receive any interest earned by the securities.

71. RESOLUTION OF CONSTRUCTION CLAIMS:

The provisions of Public Contract Code 20104 et seq. relating to the resolution of construction claims of three hundred seventy-five thousand dollars (\$375,000) or less which arise between a Contractor and a local agency are hereby incorporated in this Contract.

72. CONFLICT OF INTEREST:

No LACDA employee whose position in LACDA enables him to influence the award of this agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Contract.

73. NOTICE:

Contractor shall comply with Notice provisions set forth in the Sample Contract, paragraph 10.18 attached hereto in Part A of the Bid Documents.

74. ANTI-TRUST CLAIMS:

In entering into a LACDA Contract or a Subcontract to supply goods, services, or materials pursuant to a public works contract, the Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the 44 Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2, Division 7, of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works Contract or Subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the Contractor, without further acknowledgment by the parties.

75. LACDA'S QUALITY ASSURANCE PLAN:

Contractor shall comply with LACDA's Quality Assurance Plan provisions set forth in the Sample Contract paragraph 7.10 attached hereto in Part A of the Bid Documents.

* * *



**LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY**

CONSTRUCTION CONTRACT

FOR

TEMPE CITY LIBRARY

**5939 Golden West Avenue
Temple City, CA 91780**

BID NUMBER: LACDA19-062

Bid Date: October 10, 2019

**LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY**

CONSTRUCTION CONTRACT

This CONSTRUCTION CONTRACT (or "Contract") is made this *[day]* day of September, 2019, by and between the Los Angeles County Development Authority (LACDA), a body corporate and politic, hereinafter referred to as the "LACDA", and _____, hereinafter referred to as the "Contractor".

WITNESSETH, that the LACDA and the Contractor, for the consideration stated herein, mutually agree as follows:

- A. The LACDA is the LACDA of that certain real property, commonly known as the Temple City Library, located at 5939 Golden West Avenue, Temple City, CA 91780 hereinafter referred to as the "Property".
- B. The term "Work" includes performance, as set forth in the Contract Documents by the Contractor, for all improvement work on, in and about the Properties.
- C. LACDA desires the Contractor to perform the Work on the terms and conditions hereinafter set forth, and Contractor agrees to perform said Work on terms and conditions set forth below.

ARTICLE 1
THE CONSTRUCTION CONTRACT

1.1 The Construction Contract means and includes all of the "Contract Documents". The Contract Documents which form the Construction Contract are incorporated herein by this reference and are made a part of this Construction Contract as if fully set forth herein. The Contract Documents consist of the following component parts:

- PART A Instructions to Bidders, General Conditions of the Contract, Attachments A, B, C, D, E, and General Conditions Section 00 70 00
 - PART B General Requirements and Technical Specifications
 - PART C Bidder's Documents, Representations, Certifications, Bid and Other Statements of Bidder
- DRAWINGS

ALL ADDENDA TO THE ABOVE CONTRACT DOCUMENTS.

ARTICLE 2
STATEMENT OF WORK

- 2.1 Contractor agrees to perform in a professional manner, to the satisfaction of the LACDA's Executive Director, all Work described in the Contract Documents referenced in Article 1.
- 2.2 The Contractor shall furnish all labor, material, equipment and services and perform and complete all Work required for the project identified as Bid No. LACDA19-062 for the LACDA.

All such Work shall be in strict accordance with the Specifications and Drawings, identified as Part B, all as prepared by Emar Studio.

- 2.3 Data provided in the Specifications and Drawings are believed to actually depict the conditions to be encountered by the Contractor, but LACDA does not guarantee such data as being all-inclusive or complete in any respect. Nothing contained herein shall relieve Contractor from making any and all investigations through non-destructive observations of the Properties which are reasonably necessary to apprise him/herself of the condition of the Properties. Contractor hereby accepts the project in an "as is" condition and herein warrants that all such investigations have been performed by him/her, and hereby expressly waives any and all rights under this Construction Contract, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3
TIME OF COMMENCEMENT AND COMPLETION

- 3.1 The Work to be performed under this Construction Contract shall be commenced within ten (10) days after a Notice to Proceed is received by the Contractor, or on the date specified in the Notice, whichever is later, and shall be completed within THREE HUNDRED NINETY (390) calendar days following the required commencement date.
- 3.2 The Contractor and the LACDA agree that, since the determination of actual damages for any delay in completion would be extremely difficult or impracticable to determine in the event of breach of contract, the Contractor and his/her sureties shall be liable for, and shall pay to the LACDA the sum of Twelve Hundred Dollars (\$1200.00) as liquidated damages for each calendar day of delay, until the Work is accepted by the LACDA. The Contractor shall not be charged with liquidated damages because of any delay in the completion of the Work due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor.

The LACDA may withhold, or cause to be withheld, from any monies payable on account of Work performed by the Contractor or subcontractor any accrued liquidated damages, amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 4
CONTRACT SUM

- 4.1 The LACDA shall pay the Contractor for the performance of the Construction Contract subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of _____ DOLLARS (\$_____). The Contractor represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, not less than the prescribed minimum wages in accordance with the Prevailing Wage Determination published by the U.S. Department of Labor that is applicable to this contract.
- 4.2 The Contract Sum set forth herein includes the payment by Contractor of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.
- 4.2 The Contract Sum is not subject to escalation, the Contractor having satisfied him/herself with said Contract Price, which includes all labor and material increases anticipated throughout the duration of this Construction Contract.
- 4.3 Source and Appropriation of Funds - **“Intentionally Omitted”**
- 4.3.1 The LACDA's obligation is payable only and solely from funds appropriated from multiple state and county funding sources for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.
- 4.3.2 In the event this Contract extends into the succeeding fiscal year and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The LACDA will endeavor to notify the Contractor in writing within ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5
PROGRESS PAYMENTS

- 5.1 Based upon applications for payment submitted by the Contractor to the LACDA, and after approval by the Construction Management Division, the LACDA shall make progress payments on account of the Contract Sum to the Contractor, as provided in the Instruction to Bidders of the Construction Contract.

- 5.2 Approved applications for progress payments will be paid by the thirtieth day of each month, provided that application for payment has been submitted to the LACDA on or before the first working day of the month. Payment shall be subject to all provisions of the General Conditions Section of the Instruction to Bidders incorporated by reference into the Contract.
- 5.3 The Contractor and each Subcontractor shall submit all required Labor Compliance forms to the LACDA before the start of construction using the LACDA's labor compliance software, pursuant to Paragraph 10.37 of this Construction Contract. The Contractor shall use LACDA's labor compliance software to submit to the LACDA all of its payrolls for each pay period within seven (7) days after the pay period has ended. The Contractor shall also collect, review and submit to the LACDA all of its subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. Contractor's failure to submit its payrolls or any subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this Contract and entitles the LACDA to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated ongoing or flagrant failures by the Contractor to submit the required forms, its payrolls or the payrolls of its subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this Contract, which may result in the LACDA terminating the Contract for default.

ARTICLE 6 PROJECT CLOSEOUT

- 6.1 Prior to occupancy of any dwelling unit, building, or other portion of the project, the LACDA shall receive a certificate from the Contractor that such portion of the project is ready for occupancy, and shall cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this Construction Contract have been satisfied. The LACDA shall cause the Notice of Completion to be recorded with the County Recorder.
- 6.2 Upon Issuance of a Notice of Completion, final payment shall be made to the Contractor of the entire unpaid balance of the Contract Sum, including any sums due to the Contractor for changes in the Work approved by the LACDA pursuant to Section 1.27.5 of the General Conditions and Requirements, less any amounts which LACDA is entitled to receive from the Contractor under the terms of this Contract or amounts necessary to cover stop notices or alleged labor underpayments, and less the five percent (5%) retention withheld, pursuant to Section 1.27.6 of the General Conditions and Requirements.
- 6.3 In addition to all other requirements, a Notice of Completion shall be issued only when LACDA has received the following:

- A. A Certificate of Completion, executed by LACDA.
 - B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. Contractor guarantees that the equipment, materials, and workmanship, not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship for a period of one (1) year following date of final acceptance of the project.
 - C. The waiver and release of all liens, claims of liens, or stop notice rights of the Contractor and all subcontractors, and the Contractor's Certificate and Release.
 - D. Verification from the Architect that Contractor has removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the project site. If the Contractor has failed to remove any of such items, the LACDA may remove such items, and the Contractor shall pay the LACDA for all costs incurred in connection with such removal.
- 6.4 After recordation of the Notice of Completion, and expiration of the thirty-day period for filing of stop notices, the LACDA shall use reasonable efforts to settle all claims and disputes, notify the Contractor of final acceptance of the project, and make final payment of the entire unpaid balance of the Contract Sum, including the five percent (5%) retention, less any amounts which the LACDA is entitled to receive from the Contractor under the terms of this Construction Contract, including liquidated damages, and less amounts necessary to cover stop notices or alleged labor underpayments.

ARTICLE 7
BREACH AND TERMINATION

- 7.1 Waiver by the LACDA of any breach of this Construction Contract shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective Work or improper materials.
- 7.2 In addition to any right of termination reserved to the LACDA by Section 1.34.1 of the General Conditions and Requirements of the Construction Contract, the LACDA may terminate this Construction Contract or performance under this Construction Contract, if the Contractor is adjudged bankrupt, a receiver is appointed because of the Contractor's insolvency, or the Contractor makes a general assignment for the benefit of its creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the project in accordance with the Drawings and Specifications, or otherwise substantially violates any provision of the Contract Documents.

Termination for Insolvency

7.2.1 The LACDA may terminate this Contract forthwith in the event of the occurrence of any of the following:

- A. Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- B. The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- C. The appointment of a Receiver or Trustee for the Contractor; or
- D. The execution by the Contractor of a general assignment for the benefit of creditors.

7.2.2 The rights and remedies of the LACDA provided in this Paragraph 7.8 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

7.3 The LACDA shall give the Contractor and his/her surety written notice prior to terminating this Construction Contract or performance under this Construction Contract, pursuant to Section 1.34.1 of the General Conditions and Requirements, provided that the Contractor shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the project. Upon termination, the LACDA may take possession of the project and all materials, equipment, tools, and construction equipment and machinery owned by the Contractor and located at the project site, and may finish the project by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment under this Construction Contract.

7.4 The LACDA shall not be deemed to have waived any of its other rights or remedies against the Contractor by exercising its right of termination under this Article.

7.5 Termination for Default

This Contract may be terminated by the LACDA upon written notice to the Contractor for cause (failure to perform satisfactorily any of the Contract terms, conditions, and Work items) with no penalties upon termination or upon the occurrence of any of the following events:

- A. Continuing failure of the Contractor to perform any Work required to be performed hereunder in a timely and professional manner, or Contractor is not

properly carrying out the provisions of the Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor; and should the Contractor neglect or refuse to provide a means for a satisfactory compliance with this Contract and with the direction of the LACDA within the time specified in such notices, the LACDA shall have the power to suspend the performance of this Contract by Contractor in whole or in part.

- B. Failure on the part of the Contractor to procure or maintain insurance required by this Contract shall constitute a material breach of contract upon which the LACDA may immediately terminate this Contract.
- C. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the Work to be done under said Contract is abandoned for more than three (3) days by the Contractor, then notice of deficiency thereof in writing will be served upon the Contractor. Should the Contractor fail to comply with the terms of said Contract within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the LACDA shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- D. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
- E. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this Contract, the LACDA shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the LACDA become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

7.5.1. The LACDA may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of the LACDA's Project Manager:

- A. Contractor has materially breached this Contract; or
- B. Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- C. Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer

period as the LACDA may authorize in writing) after receipt of written notice from the LACDA specifying such failure.

- 7.5.2. In the event that the LACDA terminates this Contract in whole or in part as provided in sub-paragraph 7.5.1, the LACDA may procure, upon such terms and in such manner as the LACDA may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the LACDA for any and all excess costs incurred by the LACDA, as determined by the LACDA, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.
- 7.5.3. Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in sub-paragraph 7.5.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the LACDA in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this sub-paragraph 7.5.3, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.
- 7.5.4. If, after the LACDA has given notice of termination under the provisions of this Paragraph 7.5, it is determined by the LACDA that the Contractor was not in default under the provisions of this Paragraph 7.5, or that the default was excusable under the provisions of sub-paragraph 7.5.3, the rights and obligations of the Parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 7.7 - Termination for Convenience.
- 7.5.5. The rights and remedies of the LACDA provided in this Paragraph 7.5 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

7.6 Termination for Improper Consideration

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

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

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

7.7 Termination for Convenience

The LACDA reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in such termination.

This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the LACDA, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

- A. After receipt of a notice of termination and except as otherwise directed by the LACDA, the Contractor shall:
- B. Stop work under this Contract on the date and to the extent specified in such notice, and
- C. Complete performance of such part of the work as shall not have been terminated by such notice.

All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by

the Contractor in accordance with Paragraph 10.6 - Access and Retention of Records.

7.8 Termination for Non-Adherence of County Lobbyist Ordinance

The Contractor, and each LACDA Lobbyist or LACDA Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any LACDA Lobbyist or LACDA Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the LACDA may in its sole discretion, immediately terminate or suspend this Contract.

7.9 Termination for Non-Appropriation of Funds

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

7.10 The LACDA's Quality Assurance Plan

The LACDA will evaluate Contractor's performance under this Contract on not less than a quarterly basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which the LACDA determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the LACDA and the Contractor. If improvement does not occur consistent with the corrective action measures, the LACDA may terminate this Contract or pursue other penalties as specified in this Contract.

7.10.1 The LACDA or its agent(s) will monitor the Contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the LACDA determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board and listed in the appropriate LACDA reports. The report to the Board will include improvement/corrective action measures taken by the LACDA and the Contractor. If improvement does not occur consistent with

the corrective action measures, the LACDA may terminate this Contract or impose other penalties as specified in this Contract.

7.10.2 A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the LACDA in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

7.11 Non-payment After Expiration or Termination

The Contractor shall have no claim against the LACDA for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Agreement. Should the Contractor receive any such payment, it shall immediately notify the LACDA and shall immediately repay all such funds to the LACDA. Payment by the LACDA for services rendered after expiration/termination of this Agreement shall not constitute a waiver of the LACDA's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Agreement.

ARTICLE 8 MISCELLANEOUS PROVISIONS

8.1 The Contractor shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should Contractor become aware that any provision of the Construction Contract is at variance with any such rule, law, regulation, ordinance or order, he/she shall promptly give notice in writing to the LACDA of such variance.

8.2 It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this Construction Contract are severable, and if any phrase, clause, sentence, paragraph or section of this Construction Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Construction Contract.

8.3 Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any

adjustment by the Contractor without such a determination by the Contracting Officer shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

ARTICLE 9
CONTRACTOR APPROVAL

9.1 Contractor's Adherence to the Child Support Compliance Program

Contractor shall: 1) fully comply with all applicable State and Federal reporting requirements relating to employment reporting for its employees; and, 2) comply with all lawfully served Wage and Earnings Assignment Orders and Notice of Assignment and continue to maintain compliance during the term of any contract that may be awarded pursuant to this solicitation. Failure to comply may be cause for termination of a contract or initiation of debarment proceedings against the non-compliant contractor.

9.2 Contractor's Warranty of Adherence to LACDA's Child Support Compliance Program

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

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

9.3 Termination For Breach of Warranty to Comply with LACDA's Child Support Compliance Program

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 9.2, "Contractor's Warranty of Adherence to County's Child Support Compliance Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the LACDA under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the LACDA may terminate this Contract pursuant to Paragraphs under 7.5- "Termination for Cause" and pursue debarment of Contractor, pursuant to LACDA Policy.

9.4 Post L. A.'s Most Wanted Parents List

Contractor acknowledges that the LACDA places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is the Housing Authority's policy to encourage the LACDA contractors to voluntarily post the LACDA's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. District Attorney will supply Contractor with the poster to be used.

ARTICLE 10
ADDITIONAL PROVISIONS

10.1 This Construction Contract and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.

10.2 This Construction Contract contains the entire agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.

10.3 No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

10.4 Insurance

Without limiting Contractor's indemnification of LACDA Indemnitees, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Section 9 this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The LACDA in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

10.4.1 Insurance Coverage

10.4.1.1 **Commercial General Liability Insurance** (providing scope of coverage equivalent to ISO policy form CG 00 01), naming The LACDA, its Special Districts, Elected Officials, Officers, Agents,

Employees and Volunteers (collectively "LACDA and its Agents") as an additional insured, with limits of not less than:

General Aggregate:	\$4 million
Products/Completed/On-Going Operations Aggregate:	\$4 million
Personal and Advertising Injury:	\$2 million
Each Occurrence:	\$2 million

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

10.4.1.3 **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. Coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the LACDA as the Alternate Employer, and the endorsement form shall be modified to provide that LACDA will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

10.4.2 Additional Unique Insurance Coverage

10.4.2.1 **Professional Liability/Errors and Omissions** insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$2 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

10.4.2.2 **Builder's Risk Insurance for Fire and Extended Coverage** (All Risk with Replacement Cost Coverage Form) shall be maintained by the Contractor upon the entire part of the structure on which the work of the Contract is to be done in one hundred (100%) percent of the insurable value of the Contract amount thereof, including items of labor and materials connected therewith. This insurance shall include the interests of the LACDA, Contractor, subcontractors, and sub-subcontractors, and shall insure against

the perils of fire and extended coverage, and shall include "all risk" insurance for physical damage, including, but not limited to, windstorm, hailstorm, tornado, theft, vandalism, and malicious mischief and course of construction coverage. The property insurance shall include the fees of an architect necessary to be incurred in repairs or reconstruction of the Work. The LACDA shall be named as Loss Payee.

10.4.2.3 **Pollution (Environmental Liability)** insurance applicable to the work performed including Asbestos Pollution Liability and/or Errors & Omissions providing coverage for bodily injury, personal injury, death, property damages, and environmental damage with limits of not less than the following:

General Aggregate	\$2 million
Completed Operations	\$2 million
Each Occurrence	\$1 million

Said policy shall also include, but not be limited to coverage for any and all remediation costs, including but limited to brownfield restoration and clean-up costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials where applicable. The LACDA, the County and their Agents shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all of the following requirements:

1. The retroactive date must be shown on the policy and must be before the date of this Contract or the beginning of the work or services that are the subject of this Contract;
2. Insurance must be maintained and evidence of insurance must be provided for the duration of this Contract or for five (5) years after completion of the work or services that are the subject of this Contract, whichever is greater;
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Contract, then the Contractor must purchase an extended period coverage for a minimum of five (5) years after completion of work or services that are the subject of this Contract;

4. A copy of the claims reporting requirements must be submitted to the LACDA for review; and

If the work or services that are the subject of this Contract involve lead based paint or asbestos identification/remediation, then the Contractors Pollution Liability shall not contain any lead-based paint or asbestos exclusions. If the services involve mold identification / remediation, the Contractors Pollution Liability shall not contain a mold exclusion and definition of "Pollution" shall include microbial matter including mold.

- 10.4.2.4 **Bid, Performance, Payment, Maintenance Bonds and Completion Guarantee**, insurance and bonding procedures shall be conducted in full compliance with Federal standards as stated in 24 CFR 85.36, all state and county laws and procedures, other Governmental Restrictions. The bonding coverage shall include a Bid Bond, Performance Bond, Payment Bond, Maintenance Bond and Completion Guaranty for construction or facility improvement contracts exceeding \$100,000.

The Payment Bond and the Performance Bond shall be in a sum equal to the contract price. If the Performance Bond provides for a one-year warranty, a separate Maintenance Bond is not necessary. If the warranty period specified in the contract is for longer than one year a Maintenance Bond equal to 10% of the contract price is required. Bonds shall be duly executed by a responsible corporate surety, authorized to issue such bonds in the State of California and secured through an authorized agent with an office in California.

The LACDA shall require for any Construction Contract, that the Contractor shall procure and maintain at the Contractor's expense (and require all subcontractors and sub-subcontractors to procure and maintain at their expense) for the duration of the Construction Contract, or for a longer period as indicated, the insurance coverage required in this Contract, against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work by the Contractor, its agents, representatives, employees, subcontractors or sub-subcontractors, and that the Contractor and all subcontractors and sub-subcontractors shall otherwise meet the insurance requirements set forth therein.

10.4.3 Certificate of Insurance Coverage:

- 10.4.3.1 Certificate(s) of Insurance Coverage ("Certificate") satisfactory to LACDA, and a copy of an Additional Insured endorsement confirming LACDA and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to LACDA at the address shown below and provided prior to commencing services under this Contract.
- 10.4.3.2 Renewal Certificates shall be provided to LACDA not less than ten (10) days prior to Contractor's policy expiration dates. The LACDA reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- 10.4.3.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, **reference this Contract by name or number**, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. **All certificates of insurance and endorsements shall carry the following identifier: Temple City Library, 5939 Golden West Avenue, Temple City, CA 91780.**
- 10.4.3.4 Certificates shall provide the full name of each insurer providing coverage, its National Association of Insurance Commissioners ("NAIC") identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any LACDA required endorsement forms.
- 10.4.3.5 Neither the LACDA's failure to obtain, nor the LACDA's receipt of, or failure to object to a non-complying Certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- 10.4.3.6 Certificates and copies of any required endorsements shall be sent to:
Los Angeles County Development Authority
Construction Management Unit
700 W. Main St.
Alhambra, CA 91801
Attention: Susana Oliveros, Project Manager
Susana.oliveros@lacda.org

10.4.4 Notices of Injury or Damage or Destruction

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

10.4.5 Additional Insured Status and Scope of Coverage

The LACDA and its Agents shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the LACDA. LACDA and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the LACDA. The full policy limits and scope of protection also shall apply to the LACDA and its Agents as an additional insured, even if they exceed the LACDA's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

10.4.6 Cancellation of or Change to Maintain Insurance

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

10.4.7 Failure to Maintain Insurance

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

10.4.8 Contractor's Insurance Shall Be Primary

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

10.4.9 Insurance Specifics

10.4.9.1 Waivers of Subrogation

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

10.4.9.2 Sub-Contractor Insurance Coverage Requirements

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

10.4.9.3 Deductibles and Self-Insured Retentions (SIRs)

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

10.4.9.4 Claims Made Coverage

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

10.4.9.5 Application of Excess Liability Coverage

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

10.4.9.6 Separation of Insureds

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

10.4.10 Alternative Risk Financing Programs

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

10.411 LACDA Review and Approval of Insurance Requirements

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

10.5 Compliance With Laws

The Contractor agrees to be bound by applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract. This Contract is subject to and incorporates the terms of the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

The Contractor shall comply with the following laws:

Civil Rights Act of 1964, Title VI (Non-discrimination in Federally Assisted Programs)

Title VI provides that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

Executive Order 11246 and 11375, Equal Opportunity in Employment (Nondiscrimination in Employment by Government Contractors, Subcontractors, and Contractors)

During the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided by the LACDA's contracting officer, advising the labor union or workers' representatives of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his/her books, records, and accounts by the LACDA and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the LACDA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the Contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the LACDA, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Compliance with Senate Bill 854 (Public Works Contract Registration Requirements)

This project is a public work as defined in Section 1720 of the California Labor Code, and subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR).

A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to requirements of Section 4104 of the California Public Contract Code, or engage in the performance of any contract for public works, unless currently registered with the Department of Industrial Relations and qualified to perform public work pursuant to California Labor Code section 1725.5.

All contractors and subcontractors must furnish certified payroll records directly to the Labor Commissioner (aka Division of Labor Standards Enforcement) in a format prescribed by the Labor Commission.

In addition certified payroll records must also be submitted to the LACDA, Labor Compliance Team pursuant to the General Conditions Section 37 of Part A of the Solicitation package and Section 10.37 of this Construction Contract..

The prime contractor is required to post job site notices prescribed below:

8 Calif. Code Reg. §16451(d):

“This public works project is subject to monitoring and investigative activities by the Compliance Monitoring Unit (CMU) of the Division of Labor Standards

Enforcement, Department of Industrial Relations, State of California. This Notice is intended to provide information to all workers employed in the execution of the contract for public work and to all contractors and other persons having access to the job site to enable the CMU to ensure compliance with and enforcement of prevailing wage laws on public works projects.

“The prevailing wage laws require that all workers be paid at least the minimum hourly wage as determined by the Director of Industrial Relations for the specific classification (or type of work) performed by workers on the project. These rates are listed on a separate job site posting of minimum prevailing rates required to be maintained by the public entity which awarded the public works contract. Complaints concerning nonpayment of the required minimum wage rates to workers on this project may be filed with the CMU at any office of the Division of Labor Standards Enforcement (DLSE).

Local Office Telephone Number:

Division of Labor Standards Enforcement Office
320 W. Fourth Street, Suite 450
Los Angeles, CA 90013
(213) 620-6330

“Complaints should be filed in writing immediately upon discovery of any violations of the prevailing wage laws due to the short period of time following the completion of the project that the CMU may take legal action against those responsible.

“Complaints should contain details about the violations alleged (for example, wrong rate paid, not all hours paid, overtime rate not paid for hours worked in excess of 8 per day or 40 per week, etc) as well as the name of the employer, the public entity which awarded the public works contract, and the location and name of the project.

“For general information concerning the prevailing wage laws and how to file a complaint concerning any violation of these prevailing wage laws, you may contact any DLSE office. Complaint forms are also available at the Department of Industrial Relations website found at www.dir.ca.gov/dlse/PublicWorks.html.”

State Prevailing Wage Requirements

This construction project is funded in whole with public funds. The Contractor shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires contractors to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations, Division of Labor Statistics. The applicable wage decision for this project is LOS2019-2, These rates can be obtained on

the website at www.dir.ca.gov, or by contacting the LACDA, Construction Management Unit, Labor Compliance Team for prevailing wage rates on file.

10.6 Access and Retention of Records

The Contractor shall provide access to the LACDA, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor, which are directly pertinent to the specific Contract for the purpose of making audits, examinations, excerpts and transcriptions. The Contractor is required to retain the aforementioned records for a period of five (5) years after the LACDA pays final payment and other pending matters are closed.

10.7 Conflict of Interest

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the LACDA. Upon execution of this Contract and during its term, as appropriate, the Contractor shall disclose in writing to the LACDA, any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the LACDA's interest and the interests of the third parties.

10.8 Indemnification

The Contractor ("Indemnitor") shall indemnify, defend and hold harmless the, LACDA, the County of Los Angeles, and each of their elected and appointed officers, officials, representatives, employees, successors, assigns, predecessors, lenders, accountants, attorneys, and agents (each an "Indemnitee") from and against any and all liability, demands, damages, claims, causes of action, judgments, awards, expenses, and fees (including reasonable attorneys', experts' and consultants' fees) including, but not limited to, claims for bodily injury, property damage, loss of income, pain and suffering, emotional and psychological distress, and death, that arises from, pertains to, or relates to (whether in whole or in part) the acts, errors, or omissions of Indemnitor, Indemnitor's agent(s), representative(s), employee(s), or any third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) in connection with the performance of Indemnitor's obligations under this Contract (collectively, the "Indemnified Liabilities"). If Indemnitor is a "design professional" within the meaning of *Civil Code* § 2782.8, Indemnitor shall only be required to indemnify and defend Indemnitee to the extent that the claims arise from, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Indemnitor. Notwithstanding anything to the contrary, Indemnitor shall only be required to indemnify a particular Indemnitee to the extent that the Indemnified Liabilities was not caused by the sole negligence, active negligence or willful

misconduct of that Indemnitee. Indemnitor agrees to require each and every third party with whom Indemnitor directly contracts with (or for whom Indemnitor is otherwise legally responsible for) to be considered an additional "Indemnitor" under this provision and to separately agree to indemnify, defend, and hold harmless each Indemnitee for the work, materials, and services provided by that third party as required under this provision. The parties intend for this provision to not violate any applicable laws (including *Civil Code* §§ 2782 *et. seq.*) and, to the fullest extent permitted by law, this provision shall be interpreted in such a manner. In the event of a conflict between this provision and any other provision in this Contract or any other contract between Indemnitor and Indemnitee, this provision shall govern. This provision shall survive the termination or expiration of the Contract and will continue to remain in full force and effect for ten years from substantial completion of Indemnitor's services, work, or provision of materials, or until all applicable statutes of limitations for the Indemnified Liabilities have expired, whichever is longer.

LACDA MUTUAL INDEMNITY

The Contractor shall indemnify, defend, and hold harmless the LACDA and their officials, officers, employees, and agents (hereinafter collectively "Public Entities") from and against any and all liability, demands, damages, claims, causes of action, fees, and expenses (including reasonable attorneys' fees, expert witness fees, and legal costs) including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "liabilities") arising from or connected with the Contractor, acts, errors, and/or omissions under this contract or the services to be provided by Contractor hereunder. The Contractor shall not be required to indemnify, defend, and hold harmless the Public Entities from any liabilities that are caused by the sole negligence or willful misconduct of the LACDA or its officials, officers, employees, or agents.

The LACDA of the County of Los Angeles shall indemnify, defend, and hold harmless the Contractor and its officials, officers, employees, and agents from and against any and all liability, demands, damages, claims, causes of action, fees, and expenses (including reasonable attorneys' fees, expert witness fees, and legal costs) including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "liabilities") arising from or connected with the LACDA's acts, errors, and/or omissions under this contract or the services to be provided by the LACDA hereunder. The LACDA shall not be required to indemnify, defend, and hold harmless the Contractor or its officials, officers, employees, or agents from any liabilities that are caused by the sole negligence or willful misconduct of the Contractor or its officials, officers, employees, or agents.

10.9 Subcontracting

The Contractor may subcontract only those specific portions of the work allowed in the original specifications covered by this Contract with prior written approval by the LACDA.

10.10 Assignment

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the LACDA, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, LACDA consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the LACDA to any approved delegate or assignee on any claim under the Contract shall be deductible, at the LACDA's sole discretion, against the claims, which the Contractor may have against the LACDA. However, the LACDA reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the LACDA in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the LACDA's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the LACDA shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

10.11 Confidentiality of Reports

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the LACDA.

10.12 Severability

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the Contract and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.13 Safety Standards and Accident Prevention

The Contractor shall comply with all applicable Federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, on his/her own responsibility, reasonably necessary to protect the life and health of employees on the job and the public and to protect property in connection with the performance of this Contract.

10.14 Drug Free Workplace Act of the State of California

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.15 Copyright

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All documents become the property of the LACDA and the LACDA holds all the rights to said data.

10.16 Independent Contractor

The Contractor shall perform the services as contained herein as an independent contractor and shall not be considered an employee of the LACDA, or under LACDA supervision or control. This Contract is by and between the Contractor and the LACDA, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, between the LACDA and the Contractor.

10.17 Waiver

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

10.18 Notices

The LACDA shall provide Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that the LACDA has actual knowledge of such injury or damage. The LACDA shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the representative of each Party.

LACDA:
LACDA
Davon Barbour, Director
700 W. Main St.

Contractor:
XXXXXXXXX.

Alhambra, CA 91801

Notices shall be deemed delivered on the third day after posting by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. LACDA and Contractor may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

10.19 Interpretation

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if it were drafted by both parties hereto.

10.20 Employees of Contractor

Workers' Compensation: Contractor understands and agrees that all persons furnishing services to the LACDA pursuant to this Contract are, for the purposes of workers' compensation liability, employees solely of Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injury arising from an accident connected with services provided to the LACDA under this Contract.

Professional Conduct: The LACDA does not and will not condone any act, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The LACDA will properly investigate all charges of harassment by residents, employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

10.21 Patent Rights

The LACDA will hold all the patent rights with respect to any discovery or invention which arises or is developed in the course of, or under, this Contract.

10.22 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Attachment A, Internal Revenue Service Notice 1015.

10.23 Use of Recycled-Content Paper Products

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

10.24 Contractor Responsibility and Debarment

- A. A responsible Contractor is a contractor, consultant, vendor or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the LACDA and County to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that if the LACDA acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the LACDA may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on LACDA contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the LACDA.
- C. The LACDA may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the LACDA, or County or a nonprofit corporation created by the LACDA, or County, (2) committed an act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the LACDA, or County, any other public entity, a nonprofit corporation created by the LACDA, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the LACDA, County, or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the LACDA will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the LACDA shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.
- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the

Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

- G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The LACDA may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in LACDAship or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the LACDA.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

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

- I. These terms shall also apply to subcontractors and subconsultants of County, LACDA contractors, consultants, vendors and agencies.

10.25 Compliance With Jury Service Program

- 1. Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide

that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

2. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the LACDA or a subcontract with a LACDA contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more LACDA contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the LACDA, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the LACDA under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.
3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify the LACDA if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The LACDA may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the LACDA's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Section of the Contract may constitute a material breach of the Contract. In the event of such material breach, the LACDA may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future LACDA contracts for a period of time consistent with the seriousness of the breach.

10.26 Notice to Employees regarding The Safely Surrendered Baby Law

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and

where and how to safely surrender a baby. The fact sheets are set forth in Attachment B of this Contract and are also available on the Internet at www.babysafela.org for printing purposes.

10.27 Contractor's Acknowledgment of LACDA's Commitment to the Safely Surrendered Baby Law

The Contractor acknowledges that the LACDA places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the LACDA's policy to encourage all LACDA contractors to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

10.28 Contractor's Charitable Contributions Compliance

The Supervision of Trustees and Fundraisers for Charitable Purpose Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purpose Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in Attachment C, the Authority seeks to ensure that all Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

10.29 Contractor's Warranty Of Compliance With County's Defaulted Property Tax Reduction Program

The Contractor acknowledges that the County has established a goal of ensuring that all individuals and businesses that benefit financially from the County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the Contractor qualifies for an exemption or exclusion, the Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program pursuant to Los Angeles County Code, Chapter 2.206.

10.30 Termination For Breach Of Warranty To Maintain Compliance With County's Defaulted Property Tax Reduction Program

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 10.29, "CONTRACTOR'S WARRANTY OF COMPLIANCE WITH County's DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to the LACDA under any other provision of this Contract, failure of the Contractor to cure such default within 10 days of notice shall be grounds upon

which the LACDA may terminate this contract and/or pursue debarment of the Contractor, pursuant to County's Defaulted Property Tax Reduction Program, to Los Angeles County Code, Chapter 2.206.

10.31 Authorization Warranty

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

10.32 Contractor's Compliance with the LACDA's Smoke Free Policy at All Housing Development Properties

The Contractor represents that it will comply with the LACDA's policy strictly prohibiting smoking on all LACDA housing development properties, except at the South Bay Gardens Senior Housing Development located at 230 E. 130th Street, Los Angeles, CA 90061, where smoking is permitted only in a specified open area that is at least 25 feet away from a LACDA building and is clearly labeled as a "**Smoking Designated Area.**" The Contractor acknowledges and understands that the LACDA's smoke free policy applies to all residents, guests, visitors, vendors, contractors, and staff.

10.33 Time Off for Voting

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

10.34 Compliance with County's Zero Tolerance Human Trafficking

The Contractor acknowledges that the County of Los Angeles has established a Zero Tolerance Human Trafficking Policy prohibiting contractors from engaging in human trafficking.

If a Contractor or member of the Contractor's staff is convicted of a human trafficking offense, the LACDA shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. The LACDA will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of the Contractor's staff pursuant to this paragraph shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

10.35 Local Small Business Enterprise Preference Program

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

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

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

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

1. Pay to the LACDA any difference between the contract amount and what the LACDA's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

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

10.36 Local & Targeted Worker Hiring Program

This contract is subject to the provisions of the Local & Targeted Worker Hiring Program.

In order to boost the local economy and enhance employment opportunities for local construction workers and targeted local workers, the County of Los Angeles requires the Builder and its Subcontractors to employ Qualified Local Residents to perform at least 30% of the total California construction labor hours and Qualified

Targeted Workers to perform one third of the local hire requirement or at least 10% of the total California construction labor hours. See Attachment F for the Program requirements.

Contractor shall employ staff experienced with the County's Local and Targeted Worker Hiring Program to fulfill this requirement or obtain the services of a Consultant who specializes in this work to administer the Program.

10.37 Mandatory Use of Labor Compliance Software

The LACDA has adopted eComply Solutions ("eComply"), a web based compliance management software solution, for use on this Project. As a contractor on this Project, I agree to (1) attend training to learn how to use eComply, (2) register with eComply (3) use eComply to submit all certified payroll reports/related documents for this Project and (4) require that each of your subcontractors and their respective sub-tiers comply with requirements (1 through 3) referenced herein. Information relating to training times and registration will be provided before the project begins. Failure to comply with this requirement may result in potential termination of this contract, and/or other penalties against the contractor, including assessment and withholding of liquidated damages as set forth in Section 3.2 of this contract.

10.38 Compliance with the County Policy of Equity

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

10.39 Compliance with Fair Chance Employment Practices

The Contractor shall comply with fair chance employment hiring practices set forth in California Government Code Section 12952, Employment Discrimination: Conviction History. Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, the LACDA may, in its sole discretion, terminate the Contract.

10.40 Entire Contract

This Contract with attachments constitutes the entire understanding and agreement of the parties.

//

IN WITNESS WHEREOF, the parties hereto have executed this Construction Contract on the date and year first written above.

LACDA

LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY, A
BODY CORPORATE AND POLITIC

CONTRACTOR

XXXXXXX

License Number:

By: _____

MONIQUE KING-VIEHLAND

Title: EXECUTIVE DIRECTOR

Date: _____

APPROVED AS TO PROGRAM:

By: _____

Title: PRESIDENT

Date: _____

DAVON BARBOUR

Title: DIRECTOR, COMMUNITY &
ECONOMIC DEVELOPMENT
DIVISION

Date: _____

APPROVED AS TO FORM
Office of County Counsel,
Mary C. Wickham,
County Counsel

BUSINESS ADDRESS

By: _____

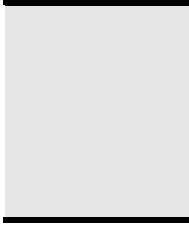
Deputy

Telephone: _____

Fax: _____

CORPORATE SEAL

Required Signatures:



If sole proprietor, one signature of sole proprietor.

If partnership, the signature of at least one general partner authorized to sign contracts on behalf of the partnership.

If Corporation, the signatures of those officers required to sign contracts on behalf of the Corporation, and the Corporate Seal.

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Housing Authority and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Housing Authority of such organizations.

COUNTY OF LOS ANGELES
DEFAULTED PROPERTY TAX REDUCTION PROGRAM
(Los Angeles County Code 2.206)

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

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

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

- A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.
- B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

- A. This chapter shall not apply to the following contracts:
 1. Chief Executive Office delegated authority agreements under \$50,000;
 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
 3. A purchase made through a state or federal contract;
 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.

7. Program agreements that utilize Board of Supervisors' discretionary funds;
 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
 9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;
 10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For Contractor's violation of any provision of this chapter, the County department head responsible for administering the contract may do one or more of the following:
 1. Recommend to the Board of Supervisors the termination of the contract; and/or,
 2. Pursuant to chapter 2.202, seek the debarment of the contractor; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. No. 2009-0026 § 1 (part), 2009.)



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2016)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whose wages you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note: You are encouraged to notify each employee whose wages for 2016 are less than \$53,505 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following.

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you give an employee a Form W-2 on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If you give an employee a substitute Form W-2, but it does not have the required information, you must notify

the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2017.

You must hand the notice directly to the employee or send it by first-class mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can download copies of the notice at www.irs.gov/formspubs. Or you can go to www.irs.gov/orderforms to order it.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

How Do My Employees Claim the EIC?

An eligible employee claims the EIC on his or her 2016 tax return. Even an employee who has no tax withheld from wages and owes no tax may claim the EIC and ask for a refund, but he or she must file a tax return to do so. For example, if an employee has no tax withheld in 2016 and owes no tax but is eligible for a credit of \$800, he or she must file a 2016 tax return to get the \$800 refund.

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafe.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

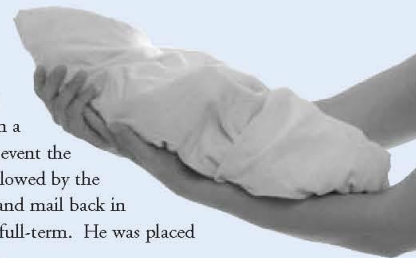
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

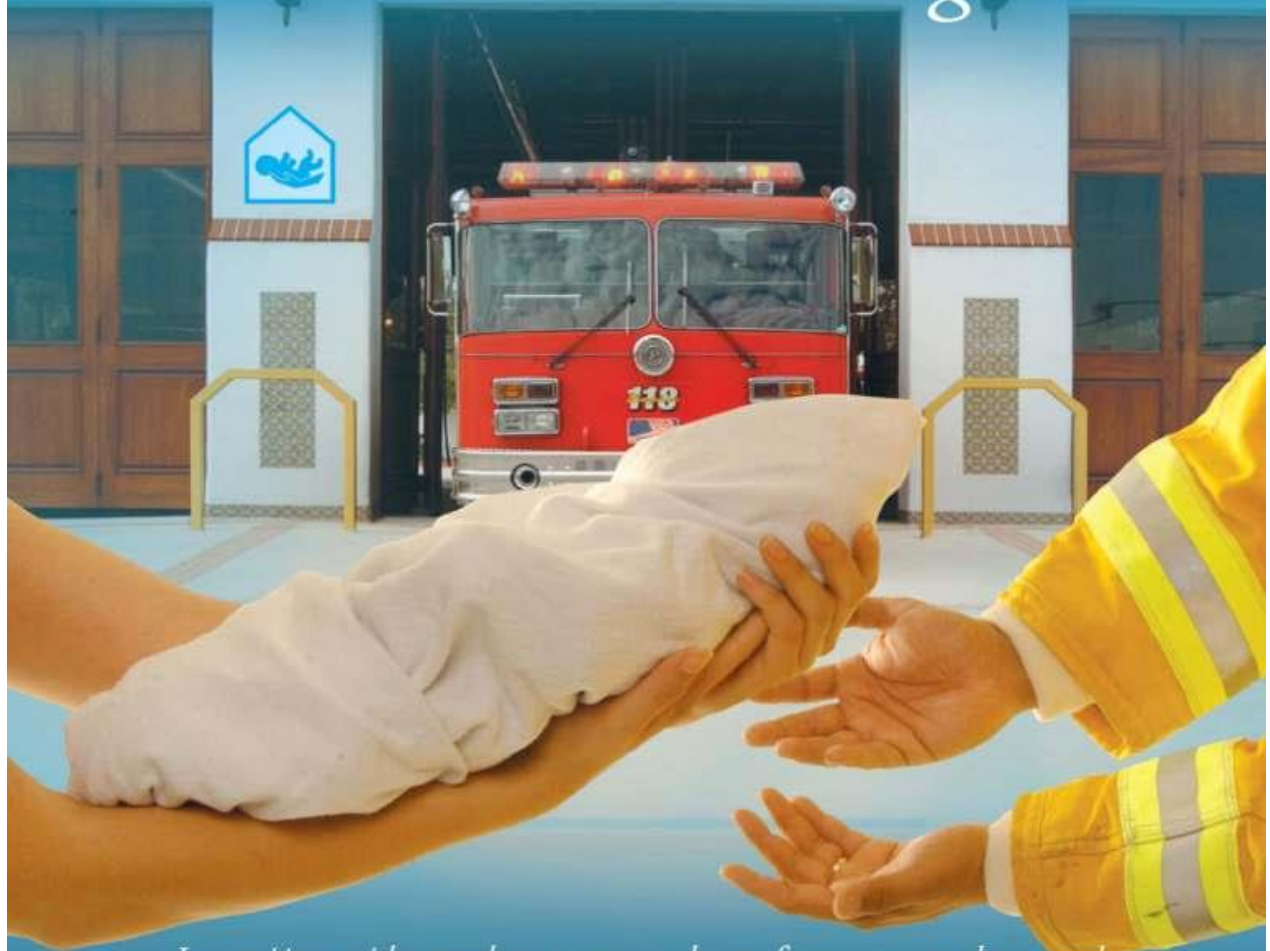
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



APPENDIX F

GENERAL WAGE DECISION

The applicable General Prevailing Wage Determination for this contract is LOS2019-2. Please go to the DIR Website to obtain the wage rates (www.dir.ca.gov).