



HOUSING AUTHORITY OF THE CITY OF LOS ANGELES PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES

(Federal Funding)

A. STANDARD TERMS AND CONDITIONS

Service Provider is subject to the following standard purchase order terms and conditions for the delivery of services ("Services"):

1. Offer/Acceptance; Conflicting Terms. Upon acceptance by the Authority, a solicitation, bid, proposal, or price quotation and the resulting Purchase Order (collectively, this "Order" or "Contract") shall be deemed a binding contract upon Service Provider's commencement of performance. This Order constitutes the sole and entire agreement of the parties with respect to this Order and supersedes all prior agreements, understandings and commitments, whether oral or written. This Order shall not be amended in any way except by a writing expressly purporting to be such an amendment, signed and acknowledged by both of the parties hereto. If any term and condition listed herein is in conflict with any other term and condition imposed by the Authority, the Authority shall decide which terms and conditions apply.

2. Price and Payment. The price of the Services is the price stated on the face of this Order (the "Price"). Service Provider shall invoice the Authority for this Order within 30 days of completion of Services. Invoices shall be prepared and submitted to the "Bill To" address shown on the Purchase Order. Invoices must be itemized and shall reference the Purchase Order number, description of Services, unit of measure, and price. Unless otherwise stated in this Order, the Authority shall pay all properly invoiced amounts due to Service Provider within 30 days after receipt of such invoice, except for any amounts disputed by the Authority. The parties shall seek to resolve all such disputes expeditiously and in good faith. Service Provider shall continue performing its obligations under this Order notwithstanding any such dispute. Without prejudice to any other right or remedy, the Authority reserves the right to set off any amount owing to it by Service Provider against any amount payable by the Authority to Service Provider. Payment of an invoice is not evidence or admission that the Services meet the requirements of this Order.

3. Performance Evaluation. Service Provider's performance under this Order will be evaluated in accordance with the Authority's Service Provider Evaluation Form, which is available for review at www.hacla.org/forms. Service Provider understands and agrees that the Authority may rely upon completed Service Provider Evaluation Forms in assessing Service Provider's qualifications, responsibility and ability to perform on future contracting opportunities with the Authority and that an over-all assessment of "Unsatisfactory" may result in Service Provider's disqualification or debarment from future contracting opportunities with the Authority.

4. Conflicts of Interest. Service Provider warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of Services under this Order and a Service Provider's organizational, financial, contractual or other interests are such that (i) award of this Order may result in an unfair competitive advantage, or (ii) Service Provider's objectivity in performing the Services may be impaired. Service Provider agrees that if after award it discovers an organizational conflict of interest with respect to this Order, he or she shall make an immediate and full disclosure in writing to the Purchasing Department, which shall include a description of the action which Service Provider has taken or intends to take to eliminate or neutralize the conflict. The Authority may, however, terminate this Order for the convenience of the Authority if it would be in the best interest of the Authority. In the event the Service Provider was aware of an organizational conflict of interest before the award of this Order and intentionally did not disclose the conflict to the Authority, the Authority may terminate this Order for default.

5. Assignment. Service Provider shall not assign any part of this Order without prior written consent of the Authority.

6. Changes. The Authority may at any time, by written order make changes in the Services to be performed or supplies to be delivered. If any such change causes an increase or decrease in the not-to-exceed amount of

the Order, the hourly rate, the time required for performance of any part of the Services under the Order, whether or not changed by the order, or otherwise affects the conditions of the Order, the Authority will make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms. The Service Provider must assert its right to an equitable adjustment under this Changes section within 30 days from the date of receipt of the written order. However, if the Authority decides that the facts justify it, the Authority may receive and act upon a proposal submitted before final payment. No Services for which an additional cost or fee will be charged by the Service Provider shall be furnished without the prior written consent of the Authority.

7. Contract Termination; Debarment. A material breach of these purchase order provisions may be grounds for termination of the Order and for debarment or denial of participation as a Service Provider or Subcontractor in future procurements of the Authority.

8. Legal Requirements; Permits, Codes and Licenses. Service Provider agrees to comply with all applicable federal and state laws, regulations and policies, as amended, including those regarding discrimination, unfair labor practices, anti-kick-back, collusion, and the provisions of the Americans with Disability Act (ADA), the Fair Labor Standards Act (FLSA), the Family and Medical Leave Act (FMLA), and all Occupational Safety and Health Administration (OSHA) regulations applicable to the work. Service Provider shall identify, secure and pay for all permits, fees, licenses and approvals necessary for the proper execution and completion of the Services.

9. Inspection and Acceptance. The Authority has the right to review, require correction, if necessary, and accept the Services products produced by the Service Provider. Such review(s) shall be carried out within a reasonable timeframe so as to not impede the Services of the Service Provider. The Service Provider shall make any required corrections promptly at no additional charge and return a revised copy of the product to the Authority within 7 days of notification or a later date if extended by the Authority. Failure by the Service Provider to proceed with reasonable promptness to make necessary corrections shall be a default. If the Service Provider's submission of corrected Services remains unacceptable, the Authority may terminate the Order (or the task order involved) or reduce the Order price or cost to reflect the reduced value of Services received.

10. General Indemnification for Design Professionals.¹ To the fullest extent permitted by law (including, without limitation, California Civil Code Section 2782), Service Provider shall defend (with legal counsel reasonably acceptable to the Authority) hold harmless and indemnify the Authority and its officers, employees, commissioners, servants, agents, successors, assigns, instrumentality entities, subsidiaries and related non-profit corporations, as well as the directors, officers, employees, commissioners, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations (collectively, "Indemnified Parties") from and against all claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses, including without limitation reasonable attorney fees and costs, whether or not involving a third party claim, which arise out of, relate to, or result from (i) the intentional act or failure to act or the negligent performance of Services under this Contract, or any part thereof, or (ii) any intentional or negligent act or an omission of Service Provider, and any of Service Provider's subcontractors, and anyone directly or indirectly employed or controlled by Service Provider or any of Service Provider's subcontractors in furtherance of, related to or during the performance of this Contract. Service Provider's obligations set forth above shall survive the expiration or termination of this Contract, as well as any Option Term. The Authority does not, and shall not, waive any rights that it may have against Service Provider by reason of the acceptance by the Authority, or the deposit with the Authority, of any insurance policies or endorsements required pursuant to this Contract. This indemnification provision shall apply regardless of whether or not said insurance policies or endorsements are determined to be applicable to any claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses described above.

¹ "Design professional" refers to the entire range of professionals set forth in Civil Code §2782.8(c)(2): licensed architects, licensed landscape architects, registered professional engineers and licensed professional land surveyors.

11. General Indemnification for Service Providers Other than Design Professionals. The Service Provider shall hold harmless, indemnify and defend the Authority and its officers, employees, commissioners, servants, agents, successors, assigns, instrumentality entities, subsidiaries and related non-profit corporations, as well as the directors, officers, employees, commissioners, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations (collectively, "Indemnified Parties") from and against all claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses (including without limitation reasonable attorney fees and costs), whether or not involving a third party claim, which arise out of, relate to, or result from (i) any breach of any representation or warranty of Service Provider contained in this Contract; (ii) any breach of any covenant or other obligation or duty of the Service Provider under this Contract or under applicable law; and/or (iii) any acts or omissions by Service Provider or subcontractor of any tier, in each case whether or not caused by the negligence of the Authority or any other Indemnified Party, and whether or not the relevant claim has merit. This indemnification provision shall not apply to any claims resulting solely from the gross negligence or willful misconduct of the Authority, the Authority's officers, employees, commissioners, servants, agents, successors, assigns, instrumentality entities, subsidiaries, and related non-profit corporations, or the directors, officers, employees, commissioners, servants, agents, successors, and assigns of the Authority's instrumentality entities, subsidiaries, and related non-profit corporations. The Service Provider's obligations set forth above shall survive the expiration or termination of the Term of this Contract, including any Option Term. The Authority does not, and shall not waive any rights that it may have against the Service Provider by reason of the acceptance by the Authority, or the deposit with the Authority, of any insurance policies or endorsements required pursuant to this Contract. This indemnification provision shall apply regardless of whether or not said insurance policies or endorsements are determined to be applicable to any claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses described above.

12. Independent Service Provider. Service Provider shall, during the performance of the Services, act as a wholly independent Service Provider. Neither the Authority nor any of its officers, employees, servants or agents shall have control over the conduct of Service Provider or its employees or agents, except to advise or provide direction as required. Service Provider shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner employees of the Authority. Nothing contained in the Order shall be deemed, construed or represented by the Authority or Service Provider or by any third person to create the relationship of principal or agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between the Authority and Service Provider. Except as otherwise required by law, the Authority shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to any person employed by Service Provider performing Services hereunder for the Authority.

13. Other Service Providers. The Authority may undertake or award other contracts for additional Services at or near the site(s) of the Services. Service Provider shall fully cooperate with the other Service Providers (sometimes referred to as "Separate Service Providers") and with the Authority employees and shall carefully adapt scheduling and performing the Services under the Order to accommodate the additional Services, heeding any direction that may be provided by the Contracting Officer. The Service Provider shall not commit or permit any act that will interfere with the performance of Services by any other Service Provider or the Authority employee.

14. Warranty of Title. Service Provider warrants good title to all materials, supplies, and equipment incorporated in the Services.

15. Underlying Indemnity and Insurance. Service Provider shall be responsible for requiring indemnification and insurance as it deems appropriate from its consultants, agents and Subcontractors, if any, to protect the Service Provider's and the Authority's interests, and for ensuring that such persons comply with any applicable insurance statutes. Service Provider shall provide the Authority with proof of compliance with this provision upon demand.

16. Examination and Retention of Service Provider's Records. The Authority or any of its duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to

examine any of the Service Provider's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

17. Governing Law. This Order shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. In any action arising out of this Order, Service Provider consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

B. REQUIRED FEDERAL PROVISIONS

1. Procurement of Recovered Materials (Contracts over \$10,000)²

(a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Service Provider shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Service Provider shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Service Provider determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

(b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Service Provider purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Service Provider: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

2. Contract Work Hours and Safety Standards Act (Contracts over \$100,000).³ If the value of this contract exceeds \$100,000, Service Provider agrees to comply with the labor regulations and standards of the Contract Work Hours and Safety Standards Act (Public Law 91-54, 83 Stat. 96), 40 U.S.C. 3701 et seq., and shall include the terms of this clause in every subcontract so that such terms will be binding on each subcontractor.

3. Equal Employment Opportunity Clause⁴

(a) During the performance of the Contract, the Service Provider agrees as follows:

(1) The Service Provider will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identification or national origin. The Service Provider will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identification 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 Service Provider 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.

(2) The Service Provider will, in all solicitations or advertisements for employees placed by or on

² 2 CFR Part 200, Appendix II

³ 2 CFR Part 200, Appendix II

⁴ 41 C.F.R. 60-1.4(a)

behalf of the Service Provider, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identification or national origin.

(3) The Service Provider will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Service Provider's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Service Provider will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Service Provider will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Service Provider's non-compliance 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 Service Provider may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Service Provider will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Service Provider will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Service Provider becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Service Provider may request the United States to enter into such litigation to protect the interests of the United States.

(b) Service Provider and its subcontractors shall include this equal opportunity clause in each of its nonexempt subcontracts.

4. Limitations on Payments Made to Influence Certain Federal Financial Transactions (Applicable to contracts that exceed \$100,000)⁵

(a) Service Provider agrees to comply with Section 1352 of Title 31, United States Code which prohibits the use of Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.

(b) Service Provider further agrees to comply with the requirement of the Act to furnish a disclosure (OMB Standard Form LLL, Disclosure of Lobbying Activities) if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement.

⁵ 2 CFR Appendix II to Part 200

C. HUD ACT OF 1968 SECTION 3 COMPLIANCE REQUIREMENTS

1. **Incorporation by Reference.** The Section 3 clause set forth at 24 CFR §135.38 is incorporated herein by this reference.

2. Authority's Supplemental Section 3 Compliance Requirements.

(a) In the event the Authority's Section 3 compliance requirements are imposed on the Services, Contractor shall comply with the Authority's Section 3 Guide and Compliance Plan (the "Section 3 Plan"), including requisite periodic reporting responsibilities. Additionally, Contractor shall satisfy its obligations set forth in its most recent Economic Opportunity Plan ("EOP") and supporting documents, which identify Contractor's Section 3 commitments, including, without limitation, hiring and/or training of Section 3 Residents or other Section 3 economic opportunities. Contractor's EOP and supporting documentation are incorporated herein by this reference.

(b) Section 3 commitments are triggered in full upon commencement of Services and/or first assignment. Contractors who satisfy their Section 3 requirement by making contribution to the Section 3 Fund will be required to provide their contribution within 30 days after each contract year expiration via a separate check made payable to the Authority. Deductions and withholdings from invoices will not be accepted in lieu of contribution. The contribution amount will be calculated in accordance with the Section 3 Plan and based on the Authority's net payments to the Contractor during the term of this Contract.

(c) Contractor's failure to comply with requirements of the Section 3 Plan and/or failure to satisfy its EOP commitments may subject Contractor to the penalties for default under the Section 3 Plan, including monetary fines and debarment.

3. Section 3 Clause

Service Provider shall include the following clause in any subcontracts that may be awarded for this Work:

(a) The Work to be performed under the Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to the Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of the Contract, the parties to the Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

(c) Service Provider agrees to send to each labor organization or representative of workers with which Service Provider has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of Service Provider's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

(d) Service Provider agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. Service Provider will not subcontract with any subcontractor where Service Provider has

notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

(e) Service Provider will certify that any vacant employment positions, including training positions, that are filled (1) after Service Provider is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent Service Provider's obligations under 24 CFR Part 135.

(f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of the Contract for default, and debarment or suspension from future HUD assisted contracts.