

Transmittal 2

**PERSONAL SERVICES CONTRACT
BETWEEN
THE CITY OF LOS ANGELES
AND
NASA SERVICES, INC.
FOR
IMPLEMENTATION OF
MULTIFAMILY RESIDENTIAL RECYCLING
PROGRAM**

March 13, 2007

City of Los Angeles
Department of Public Works
Bureau of Sanitation
Solid Resources Citywide Recycling Division

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AND NASA SERVICES, INC.
FOR IMPLEMENTATION OF MULTIFAMILY RESIDENTIAL RECYCLING PROGRAM

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PERSONAL SERVICES CONTRACT

This CONTRACT is made and entered into this ___ day of ____, 200_, by and between the City of Los Angeles, a municipal corporation, acting by order of and through its BOARD of Public Works, hereinafter referred to as the "CITY" and NASA Services, Inc., hereinafter referred to as the "CONTRACTOR," is set forth as follows:

WITNESSETH

WHEREAS, The Bureau of Sanitation currently provides curbside residential service to 720,000 single family households and small multifamily complexes; and

WHEREAS, The Bureau of Sanitation has successfully provided service to approximately 70,000 units under the Pilot Multifamily Residential Recycling Program; and

WHEREAS, There are an estimated 541,000 of these housing units citywide; and

WHEREAS, Many residents in multifamily housing want an opportunity to participate in recycling/waste diversion programs; and

WHEREAS, Multifamily residential units dispose of 550,000 tons of waste annually; and

WHEREAS, Recyclable materials such as beverage containers, cardboard, and newspaper account for more than twenty one percent of the composition of the multifamily waste stream; and

WHEREAS, pursuant to the provisions of Assembly Bill 939, the CITY is mandated to divert solid waste from landfills through source reduction, recycling and composting; and

WHEREAS, an RFP was prepared to divert the municipal solid waste going to landfill by implementing a permanent multifamily recycling programs; and

WHEREAS, on May 14, 2006, the CITY released a Request For Proposal (RFP) to qualified and interested parties; and

WHEREAS, on August 9, 2006, eight proposals were received by the CITY; and

WHEREAS, NASA Services, Inc. was deemed to be a qualified respondent as determined through the competitive process, and

WHEREAS, the selected CONTRACTOR has demonstrated the necessary qualifications to perform the said services, herein referred to in the Scope of Services, and

WHEREAS, the implementation of this project is critical and must be retained; and

WHEREAS; the CITY desires to retain the CONTRACTOR to provide the required professional and technical services in connection with the Scope of Services as outlined herein; and

NOW, THEREFORE, in consideration of the promises, covenants, and agreements hereinafter set forth, the parties hereby agree as follows:

Article 1. SECTION HEADINGS

All titles, subtitles, and/or section headings appearing herein have been inserted for convenience and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning, intent or construction of any of the terms or provisions hereof. The language of this Contract shall be construed according to its fair meaning and not strictly for or against the CITY or the CONTRACTOR. The singular shall include the plural; if there shall be more than one CONTRACTOR herein, unless expressly stated otherwise, their obligations and liabilities hereunder shall be joint and several; use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used. The number of original texts of this CONTRACT shall be equal to the number of the parties hereto, one text being retained by each party.

Article 2. DEFINITIONS

The following definitions are used in this CONTRACT, unless otherwise stipulated:

APPLICABLE LAW	All statutes, rules, regulations, permits, requirements, or orders of the United States, State of California, County of Los Angeles, CITY, and all other federal, state, regional, county, and local government authorities and agencies having applicable jurisdictions that apply to or govern the operation or the performance of the CONTRACTOR'S and the CITY'S respective obligations under this CONTRACT.
BOARD	The Board of Public Works of the City of Los Angeles.
CALENDAR DAY	Each day beginning at 12:01 AM and ending 24 hours thereafter at 12 midnight.
CITY	The City of Los Angeles, Board of Public Works or its subordinate Bureaus. The term CITY may refer to geographic area known as the City of Los Angeles, the City Council, other CITY Departments, or any person employed by the City of Los Angeles who is authorized to represent the City of Los Angeles in manners concerning this CONTRACT.
CITY PROJECT	The CITY'S designated representative for all PROJECT

MANAGER	issues related to this CONTRACT.
CONTRACT	This contract or agreement.
CONTRACTOR	NASA Services, Inc.
CONTRACTOR'S PROJECT MANAGER	CONTRACTOR'S designated representative for all issues related to this CONTRACT.
COST SUBSTANTIATION	With respect to any cost incurred by the CONTRACTOR for the CITY for which COST SUBSTANTIATION is required by this CONTRACT, delivery to the CITY or the CONTRACTOR, as the case may be, of a certificate signed by the principal financial officer of the CONTRACTOR or the chief executive of the Department of Public Works, Bureau of Accounting or his or her designee setting for the amount of such cost and the reason why such cost is properly chargeable to the CITY or the CONTRACTOR, as the case may be, and stating that such cost is an arm's length and competitive price, if there are competitive prices for the services or materials supplied; provided, that if the CITY or the CONTRACTOR requests, the CONTRACTOR or the CITY, as the case may be, shall provide copies of such additional back-up documentation as may be available to reasonably demonstrate the occurrence of the cost as to which COST SUBSTANTIATION is required.
DAYS	Unless otherwise designated, any reference to DAYS shall be CALENDAR DAY.
MONITORING	The study, documentation and reporting of all PROJECT-related activities.
MBE/WBE/OBE	Minority/Women/Other Business Enterprise.
MRF	A Material Recovery Facility where the materials will be sorted and recycled.
PROJECT	The development and implementation of effective education, outreach, and recyclable collection programs in MultiFamily residential units in the CITY.
RECYCLABLES	Items such as CRV beverage containers, bimetal cans, glass containers, newspaper, mixed paper, cardboard, film plastic, plastic bags and other designated items.

RFP	The Request for Proposal that solicited this contract.
SANITATION	The Bureau of Sanitation of the CITY, which is the primary CITY department responsible for administering this CONTRACT.
SCOPE OF SERVICES	As outlined in Article 3 "Project Description" of this contract.
SOURCE SEPARATED	Separation of RECYCLABLES from municipal solid waste prior to collection.
SUBCONTRACTOR	An individual or company having a contract with the CONTRACTOR to provide services, equipment, or materials to the CONTRACTOR.

Article 3. PROJECT DESCRIPTION

3.1 The PROJECT shall consist of the following:

- A. Survey the program areas to identify buildings with the largest concentrations of multifamily units.
- B. Provide SOURCE SEPARATED collection of RECYCLABLES a minimum of once a week.
- C. Provide the equivalent of one (1) 95-gallon blue bin for each 8 units in the complex as recycling participation allows. Additional bins or other blue bin types may be allowed with the prior approval of the CITY. The CITY has the right to require more capacity than the average if necessary.
- D. Provide suitable and approved containers, with the "chasing arrows" CITY logo, for single stream source separated RECYCLABLES. Containers will not be stamped with CONTRACTOR name.
- E. Respond to all requests CITY Staff receives from Multifamily tenants, landlords, and property managers, with the goal of providing them with recycling bins and weekly collection of RECYCLABLES. This shall be completed in no longer than sixty CALENDER DAYS between the date the request is given to the CONTRACTOR and the date of the first collection of RECYCLABLES from the requesting Multifamily dwelling.
- F. Establish service to new PROJECT participants by using marketing tools such as Dataquick and information provided by the CITY PROJECT MANAGER.
- G. Provide continued, uninterrupted collection of RECYCLABLES to all participants currently enrolled in the CITY's Pilot Multifamily Recycling

Program.

- H. Thoroughly and promptly investigate missed pickup complaints received by CITY within 24 hours of receipt of complaint. All other services related complaints must be addressed within three business DAYS. All responses to complaints must be received within the appropriate requested timeframe and must include a narrative of the complaint and statement of resolution.
- I. Monitor progress and conduct audits of participating buildings.
- J. Submit monthly, quarterly and annual reports to the CITY PROJECT MANAGER.
- K. Deliver source separated RECYCLABLES to a permitted MRF for processing, such as but not limited to*:

- CRV beverage containers
- BiMetal, Metal, Tin, and Aluminum Cans
- Glass bottles and jars
- Newspapers, magazines, phone books, envelopes, and clean paper
- Mixed paper
- Cardboard and chipboard
- PET
- HDPE
- Plastic bag and clear film bags, including plastic hangers
- Metal hangers

* As materials are added to the City's curbside recycling program, modifications may be made to this list by the CITY PROJECT MANAGER.

- 3.2 During the term of this CONTRACT, the CITY may evaluate other types of MultiFamily collection and recycling programs and may release Request for Proposals for such programs. The CITY, at its option, may implement these other programs during this CONTRACT.
- 3.3 No Competition Clause – the CONTRACTOR verifies that the CITY's program, including all outreach materials and other incentives, will not be used in soliciting new complexes for the CONTRACTOR's solid waste services. Outreach materials and other incentives should only be used for solicitation of new complexes into the CITY program. No employee assigned to this PROJECT by the CONTRACTOR shall solicit business from multi-family complexes served by this program.

Article 4. RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY THE CONTRACTOR

- 4.1 The CONTRACTOR shall perform work with a degree of diligence normally employed by contractors performing the same or similar services.
- 4.2 CONTRACTOR shall appoint a project manager to coordinate and supervise the work to be performed under the terms of this CONTRACT (hereinafter referred to as CONTRACTOR's PROJECT MANAGER). The CONTRACTOR's PROJECT MANAGER shall have full authority to act on behalf of the CONTRACTOR at all times to carry out the provisions of this CONTRACT. CONTRACTOR shall immediately notify the CITY PROJECT MANAGER in writing of a substitution of the CONTRACTOR's PROJECT MANAGER.
- 4.3 CONTRACTOR shall provide source separated collection of RECYCLABLES. The CONTRACTOR will provide residents with 95-gallon blue bins for SOURCE-SEPERATED collection of RECYCLABLES. The CONTRACTOR will provide collection at least once per week. Residents will be instructed to place RECYCLABLES in 95-gallon blue bins for collection and transport to a MRF. Alternatively, and subject to space and other operational constraints, CONTRACTOR may collect commingled RECYCLABLES in variable-sized blue bins. The CITY will have sole ownership of bins through the duration of and after the termination of the PROJECT.
- 4.4 The CONTRACTOR shall run a dedicated route using a dedicated vehicle or vehicles to collect source separated RECYCLABLES for this PROJECT. The CONTRACTOR shall operate this vehicle Monday through Saturday, as necessary.
- 4.5 CONTRACTOR shall perform all activities in connection with its responsibilities under this CONTRACT in accordance with all APPLICABLE LAWS.
- 4.6 CONTRACTOR shall be responsible for providing and maintaining its own trucks, drivers, and any other necessary personnel and equipment required for collection of source separated RECYCLABLES. CONTRACTOR shall maintain the fleet of vehicles used for this PROJECT in compliance with AQMD standards and clean fuel usage.
- 4.7 The Public Affairs Office (PAO) of the Department of Public Works (DPW) shall share oversight, as co-manager with the CITY PROJECT MANAGER, of all public relations aspects of the contract. CONTRACTOR shall not implement any public relations effort in relation to the work in this CONTRACT without the prior approval of the CITY MANAGER whose approval shall not be unreasonably withheld. Public relations efforts include but are not limited to, coordinating with community groups; arranging community meetings; media outreach, including the preparation and placement of paid advertising; and preparing printed literature for public dissemination.
- 4.8 CONTRACTOR shall perform all PROJECT activities within the following

designated service areas: West Los Angeles, North Central North and North Central South.

4.9 Education and Outreach

CONTRACTOR shall distribute educational materials, produced and provided by SANITATION, to each participating multifamily residence. The CONTRACTOR is encouraged to actively recruit new participating multifamily residences into this Project.

4.10 Processing of Sorted and Co-mingled RECYCLABLES

CONTRACTOR shall deliver source separated RECYCLABLES to a permitted MRF for processing of RECYCLABLES. CONTRACTOR'S vehicles will be weighed and coded as "Los Angeles City Multifamily Recycling" passing over the scales.

At the MRF, the CONTRACTOR shall separate all collected RECYCLABLES listed in Article 3.1.K. RECYCLABLES must not be commingled with materials not collected for this program.

4.11 City Representative to Monitor Compliance

The CITY shall have the right, at its expense, to station its representative at any motor vehicle scale, or the scale located at the MRF, to monitor weighing operations.

4.12 Processing Capacity:

The CONTRACTOR acknowledges that the CITY has the right to increase or decrease the number of complexes served and the types of RECYCLABLES collected from them.

4.13 Contamination Removal:

CONTRACTOR shall be responsible for accepting RECYCLABLES with non-hazardous contaminants. The CONTRACTOR shall also be responsible for removing and disposing such contaminants in accordance with all APPLICABLE LAWS. The CONTRACTOR is responsible for disposal and disposal costs of all residual waste from the PROJECT.

4.14 CONTRACTOR certifies that the MRF utilized for this PROJECT will comply with all APPLICABLE LAWS.

The CITY will not be held responsible and disclaims any liability which may result if the CONTRACTOR does not comply with all APPLICABLE LAWS, which does not result, in whole or in part, from the negligence or willful misconduct of the CITY, its agents or employees.

4.15 CONTRACTOR agrees that the MRF, multifamily complexes and equipment used for the performance of this CONTRACT are subject to reasonable inspections, during normal working hours, by CITY personnel or its agents

without prior notice. Said inspections shall be for the purpose of insuring compliance with the terms of this CONTRACT and APPLICABLE LAWS, rules and regulations. CITY personnel must always be accompanied by the CONTRACTOR while on-site.

4.16 Monthly, Quarterly and Annual Reports:

The CONTRACTOR will provide all reports to the CITY in electronic form.

- A. CONTRACTOR shall submit monthly progress reports to the CITY PROJECT MANAGER describing its performance during the preceding month under this CONTRACT. The details in said reports shall comply with the reasonable requirements of the CITY and are due on the 10th DAY of the following month and shall contain detailed information from the previous month, including but not limited to:
- (1) Collection activities
 - a) Total number of new multifamily residences and total new units added during the month
 - b) Cumulative number of multifamily residences served, including new additions for month
 - c) Comprehensive list of property address, property contact name and phone number, and number of units per property
 - (2) Processing
 - a) Total loads received
 - b) Total tons received
 - c) Tons of recyclables
 - d) Tons of residuals
 - e) Generation (lbs/unit/month)
 - f) Contamination (%)
 - (3) Quantitative results
 - a) Challenges and how resolved
 - b) Successes
 - c) Changes to planned activities
 - d) Observations and recommendations
 - (4) Documentation of the program including successes and issues
 - (5) Monitor recruitment and retention rates of participating buildings
- B. CONTRACTOR shall submit quarterly reports to the CITY PROJECT MANAGER by the 10th DAY of the preceding end of quarter, including but not limited to:
- (1) Compilation of monthly data
 - (2) Customer complaints;
 - (3) Re-education and re-training information;
 - (4) Follow-up waste survey information and data collected.
 - (5) Characterization of RECYCLABLES one (1) week out of

each month for the first quarter, and for one (1) week per quarter thereafter.

- C. Every twelve (12) months, the CONTRACTOR will prepare an annual report which documents and summarizes accomplishments and lessons learned to date, including but not limited to:
- (1) The amount of materials diverted
 - (2) Contamination rates
 - (3) Participation rates
 - (4) An analysis of successes and failures at each step of the process: (recruitment, obtaining management permission to implement the program, implementation of program, cooperation of participants, ongoing involvement, etc).
 - (5) Synopsis of how participation and contamination rates have changed over time by using information obtained from the route audits and effectiveness MONITORING conducted over the course of the program.
 - (6) Based on available data, the report will provide a diversion rate estimate for the program with a discussion on the limitations and assumptions used to estimate that rate.

4.17 CONTRACTOR shall maintain such records with respect to all operations pursuant to this CONTRACT, as are usually kept in the ordinary course of the CONTRACTOR's business. All of the aforementioned records shall be clearly identifiable. CONTRACTOR shall make available to the representative of the CITY all such books and records, and the right to examine and audit the same, and to make transcripts or copies therefrom. The CONTRACTOR shall maintain and allow inspection of all said books, data, documents, proceedings, and activities related to this CONTRACT for a period of three (3) years from the date of final payment under this CONTRACT.

4.18 CONTRACTOR shall identify all confidential information submitted to the CITY by properly marking them as such. The CITY assumes no responsibility for disclosure or use of unmarked data for any purpose. In the event that properly marked data are requested by a third party, the CONTRACTOR will be advised of the request and may expeditiously submit to the CITY a detailed statement indicating the reasons it has for believing that the information is exempt from disclosure under federal, state and local law. This statement will be used by the CITY in making its determination as to whether or not disclosure is proper under federal, state and local law. The CITY will exercise care in applying this confidentiality standard but will not be held liable for any damage or injury which may result from any disclosure that may occur. The CONTRACTOR agrees to assume and pay for all costs incurred by the CITY including attorneys fees awarded by the court if the CONTRACTOR requests the CITY to resist disclosure of material provided to the CITY by the CONTRACTOR, provided, the CITY determines that said materials are exempt under federal, state and local law.

Article 5. RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY

The CITY PROJECT MANAGER, as designated, will be an authorized representative on all matters within the SCOPE OF SERVICES and the maximum obligation of this CONTRACT as set forth herein. The CITY PROJECT MANAGER's authority shall extend to authorizing program modifications to this CONTRACT as are mutually agreed to upon in writing.

- 5.1 The CITY reserves the right to audit CONTRACTOR's records relevant to this CONTRACT at any time. The CONTRACTOR shall provide the CITY with all the assistance required for performing such audits.
- 5.2 CITY shall perform all of its duties hereunder in compliance with all APPLICABLE LAWS and regulations, including the CONTRACTOR's site rules.

Article 6. SUSPENSION AND TERMINATION

This CONTRACT may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this CONTRACT.

If multifamily recycling is made mandatory by the State of California, the CONTRACT is void unless both parties can agree to a new pricing structure

6.1 Events of default by the CONTRACTOR:

Event of default by the CONTRACTOR shall include but not be limited to:

- A. The filing of an involuntary petition in bankruptcy without the consent of the CONTRACTOR, which is not dismissed within 90 days of the filing date, under Title 11 of the United States Code, or any other applicable bankruptcy, insolvency, reorganization or similar law; or the filing of a voluntary petition of bankruptcy by the CONTRACTOR, under Title 11 of the United States Code, or any other applicable insolvency, reorganization or similar law; or the appointing of a receiver, liquidator, trustee or a similar official of the CONTRACTOR;
- B. Inaccuracy of any warranty or representation made herein by the CONTRACTOR, as of the CONTRACT date which impairs the CITY's ability to perform hereunder;
- C. Failure to collect, process, and market RECYCLABLES as described in this CONTRACT.
- D. Failure to maintain the insurance or self insurance, and performance bond, as required by this CONTRACT; and

- E. Failure to perform any other material obligation of the CONTRACTOR under the terms of this CONTRACT.

Except for items (A) and (E) above, the foregoing shall not constitute an event of default unless:

- (1) The CITY has given prior written notice to the CONTRACTOR stating that a specified failure or refusal to perform exists which will, unless corrected, constitute an event of default on the part of the CONTRACTOR and which will, in the CITY'S opinion, give the CITY a right to terminate this CONTRACT under Section 6.3 of Article 6; provided, the failure by the CITY to give such notice shall not be construed or deemed to be a waiver of its rights to subsequently give such notice and terminate this CONTRACT; and
- (2) The CONTRACTOR has not corrected, or diligently taken steps to correct such failure, refusal or event of default within a reasonable period of time, but not more than thirty (30) days, from receipt of the notice given pursuant to subsection (a) of Section 6.1 of Article 6, hereof.

6.2 Events of default by the CITY shall be:

Inaccuracy of any warranty or representation made herein by the CITY, as of the CONTRACT date which impairs the CONTRACTOR'S ability to perform hereunder;

The forgoing shall not constitute an event of default unless:

- A. The CONTRACTOR has given prior written notice to the CITY stating that a specified failure or refusal to perform exists which will, unless corrected, constitute an event of default on the part of the CITY and which will, in the CONTRACTOR'S opinion, give the CONTRACTOR a right to terminate this CONTRACT for cause under Section 6.3 of Article 6; provided, that failure by the CONTRACTOR to give such notice shall not be construed or deemed to be a waiver of its rights to subsequently give such notice and terminate this CONTRACT; and
- B. The CITY has not corrected or, diligently taken steps to correct such failure, refusal, or event of default within a reasonable period of time, but not more than thirty (30) days, from receipt of the notice given pursuant to subsection (a) of Section 6.2, of Article 6, hereof.

6.3 Termination of CONTRACT for an EVENT of Default:

Either party may terminate this CONTRACT in whole or in part, in writing in the

event of default by the other party in accordance with Article 6. However, no such termination for the bankruptcy or insolvency of the CONTRACTOR as described in Article 6, hereof, or the failure of the CONTRACTOR to provide insurance coverage described in Article 6, hereof, may be effected unless the other party is given:

- A. Not less than thirty (30) CALENDAR DAYS written notice (delivered by certified mail, return receipt requested) of intent to terminate; and
- B. An opportunity for consultation with the terminating party before termination, and and in the case of the CITY terminating the CONTRACTOR; and
- C. A hearing before the BOARD.

The BOARD shall provide an opportunity for consultation and cooperate with the CONTRACTOR to hold a hearing as expeditiously as possible, but in no event later than forty five (45) CALENDAR DAYS following receipt of the notice described in item (A) above.

6.4 Limitation Of Damages:

If termination for default is effected by the CITY, an equitable adjustment in the price provided for in this CONTRACT shall be made, but (1) no amount shall be allowed for unperformed services or other work; and (2) any payment due to the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the CITY because of the CONTRACTOR'S default.

The equitable adjustment for any termination shall provide for payment to the CONTRACTOR for services rendered and expenses incurred prior to the termination, in addition to termination settlement costs reasonably incurred by the CONTRACTOR relating to written commitments which had become binding prior to the termination.

Upon termination of the said CONTRACT, the CITY may take over the work and may award another party a contract to complete the work under this CONTRACT.

6.5 Ineligibility:

Under the provisions of Section 10.31.5, Article 5 of Chapter 1 of Division 10 of the Los Angeles Administrative Code, the CITY shall have the authority, under appropriate circumstances, to terminate this CONTRACT and to refuse payment to the CONTRACTOR for services performed if the CITY determines that the CONTRACTOR was ineligible under said Article at the time of entering into this CONTRACT or became ineligible thereafter.

Article 7. TERM OF CONTRACT AND COST CEILING

The term of this CONTRACT shall be for FIVE (5) YEARS from the date of execution unless terminated as provided under Article 6. The CONTRACTOR and the CITY may,

by mutual CONTRACT, extend the terms of the CONTRACT for TWO (2) additional two-year terms.

The cost ceiling for this 5-year CONTRACT shall not exceed \$20,000,000. The CITY shall not be obligated to reimburse the CONTRACTOR for costs incurred in excess of the cost ceiling. The CONTRACTOR shall not be obligated to continue performance, or otherwise incur costs in excess of the cost ceiling unless and until the BOARD has notified the CONTRACTOR in writing that such cost ceiling has been raised and has specified in such report an estimated cost ceiling which shall thereupon constitute the cost ceiling of this CONTRACT.

Article 8. COMPENSATION, INVOICING AND PAYMENT

8.1 Compensation:

For and in consideration of the services, performed by the CONTRACTOR, as described in this CONTRACT, the CITY shall compensate the CONTRACTOR on a cost-per-unit-per-month basis, and shall be the sole compensation paid to the CONTRACTOR by the CITY for all services provided by the CONTRACTOR under 'SCOPE OF SERVICES' herein, except as otherwise agreed in writing by both parties. The CONTRACTOR agrees that the cost-per-unit-per-month stated to the CITY includes all of its capital costs, permit fees, profits, administrative overheads and any and all other costs of the PROJECT. In providing for payment on a cost-per-unit-per-month basis, it is agreed that payment will be provided based on the total number of units in apartment complexes served. Collection services will be billed **\$1.81** per unit, per month.

Commencing July 1, 2008, and each July 1st thereafter for the term of the CONTRACT, the CONTRACTOR shall be entitled to a cost-of-living increase or decrease tied to the Consumer Price Index (CPI) of the Bureau of Labor Statistics of the United States Department of Labor (All Urban Consumers for Los Angeles-Riverside-Orange Counties in California). The calculated CPI increase shall be rounded up or down to the nearest whole cent.

8.2 Invoicing And Payment:

The CONTRACTOR is responsible for the preparation of a complete and accurate invoice. Invoices shall be prepared in such form and supported by copies of third party invoices and supporting documents, as required by the CITY to establish the amount of such invoices being allowable. Invoices and supporting documentation shall be prepared at the sole expense and responsibility of the CONTRACTOR. The CITY will not compensate the CONTRACTOR for any cost incurred for invoice preparation. The CITY may request in writing changes to the content and format of the invoice and supporting documentation at any time.

Sums shall be paid in accordance with monthly invoices prepared by the CONTRACTOR and submitted to the CITY. The CONTRACTOR shall submit one (1) invoice, for services rendered during the preceding month by the 10th

Day of each month.

8.3 Supporting Documentation:

Original supporting documentation is preferred; however, photocopies of supporting documentation if marked "original", signed and dated by an authorized person, will be acceptable.

All invoices shall be considered complete when it is accompanied by all of the supporting documentation as specified herein:

A. Other Documentation and Invoice Items:

- (1) All invoices shall be accompanied by mechanics lien waiver as appropriate;
- (2) Weight ticket(s); (including gross weight, tare weight, date and time, collection district, truck and route number);
- (3) Names and addresses of complexes where the SOURCE SEPERATED RECYCLABLES were collected;

8.4 Invoice Submittal:

The CONTRACTOR shall submit all invoices to:

Ms. Cathie Chavez
City of Los Angeles – Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway Street, 10th floor
Los Angeles, CA 90015-2213
Tel: 213-485-3752
Fax: 213-485-3671

In order to ensure prompt processing, indicate clearly on the outside of the envelope the fact that the envelope contains invoices for the Multifamily Recycling PROJECT. The CITY may in writing, change the submittal address at any time.

CONTRACTOR's monthly invoices must be referred to this CONTRACT and be documented with a progress report as outlined in Article 4.

8.5 Invoice Submittal Deadline:

The CITY shall not be responsible for payments of invoices or supplemental invoices submitted to the CITY more than one year after the date of service.

8.6 Invoice approval and processing:

Payments shall be made upon the submission of a complete and accurate invoice. The CITY shall review the CONTRACTOR's invoice(s) and notify the CONTACTOR in writing of exceptions within fifteen (15) days of receipt. If an invoice is not properly submitted, then the new 15-day review period will begin

upon receipt of a corrected invoice by the CITY. Once approved by the CITY, the CITY will make a good faith effort to process the payment in 45 days. NO expedition of payment or explanation of payment progress shall be made within the 45-day processing period. To expedite the approval process, the CONTRACTOR is encouraged to submit draft invoices for review before submitting a final invoice.

8.7 Discounts:

The CITY shall consider a shorter payment schedule should the CONTRACTOR offer a discount for more immediate payment.

8.8 Late Charges:

The CITY does not pay any late charges, penalties, or interest on outstanding invoices. The CITY is not responsible for the payment of any interest, late charges, or penalties incurred by the CONTRACTOR from any SUBCONTRACTOR or supplier for any items provided under the CONTRACT.

8.9 Disputes:

In the event that a dispute arises over an invoice, the CITY shall pay any undisputed portion of the amount due within the time period required for such payment, and any required payment of the disputed amount in accordance with existing CITY practices.

8.10 CITY Limited To Obligation Of Present Appropriation:

The CITY's obligation under this CONTRACT shall only be to the extent of the present CITY appropriation to fund this CONTRACT. No action, statement or omission of any officer, agent or employee of the CITY shall impose any obligation upon the CITY, such officer, agent or employee, except to the extent the CITY has appropriated funds and otherwise in accordance with the terms of this CONTRACT. No work shall create an immediate indebtedness, nor shall indebtedness arise against the CITY for said work until and unless there is an appropriation of funds to pay for said work.

However, if the CITY shall appropriate funds in successive fiscal year of this CONTRACT, the CITY's liability shall be extended to the limit of such appropriation subject to the terms and conditions of this CONTRACT.

The CITY shall have the responsibility to advise the CONTRACTOR in writing on the CITY's status of appropriation or the limitations thereof when the difference between the invoices approved for payment under the CONTRACT and the CITY's appropriated funds is less than \$50,000. The CONTRACTOR shall have the right to terminate the CONTRACT if the balance of the appropriated funds is not sufficient to compensate the CONTRACTOR.

Notwithstanding the above, the CITY hereby represents and warrants that funds in the amount of the cost ceiling identified in Article 7 have been appropriated for the services contemplated under this agreement.

Article 9. SUBCONTRACTOR APPROVAL

All subcontracts in excess of \$25,000 shall require the prior approval of the CITY. A copy of all subcontracts shall be submitted to the CITY showing the subcontractor's name and dollar amount of each subcontract. Wholly-owned subsidiaries of CONTRACTOR shall not be considered a subcontractor.

CONTRACTOR plans to subcontract with these firms listed below.

Global Resources
IronMan Parts and Services
Rehrig Pacific

This listing is not exclusive and additional subconsultants may be added with the approval of the CITY. Substitution requires approval from the BOARD.

Article 10. CHANGES OR MODIFICATIONS

Changes or modifications in the terms of this CONTRACT may be made at any time by mutual written agreement between the parties hereto.

Should the CITY or its representatives request the CONTRACTOR to perform any service that is not within the SCOPE OF SERVICES of this CONTRACT, the cost of such services shall be negotiated at the time of request

Compensation for services described in the SCOPE OF SERVICES of this CONTRACT, as well as adjustments for an overall increase in the level of effort expanded by the CONTRACTOR, shall not include an adjustment of the costs paid to the CONTRACTOR for services required as a result of error, or omissions or problems that are solely the fault of the CONTRACTOR.

Article 11. INDEMNIFICATION

Except for the active negligence or willful misconduct of CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless CITY and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this CONTRACT by the CONTRACTOR or its SUBCONTRACTOR(s) of any tier. The provisions of this paragraph shall survive termination of this CONTRACT.

Article 12. INSURANCE

12.1 General Conditions

During the term of this CONTRACT and without limiting CONTRACTOR'S indemnification of the CITY, CONTRACTOR shall provide and maintain at its own expense a program of insurance having the coverages and limits customarily carried and actually arranged by CONTRACTOR but not less than the amounts and types listed on the Insurance Requirements Sheet (Form Gen 146/IR in Exhibit 1 hereto, covering its operations hereunder. Such insurance shall conform to CITY requirements established by Charter, ordinance or policy, shall comply with the instructions set forth on Form General133 and with the conditions set forth on the applicable City Special Endorsement form(s), copies of which are included in Exhibit 1, and shall otherwise be in a form acceptable to the City Attorney. Specifically, such insurance shall: 1) protect CITY as an Insured or an Additional Interest Party, or a Loss Payee As Its Interests May Appear, respectively, when such status is appropriate and available depending on the nature of the applicable coverages; 2) provide CITY at least thirty (30) days advance notice of cancellation, material reduction in coverage or reduction in limits when such change is made at the option of the insurer; and 3) be primary with respect to CITY'S insurance program. Except when CITY is a named insured, CONTRACTOR'S insurance is not expected to respond to claims which may arise from the acts or omissions of the CITY.

12.2 Modification of Coverage

CITY reserves the right at any time during the term of this CONTRACT to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to the CONTRACTOR, CITY agrees to negotiate additional compensation proportional to the increased benefit to CITY.

12.3 Failure to Procure Insurance

All required insurance must be submitted and approved by the City Attorney prior to the inception of any operations or tenancy by CONTRACTOR. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by CITY. Non-availability or non-affordability must be documented by a letter from CONTRACTOR'S insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within the foregoing constraints, CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this CONTRACT shall constitute a material breach of this CONTRACT under which CITY may immediately suspend or terminate this CONTRACT or, at its discretion, procure or renew such insurance to protect CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

12.4 Worker's Compensation

By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 et seq., of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this CONTRACT. A Waiver of Subrogation in favor of CITY will be required when work is performed on CITY premises under hazardous conditions.

Article 13. INDEPENDENT CONTRACTOR

The CONTRACTOR is acting hereunder as an independent CONTRACTOR and not as an agent or employee of the CITY. The CONTRACTOR shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the CITY. The CITY shall not represent or otherwise hold itself or any of its directors, officers, partners, employees, or agents out to be an agent or employee of the CONTRACTOR.

Article 14. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

14.1 CONTRACTOR(s) Warranty And Responsibility:

The CONTRACTOR warrants that the work hereunder shall be completed in a manner consistent with professional standards practiced among those firms within the CONTRACTOR'S profession, doing the same or similar work under the same or similar circumstances. The CONTRACTOR shall perform such professional services as may be necessary to accomplish the work required to be performed in accordance with this CONTRACT.

The CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all services furnished under this CONTRACT. The CONTRACTOR shall, at no additional cost to the CITY, correct or revise any errors, omissions, or other deficiencies in its designs, drawings, specifications, reports, calculations, or other services.

14.2 Contractor's Liability:

Except as otherwise stated in this CONTRACT, the CONTRACTOR shall be and shall remain liable, in accordance with all APPLICABLE LAWS, for any damages to the CITY caused by the CONTRACTOR'S negligent performance of any services furnished under this CONTRACT except for errors, omissions, or other deficiencies to the extent attributable to the CITY, CITY-furnished data, or other third party.

14.3 Performance Guarantees:

The CONTRACTOR shall make the following performance guarantees to the CITY and assume liability for all associated performance damages as specified herein.

- 14.4 Actions That Adversely Affect City's Multifamily Recycling PROJECT:
In the event of actions by the CONTRACTOR that adversely impact the operation of the CITY'S PROJECTS, the CITY may take any and all actions it deems necessary to provide service to the public. The CONTRACTOR shall be liable for any additional costs and damages.
- 14.5 Liquidated Damages:
The CITY will hold the CONTRACTOR liable for liquidated damages in the amount of \$1,000 per day plus any additional costs incurred by the CITY for each day, due to non-performance by the CONTRACTOR. In the event the CITY secures a qualified substitute contractor to conduct the PROJECT, the CONTRACTOR in question will be liable for the difference in costs between the CONTRACTOR'S prices and the substitute CONTRACTOR'S and the \$1,000 per day damages. The CITY will hold the CONTRACTOR liable for liquidated damages in the amount of \$100 per day for each day that any progress report, described in Article-4 is past due.
- 14.6 Collection Of Damages:
The CITY shall prepare and submit to the CONTRACTOR, together with supporting documentation, any claims for performance damages. The CITY may submit such claims on an ongoing basis as said damages are incurred. The CONTRACTOR shall review such claims as they are received, and in the month that such claims are received, apply as a performance damage credit the aggregate amount of such claims.

Article 15. CONTACT PERSONS, PROPER ADDRESSES and NOTIFICATION

All notices shall be made in writing and may be given by mail or personal delivery. Notices sent by mail should be registered or certified and sent to the designated contact person for each party and addressed as follows:

To SANITATION:
Ms. Cathie Chavez
City of Los Angeles – Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway Street, 10th floor
Los Angeles, CA 90015-2213
Tel: 213-485-3752
Fax: 213-485-3671
e-mail: cathleen.chavez@lacity.org

To the CONTRACTOR:
Mr. Jack Topalian
General Manager
NASA Services, Inc.
1701 Gage Road

Montebello, CA 90640
Tel: 888-888-0388
e-mail: Jack@nasaservices.com

Article 16. OWNERSHIP OF DATA

All nonproprietary outreach materials, drawings, plans, outreach materials, graphics, specifications, computer files, calculations, and notes as prepared hereunder shall become the property of the CITY. The CONTRACTOR shall provide two sets of the above-cited items in a format to be specified by the CITY. The CONTRACTOR shall be permitted to maintain copies of all such data for its own files. Should the CITY use these products or data in connection with additions to the work required under this Contract or for new work without consultation to the CONTRACTOR, the CONTRACTOR shall have no liability or responsibility whatsoever in connection with such use.

Article 17. SUCCESSORS AND ASSIGNS

All of the terms, conditions, and provisions hereof shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns provided, however, that no assignment of CONTRACT shall be made without written consent of the parties to this CONTRACT whose consent shall not be unreasonably withheld.

Article 18. FORCE MAJEURE

Notwithstanding any other provisions hereof, neither the CONTRACTOR nor the CITY shall be held responsible or liable for failure to meet their respective obligations under this CONTRACT if such failure shall be due to causes beyond the CONTRACTOR'S or the CITY'S control. Such causes include but are not limited to: strikes, fire, flood, civil disorder, acts of God or of the public enemy, acts of the federal government, or any unit of State or local government in either sovereign or contractual capacity, epidemics, quarantine restrictions, or delays in transportation to the extent that they are not caused by the parties' willful or negligent acts or omissions and to the extent that they are beyond the parties' reasonable control.

Article 19. SEVERABILITY

Should any portion of this CONTRACT be determined to be void or unenforceable, such shall be severed from the whole, and the CONTRACT will continue as modified.

Article 20. DISPUTES

Should a dispute or controversy arise concerning provisions of this CONTRACT or the performance of work hereunder, the parties may elect to submit such to a court of competent jurisdiction.

Article 21. ENTIRE CONTRACT

This CONTRACT contains all of the agreements, representations, and understandings of the parties hereto and supersedes and/or incorporates any previous understandings, proposals, commitments, or agreements whether oral or written and may be modified or amended only as herein provided.

Article 22. GOVERNING LAW

Each party's performance hereunder shall comply with all APPLICABLE LAWS of the United States of America, the State of California, and the CITY. This CONTRACT shall be governed by, enforced, and interpreted under the law of the State of California and the CITY.

Article 23. AFFIRMATIVE ACTION AND NONDISCRIMINATION

23.1 Affirmative Action:

The CONTRACTOR and the CITY acknowledge that the specific Affirmative Action Program which the CONTRACTOR agrees to execute and abide by has been filed with and approved by the Office of Contract Compliance. The CONTRACTOR shall abide by the specific requirements of the Affirmative Action Plan upon execution of this CONTRACT with the CITY.

23.2 Nondiscrimination Clause:

The CONTRACTOR shall obligate itself not to discriminate during the performance of this CONTRACT against any employee or applicant because of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, or medical condition. All subcontracts awarded under this CONTRACT shall contain a like nondiscrimination clause.

Article 24. BUSINESS TAX REGISTRATION CERTIFICATES

The CONTRACTOR shall maintain all Business Tax Registration Certifications required by the CITY's Business Tax Ordinance. The CONTRACTOR shall not allow any such Certificates to be revoked or suspended. The CONTRACTOR'S failure to meet this requirement may be deemed a material breach of this CONTRACT.

Article 25. AMERICANS WITH DISABILITIES ACT

The CONTRACTOR shall comply with the Americans with Disabilities Act 42 U.S.C. Section 12101 et seq. and with the provisions of the Certification Regarding Compliance with the Americans with Disabilities Act, which is attached hereto as Exhibit B and incorporated herein by this reference.

Article 26. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

26.1 Unless otherwise exempt in accordance with the provisions of this Ordinance, this CONTRACT is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 et seq. of the Los Angeles Administrative Code as amended from time to time, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 et seq., of the Los Angeles Administrative Code as amended from time to time.

- A. Payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and provision of benefits as defined in the LWO.
- B. The CONTRACTOR further pledges that he or she will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. The CONTRACTOR shall require each of its SUBCONTRACTORS within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. The CONTRACTOR shall deliver the executed pledges from each such SUBCONTRACTOR to the CITY within ninety (90) days of the execution of the Subcontract. The CONTRACTOR'S delivery of executed pledges from each such SUBCONTRACTOR shall fully discharge the obligation of the CONTRACTOR to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
- C. The CONTRACTOR, whether an employer as defined in the LWO or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the CITY with regard to the employer's compliance or anticipated compliance with the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or for otherwise asserting rights under the LWO. The CONTRACTOR shall post the Notice of Prohibition Against Retaliation provided by the CITY.
- D. Any Subcontract entered into by the CONTRACTOR relating to this CONTRACT to the extent allowed hereunder shall be subject to the provisions of LWO and the SCWRO and shall incorporate the "Living Wage Ordinance and Service Contractor Worker Retention Ordinance" language.
- E. The CONTRACTOR shall comply with all rules, regulations, and policies promulgated by the designated administrative agency, which may be amended from time to time.

26.2 Under the provisions of Section 10.36.3(c) and Section 10.37.5(c) of the Los Angeles Administrative Code, the CITY shall have the authority under appropriate circumstances to terminate this CONTRACT and otherwise pursue

legal remedies that may be available if the CITY determines that the subject CONTRACTOR has violated provisions of the LWO and the SCWRO.

26.3 Where under LWO Section 10.37.6(d), the designated administrative agency has determined (a) that the CONTRACTOR is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the awarding authority in such circumstances may impound monies otherwise due the CONTRACTOR in accordance with the following procedures. Impoundment shall mean that from monies due the CONTRACTOR, the awarding authority may deduct the amount determined to be due and owing by the CONTRACTOR to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d)(3) and disposed of under procedures there described through final and binding arbitration. Whether the CONTRACTOR is to continue work following an impoundment shall remain in the unfettered discretion of the awarding authority. The CONTRACTOR may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

26.4 Earned Income Tax Credit:

This CONTRACT is subject to the provisions of Section 10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than 12 Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

Article 27. EQUAL BENEFITS ORDINANCE

1. Unless otherwise exempted in accordance with the provisions of this Ordinance, this CONTRACT is subject to the applicable provisions of the Equal Benefits Ordinance (EBO) Section 10.8.2.1 of the Los Angeles Admin Code, as amended from time to time.
2. During the performance of the CONTRACT, the CONTRACTOR certifies and represents that the CONTRACTOR will comply with the EBO. The CONTRACTOR agrees to post the following statement in conspicuous places at its place of business available to employees and applicants or employment:
3. "During the performance of a Contract with the City of Los Angeles, the CONTRACTOR will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Dept of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213)847-1922."
4. The failure of the CONTRACTOR to comply with the EBO will be deemed to be a material breach of the CONTRACT by the Awarding Authority.

5. If the CONTRACTOR fails to comply with the EBO the Awarding Authority may cancel, terminate or suspend the CONTRACT, in whole or in part, and all monies due or to become due under the CONTRACT may be retained by the CITY. The CITY may also pursue any and all other remedies at law or in equity for any breach.
6. Failure to comply with the EBO may be used as evidence against the CONTRACTOR in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 et seq., Contractor Responsibility Ordinance.
7. If the Bureau of Contract Administration determines that a CONTRACTOR has set up or used its Contracting entity for the purpose of evading the intent of the EBO, the Awarding Authority may terminate the CONTRACT on behalf of the CITY. Violation of this provision may be used as evidence against the CONTRACTOR in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40 et seq.,

Article 28. CONTRACTOR RESPONSIBILITY ORDINANCE

Unless otherwise exempt in accordance with the provisions of the Ordinance, this CONTRACT is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40 et seq., of Article 14, Chapter 1 of Division 10 of the Los Angeles Administrative Code, which requires the CONTRACTOR to update its responses to the responsibility questionnaire within thirty calendar days after any change to the responses previously provided if such change would affect the CONTRACTOR'S fitness and ability to continue performing the CONTRACT. In accordance with the provisions of this Ordinance, by signing this CONTRACT, the CONTRACTOR pledges, under penalty of perjury, to comply with all applicable federal, State, and local laws in the performance of this CONTRACT, including but not limited to laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees. The CONTRACTOR further agrees to:

1. Notify the awarding authority within thirty calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the CONTRACTOR is not in compliance with all applicable federal, State, and local laws in performance of this CONTRACT;
2. Notify the awarding authority within thirty calendar days of all findings by a government agency or court of competent jurisdiction that the CONTRACTOR has violated the provisions of Section 10.40.3(a) of the Ordinance;
3. Ensure that its SUBCONTRACTOR(s) working on the CONTRACTOR'S CITY CONTRACT submit a Pledge of Compliance to awarding authorities; and
4. Ensure that its SUBCONTRACTOR(S) working on the CONTRACTOR'S CITY CONTRACT comply with the requirements of the Pledge of Compliance and the

requirement to notify Awarding Authorities within thirty calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the SUBCONTRACTOR has violated Section 10.40.3(a) of the Ordinance in performance of the subcontract.

Article 29. CONTRACTOR EVALUATION

At the end of this CONTRACT, the CITY will conduct an evaluation of the CONTRACTOR'S performance. The CITY may also conduct an evaluation of the CONTRACTOR'S performance during the term of this CONTRACT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, the CONTRACTOR'S compliance with the budget requirements, and the expertise of personnel that the CONTRACTOR assigns to the CONTRACT. The CONTRACTOR will be provided a copy of the final CITY evaluation and allowed 14 calendar days to respond. The CITY will use the final evaluation and any response from the CONTRACTOR to evaluate proposals and conduct reference checks when awarding other personal service contracts.

Article 30. MBE/WBE/OBE PARTICIPATION POLICY

The CONTRACTOR shall obligate itself to utilize the services of MBE/WBE/OBE firms on a level as described in its original proposal. The CONTRACTOR certifies that it has complied with the BOARD'S Policy regarding the MBE/WBE/OBE SUBCONTRACTOR Outreach Program for Personal Services Contracts greater than \$100,000, Attachment-J to the RFP. The CONTRACTOR shall not change any of these designated subcontractors or reduce their level of effort without prior written approval of the CITY provided that such approval will not be unreasonably withheld.

The CONTRACTOR shall provide an expenditure plan projecting MBE/WBE/OBE expenditures over the life of the CONTRACT as pledged in the proposal, listing MBE/WBE/OBE amounts invoiced versus planned expenditures. These expenditures shall be submitted with each invoice.

Article 31. CHILD SUPPORT ASSIGNMENT ORDERS

This CONTRACT is subject to Section 10. 10, Article 1, Chapter 1, Division 10 of the Los Angeles Administrative Code, Child Support Assignment Orders. The CONTRACTOR is required to complete a Certification of Compliance with Child Support Obligations, which is attached hereto as Exhibit "F" and incorporated herein by this reference. Pursuant to this Section, the CONTRACTOR shall (1) fully comply with all State and federal employment reporting requirements applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of the CONTRACTOR are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230, et seq.; and (4) maintain such compliance throughout the term of this CONTRACT. Pursuant to Section

10.10.b of the Los Angeles Administrative Code, failure of the CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notice of Assignment or the failure of any principal owner(s) of the CONTRACTOR to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this CONTRACT subjecting this CONTRACT to termination where such failure shall continue for more than ninety (90) days after notice of such failure to the CONTRACTOR by the CITY. Any subcontract entered into by the CONTRACTOR relating to this CONTRACT to the extent allowed hereunder shall be subject to the provisions of this paragraph and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the CONTRACTOR to obtain compliance of its SUBCONTRACTORS shall constitute a default of this CONTRACT subjecting this CONTRACT to termination where such failure shall continue for more than ninety (90) days after notice of such failure to the CONTRACTOR by the CITY.

The CONTRACTOR shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. The CONTRACTOR assures that to the best of his or her knowledge, it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in subdivision (1) of the Public Contract Code 7110.

Article 32. CLAIMS FOR LABOR AND MATERIALS

The CONTRACTOR shall promptly pay when due, all amounts payable for labor and materials furnished in the performance of this CONTRACT. This is to prevent any lien or other claim under any provision of law arising against any CITY property (including reports, documents, and other tangible matter produced by the CONTRACTOR hereunder), against the CONTRACTOR'S rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

Article 33. SLAVERY DISCLOSURE ORDINANCE

Unless otherwise exempt in accordance with the provisions of this Ordinance, this CONTRACT is subject to the Slavery Disclosure Ordinance, Section 10.41 of the Los Angeles Administrative Code, as may be amended from time to time. CONTRACTOR certifies that it has complied with the applicable provisions of this Ordinance. Failure to fully and accurately complete the affidavit may result in termination of this CONTRACT.

IN WITNESS WHEREOF, the parties here to have executed this CONTRACT on the day and year written below.

CITY OF LOS ANGELES

NASA SERVICES, INC.

By: _____
Commissioner
Board of Public Works

Jack Topalian
By: Mr. Jack Topalian
General Manager

Date: _____

Date: 3-14-07

Cynthia M. Ruy
By: Commissioner
Board of Public Works

Date: 6/29/07

APPROVED AS TO FORM:
Rockard J. Delgadillo, City Attorney

ATTEST: Frank Martinez, City Clerk

By: Christopher M. Westhoff
Christopher M. Westhoff
Assistant City Attorney

By: Guadalupe N. Rodarte

Date: 3/16/07

Date: 4-3-07
C-111835



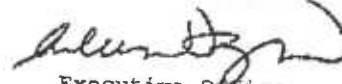
Transmittal 3

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California

MAY 30 2012

For the Board Meeting of May 30, 2012

CD: ALL


Executive OfficerMOTION

The City of Los Angeles (City), Bureau of Sanitation (Bureau) entered into Personal Services Contracts (C-111835 and C-111836) with Nasa Services, Inc. and Universal Waste Systems Inc., respectively, on July 3, 2007, for recycling services to multifamily residential properties through the Multifamily Residential Recycling Program (Program). Each contract's initial term was for five (5) years with an option to renew up to two (2) two-year terms. The initial contract term will expire on July 3, 2012.

The Bureau is requesting to extend the contract on a month-to-month basis in lieu of the two year extension provided in the contract. Both contractors are providing weekly recycling services to 382,664 of the 423,712 multifamily residential units participating in the Program. Both contractors have demonstrated a high degree of reliability in meeting the City's multifamily residential recycling needs and fulfilling contractual obligations. Furthermore, in solidarity with the City's cost saving measures, both contractors have been providing services at a five (5) percent reduction.

The Bureau is providing education and outreach to commercial properties, including multifamily residences, affected by the passage of AB 341. AB 341 requires multifamily residential properties of 5 or more units to have a recycling program in place by July 1, 2012. The Program is funded through the Citywide Recycling Trust Fund. Concurrently, the Bureau is establishing the future framework for a multifamily residential solid waste franchise. Ultimately, multifamily residential properties of 5 or more units will need to establish recycling programs with a provider other than the City. A month-to-month extension will provide uninterrupted service to Program participants while Multifamily properties establish new recycling services and affords the Bureau time to establish a multifamily residential solid waste franchise.

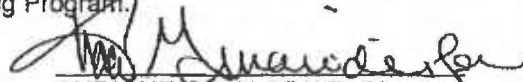
The estimated monthly expense for weekly recycling services by both contractors is \$793,788. The funding source for the month-to-month extension is the Citywide Recycling Trust Fund (Fund 46D, Department 50, Account 50H998).

Additional funding source will be available on city budget of future fiscal years.

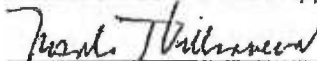
The contract contains a "Financial Liability Clause" which states that "the City's liability under this contract shall only be to the extent of the present City appropriation to fund the contract. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contract." This clause is part of the General Conditions that were reviewed by the City Attorney. It provides the legal protection for the City in the possible situation that subsequent funds would not be made available for the remaining contract work.

Motion 1
Nasa Services Inc.
Page 2

IT IS THEREFORE MOVE that the Board of Public Works authorize the Bureau of Sanitation to extend and pay Personal Services Contracts C-111835 and C-111836 with Nasa Services, Inc. and Universal Waste Systems Inc., on a month-to-month basis, for recycling services to multifamily residential properties through the Multifamily Residential Recycling Program.


ENRIQUE C. ZALDIVAR, Director
Bureau of Sanitation

Statement as to Funds Approved by:

for 
VICTORIA A. SANTIAGO, Director
Office of Accounting
Prepared by:
Cathleen Chavez-Morris
(213) 485-3752

**SUPPLEMENTAL AGREEMENT
TO AGREEMENT NUMBER C-111835
BETWEEN THE CITY OF LOS ANGELES
AND
NASA SERVICES, INC.**

THIS SUPPLEMENTAL AGREEMENT to Contract C-111835 between the City of Los Angeles, California, a municipal corporation (hereinafter referred to as the "City"), acting by and through the Bureau of Sanitation, and NASA Services, Inc. (hereinafter referred to as the "Contractor") is entered into with reference to the following:

WHEREAS, on May 14, 2006, the City released a Request for Proposals (RFP) to qualified and interested parties; and

WHEREAS, on August 9, 2006, seven (7) proposals were received by the City; and

WHEREAS, NASA Services, Inc. was deemed to be a qualified respondent as determined through the evaluation criteria stated in RFP; and

WHEREAS, on March 16, 2007 the Board of Public Works approved and forwarded a report to the Mayor and City Council with the request that the Board of Public Works be authorized to execute and award a five-year personal services contract with options for two (2) two-year extensions to NASA Services, Inc. to provide required services for the implementation of a MultiFamily Residential Recycling Program in two (2) of the City's six (6) wastesheds (West L.A. and North Central); and

WHEREAS, on July 3, 2007 Contract C-111835 was executed; and

WHEREAS, on May 30, 2012 the Board granted a Motion that contract C-111835 between the City and NASA Services, Inc. be extended on a month-to-month basis in lieu of the two-year extension provided in the contract; and

WHEREAS, on July 3, 2012 the initial contract term expired; and

WHEREAS, the selected Contractor has demonstrated the necessary qualifications to perform the said services, referred to in the Scope of Services specified in the original contract; and

WHEREAS, the Contractor has performed the required services in a competent and satisfactory manner; and

WHEREAS, the implementation of this project is critical and must be retained; and

WHEREAS; the City desires to retain the Contractor to provide the required professional and technical services in connection with the Scope of Services as outlined in the original contract;

NOW, THEREFORE, in consideration of the promises, covenants, and agreements hereinafter set forth, the parties hereby agree to supplement the Contract C-111835, as follows:

1. Incorporation of Original Agreements

CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,
COUNCIL/PUBLIC SERVICES DIVISION
ROOM 395, CITY HALL

DATE: 11/04/2013

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FORM MUST BE TYPEWRITTEN

FROM (DEPARTMENT): BOARD OF PUBLIC WORKS

CONTACT PERSON: DAVID P. CHANQUIN

PHONE: 213 978-0260

CONTRACT NO.: C-111835 ✓

COUNCIL FILE NO.: 13-0673

ADOPTED BY COUNCIL: N/A

APPROVED BY BPW: 01/30/2013
DATE

DATE

NEW CONTRACT

AMENDMENT NO.

ADDENDUM NO.

SUPPLEMENTAL NO. 1 ✓

CHANGE ORDER NO.

CONTRACTOR NAME: NASA SERVICES, INC. ✓

TERM OF CONTRACT: 07/03/2013 THROUGH: 07/02/2014

TOTAL AMOUNT: NOT TO EXCEED \$11,000,000

PURPOSE OF CONTRACT:

FOR CONTINUED IMPLEMENTATION OF THE MULTI-FAMILY RESIDENTIAL RECYCLING PROGRAM

NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET

PRINT

Original Contract C-111835 is hereby incorporated by reference in its entirety into this Supplemental Agreement as though fully set forth herein, and all terms and conditions contained therein remain in full force and effect.

2. Term

In accordance with Section 7 (Term of Contract and Cost Ceiling) of the original agreement, the City exercises the first renewal option. These contract renewals shall be effective July 3, 2012 and end July 2, 2014.

3. Contract Amount

The additional cost for the extended terms of this Agreement is based upon work completed by the Contractor at the request of the City. The City's obligation to make a payment under this contract shall be limited to current monies owed.

4. Compensation

The term of the Supplemental Agreement with NASA Services, Inc. will be for two (2) years beginning July 3, 2012, and expiring on July 2, 2014. The cost to fund the additional two (2) years will not exceed \$11,000,000. The contract ceiling for the entire seven years under this Supplemental Agreement shall not exceed \$31,000,000.

Invoice(s) shall be sent to:

To the City:

Ms. Michelle Mikesell
City of Los Angeles – Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway, 5th Floor
Los Angeles, CA 90015
Tel: (213) 485-3884
Fax: (213) 483-3828
e-mail: michelle.mikesell@lacity.org

5. Ratification

At the City's request Contractor has continued performance of the services specified herein prior to the execution of this Agreement. To the extent that such services were performed in accordance with the terms and conditions of the Agreement, the City hereby acknowledges the services previously performed by Contractor and ratifies Contractor's performance of said services.

6. Ordinances added to the Original Contract C-111835

(ADD) Article 34. MUNICIPAL LOBBYING ORDINANCE

Any Contractor for the City shall submit a certification, on a form prescribed by the City Ethics Commission, that the Contractor acknowledges and agrees to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance, Exhibit A, if the Contractor qualifies as a lobbying entity under the

Ordinance. The exemptions contained in Los Angeles Administrative Code Section 10.40.4 shall not apply to this subsection.

(ADD) Article 35. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470 (c)(12) MEASURE H/CONTRACTOR CONTRIBUTIONS/FUNDRAISING

The Contractor, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or candidates for elected City office if the contract is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Contractor is required to provide and update certain information to the City as specified by law. Any Contractor subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this contract:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles Contract #C-11185. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to Contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to Contractor within 5 business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

Contractor, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this AGREEMENT and pursue any and all legal remedies that may be available.

This Supplemental Agreement includes three pages and is executed in five duplicate originals, each of which is deemed to be an original.

[Signature page follows]

IN WITNESS THEREOF, the parties hereto have caused this Supplemental Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

NASA SERVICES, INC.

By: *Kei James*
Commissioner
Board of Public Works

By: *Jack Topalian*
Mr. Jack Topalian
General Manager

Date: *11/1/13*

Date: *10/24/13*

By: _____
Commissioner
Board of Public Works

Date: _____



APPROVED AS TO FORM

ATTEST:

MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, Interim City Clerk

By: *[Signature]*
John A. Carvalho
Deputy City Attorney

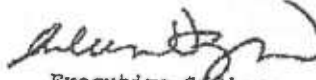
By: *[Signature]*
Deputy City Clerk

Date: *10/24/13*

Date: *11-04-2013*
C-111836-51

Transmittal 5

DEPARTMENT OF PUBLIC WORKS

BUREAU OF SANITATION
BOARD REPORT NO. 1
January 30, 2013ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California
AND REFERRED TO THE MAYOR
JAN 30 2013
Executive Officer

CD: ALL

AUTHORITY TO EXECUTE SUPPLEMENTAL AGREEMENTS TO PERSONAL SERVICES CONTRACTS C-111835 AND C-111836 BETWEEN THE CITY OF LOS ANGELES (CITY) AND NASA SERVICES, INC. AND UNIVERSAL WASTE SYSTEMS, INC. FOR CONTINUED IMPLEMENTATION OF THE MULTIFAMILY RESIDENTIAL RECYCLING PROGRAM

RECOMMENDATIONS

1. Approve and forward this report with transmittals to the Mayor and City Council, with the request that the Board of Public Works (Board) be authorized to execute a Supplemental Agreement with NASA Services, Inc. for the continued implementation of the MultiFamily Residential Recycling Program.
2. Approve and forward this report with transmittals to the Mayor and City Council, with the request that the Board be authorized to execute a Supplemental Agreement with Universal Waste Systems, Inc. for the continued implementation of the MultiFamily Residential Recycling Program.
3. Upon the Mayor's and City Council's authorization, the Board authorizes the Bureau of Sanitation (Sanitation) to execute both Supplemental Agreements.

TRANSMITTALS

1. Copy of the Adopted Board Report, dated March 16, 2007, granting authority to award and execute Personal Services Contracts for the implementation of a Permanent Multifamily Residential Recycling Program.
2. Copy of the Personal Services Contract C-111835 between the City and NASA Services, Inc.
3. Copy of the Personal Services Contract C-111836 between the City and Universal Waste Systems, Inc.
4. Copy of the adopted Month-to-Month Motion dated May 30, 2012
5. Copy of the Supplemental Agreement to the Personal Services Contract C-111835 between the City and NASA Services, Inc.
6. Copy of the Supplemental Agreement to the Personal Services Contract C-111836 between the City and Universal Waste Systems, Inc.

DISCUSSION

Background

In July 2007 the MultiFamily Residential Recycling Program (Program) transitioned from a pilot program servicing 70,000 units to a permanent citywide program that currently services 430,791 units within 18,156 properties. Between July 2007 and October 2012 the Program has diverted 64,745 tons of recyclables from landfills.

The Program currently provides weekly recycling services, blue bins for the storage of recyclables, educational materials for tenants, and valet service of the bins by contracted private waste haulers. The Program mirrors the existing single family curbside recycling program, in that blue bins are provided for collection and the same recyclable materials are accepted in both programs. The Program does not require residents to place their blue bins along the street for weekly pickup. Instead, the Program offers a "valet service" in which the City's contracted private waste hauler accesses the property weekly to retrieve the blue bins. After servicing the blue bins, the waste hauler returns the blue bins to their designated recycling area. The Program is voluntary and is only implemented after the approval of the owner, property manager or homeowners association is given.

On May 14, 2006, Sanitation mailed out a Request for Proposals (RFP) requesting proposals from qualified proposers, to provide services for a Permanent Citywide MultiFamily Residential Recycling Program. Proposals and notification letters were mailed to over 140 permitted private waste haulers. The proposed term in the RFP was for five (5) years with the option to extend the contract for two (2) additional two-year terms.

On August 9, 2006 seven (7) Proposals were received.

On March 16, 2007 the Board approved and forwarded a report to the Mayor and City Council with the request that the Board be authorized to execute and award five-year personal services contracts with two (2), two-year renewal options, to NASA Services, Inc. and Universal Waste Systems, Inc. to provide required services for the implementation of a MultiFamily Residential Recycling Program in four (4) of the City's six (6) wastesheds. (Transmittal No. 1) The contracts were executed on July 3, 2007 and expired on July 3, 2012. (Transmittal Nos. 2 and 3)

On May 30, 2012 the Board granted a Motion that contracts C-111835 and C-111836 between the City of Los Angeles and NASA Services, Inc. and Universal Waste Systems, Inc. be extended on a month-to-month basis in lieu of the two-year extension provided in the contracts (Transmittal No. 4).

NASA Services, Inc. is currently providing recycling services to 9,121 properties with 224,866 units in the West Los Angeles and the North Central wastesheds. Universal Waste Systems, Inc. is providing recycling services to 5,957 properties with 164,766 units in the West Valley and the East Valley wastesheds.

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The original contracts were for a term of five (5) years and included an option for the City to renew the contract for two (2) additional terms of two (2) years. The initial five-year term expired July 3, 2012. Sanitation is requesting that the Supplemental Agreements be authorized to exercise the first two-year renewal option beginning on July 3, 2012 and ending on July 2, 2014. (Transmittals No. 5 and 6) The approval to exercise this option will enable Sanitation to continue to offer an essential service for the residents living in the West Valley, East Valley, West Los Angeles, and North Central watershed areas. While the original contract with the renewal options was approved by Council and the Mayor, the contract ceiling amount is being increased above the estimated amount, thus requiring Council and Mayor approval.

Waiver of MBE/WBE/OBE

A Good Faith Effort Waiver Request Form was approved by the Mayor's Office on February 16, 2006, in compliance with Executive Directive No. 2001-26, City of Los Angeles Minority, Women and Other Business Enterprise Program. The waiver was requested based on the nature of the program and the lack of sub-contracting opportunities the program could offer. The prime contractors are all permitted haulers operating throughout Los Angeles whose only function is to collect the materials and deliver them to a materials recovery facility (MRF) for sorting and recovery. Although a waiver was approved, the following tables list the achieved subcontractor participation to date:

The achieved MBE/WBE/OBE subcontractor participation levels for NASA Services, Inc. as of December 3, 2012 are as follows:

Gender/Ethnicity

- AA = African American HA = Hispanic American
- APA = Asian Pacific American SAA = Subcontinent Asian American
- NA = Native American C = Caucasian
- M = Male F = Female

SUBCONTRACTOR	MBE/WBE/OBE	Gender/Ethnicity	% of Contract Amount Invoiced	Subcontract Amount Invoiced
Global Resources*	WBE	F/C	2.03%	\$ 414,072.92
Iron Man Parts	OBE		0.10%	\$20,000.00
Custom Turbo Exhaust	OBE		0.20%	\$40,000.00
Rehrig Pacific Company	OBE		2.86%	\$583,721.77
Schaefer Systems International	OBE		2.20%	\$447,917.24
TOTAL MBE Participation			0.00%	\$0.00
TOTAL WBE Participation			2.03%	\$414,072.92
TOTAL OBE Participation			5.35%	\$1,091,639.01
TOTAL MBE/WBE/OBE Participation			7.39%	\$1,505,711.93
TOTAL Invoiced Amount				\$20,389,584.73

*Global Resources is no longer a subcontractor for NASA Services, Inc. Their participation ended February, 2012.

The achieved MBE/WBE/OBE subcontractor participation levels for Universal Waste Systems, Inc. as of November 1, 2012 are as follows:

SUBCONTRACTOR	MBE/WBE/OBE	Gender/Ethnicity	% of Contract Amount Invoiced	Subcontract Amount Invoiced
Rerhlg Pacific Company	OBE		0.68%	\$137,024.31
Pacific Rim Communications	OBE		0.61%	\$126,000.00
Schaefer Systems International	OBE		2.66%	\$538,988.47
TOTAL MBE Participation			0.00%	\$0.00
TOTAL WBE Participation			0.00%	\$0.00
TOTAL OBE Participation			3.96%	\$802,012.78
TOTAL MBE/WBE/OBE Participation			3.96%	\$802,012.78
TOTAL Invoiced Amount				\$20,241,404.19

Other Policies and Compliance

All Contractors are current with all insurance requirements and have provided the following documents:

- Non-Discrimination/Equal Employment Practices/Affirmative Action
- Living Wage Ordinance
- Child Care Policy
- Equal Benefits Ordinance
- Business Tax Registration Certificate
- Child Support Obligation Ordinance
- Americans with Disabilities Act
- Service Contract Worker Retention Ordinance
- Slavery Disclosure Ordinance
- Contract History
- Non-collusion Affidavit
- LA Residence Info
- Municipal Lobbying Ordinance
- Contract Bidder Campaign Contribution and Fundraising Restriction

Term and Value of Contracts

The term of the Supplemental Agreement with NASA Services, Inc. will be for two (2) years beginning July 3, 2012, and expiring on July 2, 2014. The cost to fund the additional two (2) years will not exceed \$11,000,000. The total compensation that may be paid to the Contractor by the City for the entire seven (7) years under this Supplemental Agreement shall not exceed \$31,000,000. There is no impact to the General Fund.

The term of this Supplemental Agreement with Universal Waste Systems, Inc. will be for two (2) years beginning July 3, 2012, and expiring on July 2, 2014. The cost to fund the additional two (2) years will not exceed \$11,000,000. The total compensation that may be paid to the Contractor by the City for the entire seven (7) years under this Supplemental Agreement shall not exceed \$31,000,000. There is no impact to the General Fund.

Contractor Responsibility Ordinance

All Contractors participating in this program are subject to compliance with the requirements specified in the City of Los Angeles' Contractor Responsibility Ordinance #173677, [Article 14, Chapter 1, Division 10, L.A.C.C.]. Failure to comply with requirements specified in this Ordinance will render the bidder's contract subject to termination pursuant to the conditions expressed therein.

Contractor Performance Evaluation Ordinance

In accordance with Article 13, Chapter 1, Division 10 of the City of Los Angeles Administrative Code, the appropriate City Personnel responsible for the quality control of these Personal Services Contracts shall submit Contractor Performance Evaluation Reports to the City Administrative Officer (CAO) upon completion of these contracts.

Contract Administration

Responsibility for administration of these contracts will be with the Solid Resources Citywide Recycling Division, Bureau of Sanitation.

Headquarters and Work Force Information

The headquarters address of NASA Services, Inc. is located at 1701 Gage Road, Montebello, CA 90640. The Contractor has a staff of 21 full-time employees assigned to this contract and 30% of the employees reside within the City of Los Angeles.

The headquarters address of Universal Waste Systems, Inc. is located at 9016 Norwalk Boulevard, Santa Fe Springs, CA 90670. The Contractor also has a satellite office located within the City of Los Angeles at 2460 E. 24th St., Los Angeles, CA 90058. The Contractor has a staff of 4 part-time employees and 11 full-time employees assigned to this contract, and 25% of the employees reside within the City of Los Angeles.

City Attorney Review

The proposed supplemental agreements have been approved as to form by the Office of City Attorney.

Bureau of Sanitation
Board Report No. 1
January 30, 2013

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STATUS OF FINANCING

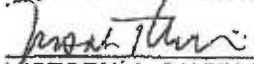
The City's liability under these contracts shall only be to the extent of the present City appropriation to fund the contracts. However, if the City shall appropriate funds for any succeeding years, the City's liability shall be extended to the extent of such appropriation, subject to the terms and conditions of the contracts.

The increase in the contract ceilings under these amendments will be funded from the Citywide Recycling Trust Fund, Fund 46D, Department 50, Account 50J998.

Respectfully submitted,


ENRIQUE O. ZALDIVAR, Director
Bureau of Sanitation

Approved As to Funds:

for 
VICTORIA A. SANTIAGO
Office of Accounting

Date: 1/24/13

Prepared by:
Michelle Mikesell, SRCRD
(213) 485-3884

For BPW meeting of 09-16-2013

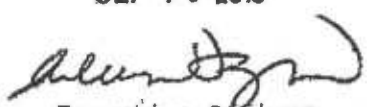
Transmittal 6

APPROVED BY THE BOARD
PUBLIC WORKS OF THE
CITY OF LOS ANGELES
CALIFORNIA

AND THAT THE PRESIDENT OR TWO MEMBERS
BE AUTHORIZED TO EXECUTE THE SAID
CONTRACT ON BEHALF OF THE BOARD

CF 13-0673


SEP 16 2013


Executive Officer

August 1, 2013

MEMORANDUM TO FILE

The purpose of this memorandum is to note for the record that pursuant to Los Angeles Administrative Code Section 10.5(a), the City Council did not disapprove the supplemental agreements to Contract No. 111835 with NASA Services, Inc. and Contract No. 111836 with Universal Waste Systems, Inc. to provide collection and processing of recyclable materials from multi-family residences within the prescribed 60 day time-frame, therefore the contracts are deemed approved.


BRIAN WALTERS
Council Clerk

TRANSMITTAL 7

**AMENDMENT TO
PERSONAL SERVICES CONTRACT C-111835
BETWEEN
THE CITY OF LOS ANGELES
AND
NASA SERVICES, INC.
FOR
CONTINUED IMPLEMENTATION OF
MULTIFAMILY RESIDENTIAL RECYCLING
PROGRAM**

BUREAU OF SANITATION
DEPARTMENT OF PUBLIC WORKS

April 7, 2014

City of Los Angeles
Department of Public Works
Bureau of Sanitation
Solid Resources Citywide Recycling Division

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AMENDMENT TO CONTRACT C-111835 BETWEEN THE CITY OF LOS ANGELES
AND NASA SERVICES, INC.

FOR IMPLEMENTATION OF MULTIFAMILY RESIDENTIAL RECYCLING PROGRAM

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AMENDMENT TO PERSONAL SERVICES CONTRACT C-111835 BETWEEN THE CITY OF LOS ANGELES AND NASA SERVICES, INC.

This Amendment is made and entered into by and between the City of Los Angeles, a municipal corporation, acting by order of and through its BOARD of Public Works, hereinafter referred to as the "CITY" and NASA Services, Inc., hereinafter referred to as the "CONTRACTOR," is set forth as follows:

WITNESSETH

WHEREAS, the Bureau of Sanitation currently provides curbside residential service to 720,000 single family households and small multifamily complexes; and

WHEREAS, the Bureau of Sanitation has successfully provided service to approximately 70,000 units under the Pilot Multifamily Residential Recycling Program; and

WHEREAS, there are an estimated 650,000 of these housing units citywide; and

WHEREAS, many residents in multifamily housing want an opportunity to participate in recycling/waste diversion programs; and

WHEREAS, multifamily residential units dispose of 550,000 tons of waste annually; and

WHEREAS, recyclable materials such as beverage containers, cardboard, and newspaper account for more than twenty one percent of the composition of the multifamily waste stream; and

WHEREAS, pursuant to the provisions of Assembly Bill 939, the CITY is mandated to divert solid waste from landfills through source reduction, recycling and composting; and

WHEREAS, a Request for Proposals (RFP) was prepared to divert the municipal solid waste going to landfill by implementing a permanent multifamily recycling programs; and

WHEREAS, on May 14, 2006, the CITY released an RFP to qualified and interested parties; and

WHEREAS, on August 9, 2006, seven (7) proposals were received by the CITY; and

WHEREAS, on January 30, 2013, the Board approved and forwarded a report to the Mayor and City Council with the request that the Board be authorized to execute and award a Supplemental Agreement to Personal Services Contract C-111835 between the City and NASA ; and

WHEREAS, on August 1, 2013, the City Clerk filed a Memorandum to Council File 13-0673 approving the Supplemental Agreement to the Personal Services Contract C-111835 between the City and NASA ; and

WHEREAS, NASA Services, Inc. was deemed to be a qualified respondent as determined

through the competitive process, and

WHEREAS, the selected CONTRACTOR has demonstrated the necessary qualifications to perform the said services, herein referred to in the Scope of Services, and

WHEREAS, the implementation of this project is critical and must be retained; and

WHEREAS; the CITY desires to retain the CONTRACTOR to provide the required professional and technical services in connection with the Scope of Services as outlined herein;

NOW, THEREFORE, in consideration of the promises, covenants, and agreements hereinafter set forth, the parties hereby agree as follows:

Article 1. SECTION HEADINGS

No change to this article.

Article 2. DEFINITIONS

No change to this article.

Article 3. PROJECT DESCRIPTION

No change to this article.

Article 4. RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY THE CONTRACTOR

No change to this article.

Article 5. RESPONSIBILITIES OF AND TASKS TO BE PERFORMED BY CITY

No change to this article.

Article 6. SUSPENSION AND TERMINATION

ADD SUBARTICLE 6.6 TO READ AS FOLLOWS:

6.6 The CITY will provide NASA with a 90-day written notice of termination in the event the CITY enters into new contracts for the same services prior to the end of the two-year, month-to-month term.

Article 7. TERM OF CONTRACT AND COST CEILING

ADD TO THIS ARTICLE:

The original term of this AGREEMENT was for five (5) years with options for two (2) two-year extensions. By mutual agreement of the CONTRACTOR and the CITY, this

Amendment to Contract C-111835 is to be renewed for a second and final 2-year term for the period July 3, 2014 through July 2, 2016. The CONTRACTOR and the CITY may, by mutual AGREEMENT, extend the contract beyond the final 2-year renewal option on a month-to-month basis for a period not to exceed 2 years or until the CITY enters into new contracts for the same services, whichever occurs first.

The accumulative total for this 5-year CONTRACT, the TWO (2) additional two-year term extensions and the TWO (2) years month-to-month extension of the CONTRACT shall not exceed \$50,000,000. The CITY shall not be obligated to reimburse the CONTRACTOR for costs incurred in excess of the cost ceiling. The CONTRACTOR shall not be obligated to continue performance, or otherwise incur costs in excess of the cost ceiling unless and until the BOARD has notified the CONTRACTOR in writing that such cost ceiling has been raised and has specified in such report an estimated cost ceiling which shall thereupon constitute the cost ceiling of this CONTRACT.

Article 8. COMPENSATION, INVOICING AND PAYMENT

MODIFY SUB ARTICLES 8.1, 8.3, AND 8.4 TO READ AS FOLLOWS:

8.1 Compensation:

For and in consideration of the services, performed by the CONTRACTOR, as described in this CONTRACT, the CITY shall compensate the CONTRACTOR on a cost-per-unit-per-month basis, and shall be the sole compensation paid to the CONTRACTOR by the CITY for all services provided by the CONTRACTOR under 'SCOPE OF SERVICES' herein, except as otherwise agreed in writing by both parties. The CONTRACTOR agrees that the cost-per-unit-per-month stated to the CITY includes all of its capital costs, permit fees, profits, administrative overheads and any and all other costs of the PROJECT. In providing for payment on a cost-per-unit-per-month basis, it is agreed that payment will be provided based on the total number of units in apartment complexes served. Collection services will be billed \$1.60 per unit, per month.

8.3 Supporting Documentation:

Original supporting documentation is preferred; however, photocopies of supporting documentation if marked "original" signed and dated by an authorized person, will be acceptable.

All invoices shall be considered complete when it is accompanied by all of the supporting documentation as specified herein:

A. Other Documentation and Invoice Items:

1. All invoices shall be accompanied by mechanics lien waiver as appropriate;
2. Weight ticket(s); (including gross weight, tare weight, date and time, collection district, truck and route number);
3. Names and addresses of complexes where the SOURCE SEPERATED RECYCLABLES were collected;
4. Route and truck number for each address serviced

8.4 Invoice Submittal:

The CONTRACTOR shall submit all invoices to:

Ms. Michelle Mikesell
City of Los Angeles – Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway, 5th Floor
Los Angeles, CA 90015
Tel: (213) 485-3884
Fax: (213) 483-3671
e-mail: michelle.mikesell@lacity.org

In order to ensure prompt processing, indicate clearly on the outside of the envelope the fact that the envelope contains invoices for the MultiFamily Recycling PROJECT. The CITY may in writing, change the submittal address at any time.

CONTRACTOR'S monthly invoices must be referred to this CONTRACT and be documented with a progress report as outlined in Article 4.

Article 9. SUBCONTRACTOR APPROVAL

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

All subcontracts in excess of \$25,000 shall require the prior approval of the CITY. A copy of all subcontracts shall be submitted to the CITY showing the subcontractor's name and dollar amount of each subcontract. Wholly-owned subsidiaries of CONTRACTOR shall not be considered a subcontractor.

CONTRACTOR plans to subcontract with these firms listed below:

Global Resources
IronMan Parts and Services
Rehrig Pacific
Go2Zero Strategies Consulting Group
Schaefer Systems International

The following Subs will not be used with this amendment:

Global Resources was sold several years ago and no longer doing business. Rehrig Pacific was replaced by Schaefer Systems International as NASA's cart supplier. Iron Man Parts and Custom Turbo Exhaust were used to modify NASA's trucks with exhaust particulate traps and have completed their work.

This listing is not exclusive and additional subcontractors may be added with the approval of the CITY.

Article 10. AMENDMENTS, CHANGES OR MODIFICATIONS

No change to this article.

Article 11. INDEMNIFICATION

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Except for the active negligence or willful misconduct of CITY, or any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest, CONTRACTOR undertakes and agrees to defend, indemnify and hold harmless CITY and any of its Boards, Officers, Agents, Employees, Assigns and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damage or liability of any nature whatsoever, for death or injury to any person, including CONTRACTOR'S employees and agents or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason to the extent of the negligent acts, errors, omissions or willful misconduct incident to the performance of this AGREEMENT by the CONTRACTOR or its SUBCONTRACTORS of any tier. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this AGREEMENT and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of this paragraph shall survive expiration or termination of this AGREEMENT.

Article 12. INSURANCE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

During the term of this CONTRACT and without limiting the CONTRACTOR'S indemnification of the CITY, the CONTRACTOR shall provide and maintain at its own expense during the term of this CONTRACT a program of insurance having the coverage and limits customarily carried and actually arranged by CONTRACTOR but not less than the amounts and types listed on the Insurance Requirements Sheet (Form Gen 146/IR), in EXHIBIT A hereto, covering its operations hereunder. Such insurance shall conform to CITY requirements as established by Charter, ordinance, or policy and shall comply with the instructions set forth, in EXHIBIT A, and which can also be found at the Board of Public Work's website: <http://bpw.lacity.org/Secretariat/Insurance.html>, in the form Instructions and Information on Complying with CITY Insurance Requirements, rev 05/12, and shall otherwise be in a form acceptable to the City Administrative Officer, Risk Management. The CONTRACTOR shall comply with all insurance Contractual Requirements shown on EXHIBIT A hereto. EXHIBIT A is hereby incorporated by reference and made a part of this CONTRACT.

Article 13. INDEPENDENT CONTRACTOR

No change to this article.

Article 14. WARRANTY AND RESPONSIBILITY OF CONTRACTOR

No change to this article.

Article 15. CONTACT PERSONS, PROPER ADDRESSES and NOTIFICATION

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

All notices shall be made in writing and may be given by personal delivery or by mail. Such notices sent by mail should be registered or certified and sent to the designated contact person for each party and addressed as follows:

To The CITY:

Ms. Michelle Mikesell
City of Los Angeles – Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway, 5th Floor
Los Angeles, CA 90015
Tel: (213) 485-3884
Fax: (213) 483-3671
e-mail: michelle.mikesell@lacity.org

To CONTRACTOR:

Mr. Jack Topalian
Nasa Services, Inc.
1100 S. Maple Avenue
Montebello, CA 90640
Tel: (888) 888-0388
Fax: (323) 888-0398
e-mail: jack@nasaservices.com

Article 16. OWNERSHIP AND LICENSE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise provided for herein, all Work Products originated and prepared by CONTRACTOR or its SUBCONTRACTORS of any tier under this CONTRACT shall be and remain the exclusive property of the CITY for its use in any manner it deems appropriate. Work Products are all works, tangible or not, created under this CONTRACT including, without limitation, documents, material, data, reports, manuals, specifications, artwork, drawings, sketches, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas matters and combinations thereof, and all forms of intellectual property. CONTRACTOR hereby assigns, and agrees

to assign, all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared by CONTRACTOR under this CONTRACT. CONTRACTOR further agrees to execute any documents necessary for the CITY to perfect, memorialize, or record the CITY'S ownership of rights provided herein.

For all Work Products delivered to the CITY that are not originated or prepared by CONTRACTOR or its SUBCONTRACTORS of any tier under this CONTRACT, CONTRACTOR hereby grants a non-exclusive perpetual license to use such Work Products for any CITY purposes.

CONTRACTOR shall not provide or disclose any Work Product to any third party without prior written consent of the CITY.

Any subcontract entered into by CONTRACTOR relating to this CONTRACT, to the extent allowed hereunder, shall include a like provision for work to be performed under this CONTRACT to contractually bind or otherwise oblige its SUBCONTRACTORS performing work under this CONTRACT such that the CITY'S ownership and license rights of all Work Products are preserved and protected as intended herein. Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its SUBCONTRACTORS with such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of CONTRACTOR'S CONTRACT with the CITY.

Article 17. SUCCESSORS AND ASSIGNS

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

All of the terms, conditions, and provisions hereof shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns provided, however, that no assignment of the AGREEMENT shall be made without written consent of the parties to this AGREEMENT as required under Article 37.

Article 18. FORCE MAJEURE

No change to this article.

Article 19. SEVERABILITY

No change to this article.

Article 20. DISPUTES

No change to this article.

Article 21. ENTIRE CONTRACT

No change to this article.

Article 22. APPLICABLE LAW, INTERPRETATION, AND ENFORCEMENT

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the CITY including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This AGREEMENT and its performance shall be enforced and interpreted under the laws of the State of California. All causes of action arising directly or indirectly from the business relationship evidenced by this AGREEMENT must be filed in the appropriate state or federal court located in Los Angeles County, California, and each party agrees to be subject to the jurisdiction of the State of California regardless of their residence. CONTRACTOR shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this AGREEMENT.

If any part, term or provision of this AGREEMENT is held void, illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this AGREEMENT, the validity of the remaining parts, terms or provisions of the AGREEMENT shall not be affected thereby.

Article 23. AFFIRMATIVE ACTION AND NONDISCRIMINATION

23.1 AFFIRMATIVE ACTION

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise exempt, this CONTRACT is subject to the affirmative action program provisions in Section 10.8.4 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of a CITY contract, CONTRACTOR certifies and represents that CONTRACTOR and each SUBCONTRACTOR hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. CONTRACTOR shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

- B. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, CONTRACTOR shall certify on an electronic or hard copy form to be supplied, that CONTRACTOR has not discriminated in the performance of CITY contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- D. CONTRACTOR shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of CITY contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any CONTRACTOR to comply with the Affirmative Action Program provisions of CITY contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to CONTRACTOR.
- F. Upon a finding duly made that CONTRACTOR has breached the Affirmative Action Program provisions of a CITY contract, the CONTRACT may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the CITY. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said CONTRACTOR is an irresponsible bidder or proposer pursuant to the provisions of Section 10.40, *et seq.*, of the Los Angeles City Administrative Code. In the event of such determination, such CONTRACTOR shall be disqualified from being awarded a contract with the CITY for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that CONTRACTOR has been guilty of willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a CITY contract, there may be deducted from the amount payable to CONTRACTOR by the CITY under the contract, a penalty of ten dollars (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a CITY contract.
- H. Notwithstanding any other provisions of a CITY contract, the CITY shall have any and all other remedies at law or in equity for any breach hereof.

- I. Intentionally blank.
- J. Nothing contained in CITY contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. CONTRACTOR shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the CITY. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the CONTRACT. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, CONTRACTOR may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, CONTRACTOR must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the CONTRACT is awarded.
 - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - 2. CONTRACTOR may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the CITY with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and CONTRACTOR.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Apprenticeship where approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 - 2. Classroom preparation for the job when not apprenticeable;
 - 3. Pre-apprenticeship education and preparation;
 - 4. Upgrading training and opportunities;
 - 5. Encouraging the use of contractors, subcontractors and suppliers of all racial

and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;

6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the CITY'S Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the CITY and may be used at the discretion of the CITY in its Contract Compliance Affirmative Action Program.
- P. Intentionally blank.
- Q. All CONTRACTORS subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the CONTRACT with the CITY and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the CONTRACTOR to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of the CONTRACTOR's CONTRACT with the CITY.

23.2 NONDISCRIMINATION

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise exempt, this CONTRACT is subject to the non-discrimination provisions in Sections 10.8 through 10.8.2 of the Los Angeles Administrative Code, as amended from time to time. The CONTRACTOR shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the CITY. In performing this CONTRACT, CONTRACTOR shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, domestic partner status, marital status or medical condition. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include

a like provision for work to be performed under this CONTRACT.

Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its SUBCONTRACTORS with such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of CONTRACTOR'S CONTRACT with the CITY.

Article 24. CURRENT LOS ANGELES CITY BUSINESS TAX REGISTRATION CERTIFICATE REQUIRED

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

If applicable, CONTRACTOR represents that it has obtained and presently holds the Business Tax Registration Certification(s) required by the CITY'S Business Tax Ordinance, section 21.00 *et seq.* of the Los Angeles Municipal Code. For the term covered by this AGREEMENT, the CONTRACTOR shall maintain, or obtain as necessary, all such Certificates required of it under Business Tax Ordinance and shall not allow any such Certificate to be revoked or suspended. Should any such certificate(s) become suspended or revoked, it is the CONTRACTOR'S responsibility to report the matter immediately to the CITY PROJECT MANAGER.

Article 25. AMERICANS WITH DISABILITIES ACT

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

The CONTRACTOR hereby certifies that it will comply with the Americans with Disabilities Act 42 U.S.C. Section 12101 *et seq.* and its implementing regulations. The CONTRACTOR will provide reasonable accommodations to allow qualified individuals with disabilities to have access to and to participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act. The CONTRACTOR will not discriminate against persons with disabilities nor against persons due to their relationship to or association with a person with a disability. Any subcontract entered into by the CONTRACTOR, relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

Article 26. LIVING WAGE ORDINANCE AND SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise exempt in accordance with the provisions of this Ordinance, this AGREEMENT is subject to the applicable provisions of the Living Wage Ordinance (LWO), Section 10.37 *et seq.* of the Los Angeles Administrative Code, as amended from time to time, which is attached hereto as Exhibit E and incorporated herein by this reference, and the Service Contractor Worker Retention Ordinance (SCWRO), Section 10.36 *et seq.*, of the Los Angeles Administrative Code, as amended from time to time. These Ordinances require the following:

1. The CONTRACTOR assures payment of a minimum initial wage rate to employees as defined in the LWO and as may be adjusted each July 1 and

provision of benefits of compensated and uncompensated days off and health benefits, as defined in the LWO.

2. The CONTRACTOR further pledges that it will comply with federal law proscribing retaliation for union organizing and will not retaliate for activities related to the LWO. CONTRACTOR shall require each of its SUBCONTRACTORS within the meaning of the LWO to pledge to comply with the terms of federal law proscribing retaliation for union organizing. CONTRACTOR shall receive and retain on file the executed pledges from each such SUBCONTRACTOR within ninety (90) days of the execution of the Subcontract. CONTRACTOR'S evidence of executed pledges from each such SUBCONTRACTOR shall fully discharge the obligation of the CONTRACTOR to comply with the provision in the LWO contained in Section 10.37.6(c) concerning compliance with such federal law.
 3. The CONTRACTOR, whether an employer, as defined in the LWO, or any other person employing individuals, shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the CITY with regard to the employer's compliance or anticipated compliance with the LWO, for opposing any practice proscribed by the LWO, for participating in proceedings related to the LWO, for seeking to enforce his or her rights under the LWO by any lawful means, or otherwise asserting rights under the LWO. CONTRACTOR shall post the Notice of Prohibition Against Retaliation provided by the CITY.
 4. Any Subcontract entered into by the CONTRACTOR relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of LWO and the SCWRO, and shall incorporate the LWO and the SCWRO.
 5. The CONTRACTOR shall comply with all rules, regulations and policies promulgated by the CITY'S Designated Administrative Agency, which may be amended from time to time.
- B. Under the provisions of Section 10.36.3(c) and Section 10.37.6(c) of the Los Angeles Administrative Code, the CITY shall have the authority, under appropriate circumstances, to terminate this AGREEMENT and otherwise pursue legal remedies that may be available if the CITY determines that the subject CONTRACTOR has violated provisions of the LWO and the SCWRO or both.
- C. Where under the LWO Section 10.37.6(d), the CITY'S Designated Administrative Agency has determined (a) that the CONTRACTOR is in violation of the LWO in having failed to pay some or all of the living wage, and (b) that such violation has gone uncured, the CITY in such circumstances may impound monies otherwise due the CONTRACTOR in accordance with the following procedures. Impoundment shall mean that from monies due the CONTRACTOR, the CITY may deduct the amount determined to be due and owing by the CONTRACTOR to its employees. Such monies shall be placed in the holding account referred to in LWO Section 10.37.6(d) (3) and disposed of under procedures there described through final and

binding arbitration. Whether the CONTRACTOR is to continue work following an impoundment shall remain in the sole discretion of the CITY. The CONTRACTOR may not elect to discontinue work either because there has been an impoundment or because of the ultimate disposition of the impoundment by the arbitrator.

- D. The AGREEMENT shall inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Credit (EIC). CONTRACTOR shall also make available to employees the forms informing them about the EIC and forms required to secure advance EIC payments from CONTRACTOR.

Article 27. EQUAL BENEFITS ORDINANCE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise exempt, this CONTRACT is subject to the provisions of the Equal Benefits Ordinance (EBO), Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

- A. During the performance of the CONTRACT, the CONTRACTOR certifies and represents that the CONTRACTOR will comply with the EBO.
- B. The failure of the CONTRACTOR to comply with the EBO will be deemed to be a material breach of this CONTRACT by the CITY.
- C. If the CONTRACTOR fails to comply with the EBO, the CITY may cancel, terminate or suspend this CONTRACT, in whole or in part and all monies due or to become due under this CONTRACT may be retained by the CITY. The CITY may also pursue any and all other remedies at law or in equity for any breach.
- D. Failure to comply with the EBO may be used as evidence against CONTRACTOR in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, *et seq.*, Contractor Responsibility Ordinance.
- E. If the CITY'S Designated Administrative Agency (DAA) determines that a CONTRACTOR has set up or used its contracting entity for the purpose of evading the intent of the EBO, the CITY may terminate the CONTRACT. Violation of this provision may be used as evidence against CONTRACTOR in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, *et seq.*, Contractor Responsibility Ordinance.

The CONTRACTOR shall post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Office of Contract Compliance at (213) 847-2625."

Article 28. CONTRACTOR RESPONSIBILITY ORDINANCE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

Unless otherwise exempt, this CONTRACT is subject to the provisions of the Contractor Responsibility Ordinance, Section 10.40, *et seq.*, of the Los Angeles Administrative Code, as amended from time to time, which requires CONTRACTOR to update its responses to the responsibility questionnaire within thirty (30) calendar days after any change to the responses previously provided if such change would affect CONTRACTOR'S fitness and ability to continue performing this CONTRACT.

In accordance with the provisions of the Contractor Responsibility Ordinance, by signing this CONTRACT, CONTRACTOR pledges, under penalty of perjury, to comply with all applicable federal, state and local laws in the performance of this CONTRACT, including but not limited to, laws regarding health and safety, labor and employment, wages and hours, and licensing laws which affect employees.

CONTRACTOR further agrees to: (1) notify the CITY within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that CONTRACTOR is not in compliance with all applicable federal, state and local laws in performance of this CONTRACT; (2) notify the CITY within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that CONTRACTOR has violated the provisions of Section 10.40.3(a), of the Contractor Responsibility Ordinance; (3) unless exempt, ensure that its SUBCONTRACTOR(S), as defined in the Contractor Responsibility Ordinance, submit a Pledge of Compliance to the CITY; and (4) unless exempt, ensure that its SUBCONTRACTOR(S), as defined in the Contractor Responsibility Ordinance, comply with the requirements of the Pledge of Compliance and the requirement to notify the CITY within thirty (30) calendar days after any government agency or court of competent jurisdiction has initiated an investigation or has found that the subcontractor has violated Section 10.40.3(a), of the Contractor Responsibility Ordinance in performance of the subcontract.

Article 29. CONTRACTOR PERFORMANCE EVALUATION ORDINANCE

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

At the end of this AGREEMENT, the CITY will conduct an evaluation of the CONTRACTOR'S performance. The CITY may also conduct evaluations of the CONTRACTOR'S performance during the term of the AGREEMENT. As required by Section 10.39.2 of the Los Angeles Administrative Code, evaluations will be based on a number of criteria, including the quality of the work product or service performed, the timeliness of performance, financial issues, and the expertise of personnel that the CONTRACTOR assigns to the AGREEMENT. A Contractor who receives a "Marginal" or "Unsatisfactory" rating will be provided with a copy of the final CITY evaluation and allowed fourteen (14) calendar days to respond. The CITY will use the final CITY evaluation, and

any response from the CONTRACTOR, to evaluate proposals and to conduct reference checks when awarding other service contracts.

Article 30. MBE/WBE/OBE PARTICIPATION POLICY

No change to this article.

Article 31. CHILD SUPPORT ASSIGNMENT ORDERS

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

This CONTRACT is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code, as amended from time to time. Pursuant to the Child Support Assignment Orders Ordinance, CONTRACTOR/CONSULTANT will fully comply with all applicable State and Federal employment reporting requirements for CONTRACTOR'S employees. CONTRACTOR shall also certify (1) that the Principal Owner(s) of CONTRACTOR are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (2) that CONTRACTOR will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with Section 5230, *et seq.* of the California Family Code; and (3) that CONTRACTOR will maintain such compliance throughout the term of this CONTRACT.

Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, the failure of CONTRACTOR to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders or Notices of Assignment, or the failure of any Principal Owner(s) of CONTRACTOR to comply with any Wage and Earnings Assignment Orders or Notices of Assignment applicable to them personally, shall constitute a default by the CONTRACTOR under this CONTRACT, subjecting this CONTRACT to termination if such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this CONTRACT. Failure of CONTRACTOR to obtain compliance of its SUBCONTRACTORS shall constitute a default by CONTRACTOR under this CONTRACT, subjecting this CONTRACT to termination where such default shall continue for more than ninety (90) days after notice of such default to CONTRACTOR by the CITY.

CONTRACTOR certifies that, to the best of its knowledge, it is fully complying with the Earnings Assignment Orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in Section 7110(b) of the California Public Contract Code.

Article 32. CLAIMS FOR LABOR AND MATERIALS

MODIFY THIS ARTICLE TO READ AS FOLLOWS:

The CONTRACTOR shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this AGREEMENT, so as to prevent any lien or other claim under any provision of law from arising against any CITY property (including reports, documents, and other tangible or intangible matter produced by the CONTRACTOR hereunder), against the CONTRACTOR'S rights to payments hereunder, or against the CITY, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

Article 33. SLAVERY DISCLOSURE ORDINANCE

No change to this article.

Article 34. INTELLECTUAL PROPERTY INDEMNIFICATION

ADD THIS ARTICLE:

The CONTRACTOR, at its own expense, undertakes and agrees to defend, indemnify, and hold harmless the CITY, and any of its Boards, Officers, Agents, Employees, Assigns, and Successors in Interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information right (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by CONTRACTOR, or its SUBCONTRACTORS of any tier, in performing the work under this CONTRACT; or (2) as a result of the CITY'S actual or intended use of any Work Product furnished by CONTRACTOR, or its SUBCONTRACTORS of any tier, under the AGREEMENT. Rights and remedies available to the CITY under this provision are cumulative of those provided for elsewhere in this CONTRACT and those allowed under the laws of the United States, the State of California, and the CITY. The provisions of this article shall survive expiration or termination of this CONTRACT.

Article 35. INTELLECTUAL PROPERTY WARRANTY

ADD THIS ARTICLE:

The CONTRACTOR represents and warrants that its performance of all obligations under this CONTRACT do not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patents, copyrights, trademarks, trade secrets, right of publicity and proprietary information.

Article 36. WAIVER

ADD THIS ARTICLE:

A waiver of a default of any part, term or provision of this AGREEMENT shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or

provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

Article 37. PROHIBITION AGAINST ASSIGNMENT OR DELEGATION

ADD THIS ARTICLE:

The CONTRACTOR may not, unless it has first obtained the written permission of the CITY:

- A. Assign or otherwise alienate any of its rights hereunder this AGREEMENT, including the right of payment; or
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

Article 38. PERMITS

ADD THIS ARTICLE:

The CONTRACTOR and its directors, officers, partners, agents, employees, and SUBCONTRACTORS, to the extent allowed hereunder, shall obtain and maintain all permits, licenses, certifications, and other documents necessary for the CONTRACTOR'S performance of the services hereunder and shall pay any fees required therefore.

CONTRACTOR certifies to immediately notify, within two (2) business days, the CITY of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents.

Article 39. DISCOUNTS

ADD THIS ARTICLE:

CONTRACTOR agrees to offer the CITY any discount terms that are offered to its best customers for the goods and services to be provided hereunder and apply such discounts to payments made under this AGREEMENT which meet the discount terms.

Article 40. BREACH

ADD THIS ARTICLE:

Except for Force Majeure, if any party fails to perform, in whole or in part, any promise, covenant, or agreement set forth herein, or should any representation made by it be untrue, any aggrieved party may avail itself of all rights and remedies, at law or equity, in the courts of law. Said rights and remedies are cumulative of those provided for herein except that in no event shall any party recover more than once, suffer a penalty or forfeiture, or be unjustly compensated.

Article 41. EQUAL EMPLOYMENT PRACTICES

ADD THIS ARTICLE:

Unless otherwise exempt, this CONTRACT is subject to the equal employment practices provisions in Section 10.8.3, of the Los Angeles Administrative Code, as amended from

time to time.

- A. During the performance of this CONTRACT, CONTRACTOR agrees and represents that it will provide equal employment practices and CONTRACTOR/CONSULTANT and each SUBCONTRACTOR hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
 - 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 - 3. CONTRACTOR agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.
- C. As part of the CITY'S supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, CONTRACTOR shall certify in the specified format that he or she has not discriminated in the performance of CITY contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.
- D. CONTRACTOR shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of CITY contracts. On their or either of their request CONTRACTOR shall provide evidence, within ten (10) business days of such request by CITY, that he or she has or will comply therewith.
- E. The failure of any CONTRACTOR to comply with the Equal Employment Practices provisions of this CONTRACT may be deemed to be a material breach of CITY contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard have been given to CONTRACTOR.
- F. Upon a finding duly made that CONTRACTOR has failed to comply with the Equal Employment Practices provisions of a CITY contract, the CONTRACT may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding

authority, and all monies due or to become due hereunder may be forwarded to and retained by the CITY. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the CONTRACTOR is an irresponsible bidder or proposer pursuant to the provisions of Section 10.40, *et seq.*, of the City of Los Angeles Administrative Code, *et seq.* In the event of such a determination, CONTRACTOR shall be disqualified from being awarded a contract with the CITY for a period of two years, or until CONTRACTOR shall establish and carry out a program in conformance with the provisions hereof.

- G. Notwithstanding any other provision of this CONTRACT, the CITY shall have any and all other remedies at law or in equity for any breach hereof.
- H. Intentionally blank.
- I. Nothing contained in this CONTRACT shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the CITY, or when an individual bid or proposal is submitted, CONTRACTOR shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of CITY Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 - 1. Hiring practices;
 - 2. Apprenticeships where such approved programs are functioning and other on-the-job training for non-apprenticeable occupations;
 - 3. Training and promotional opportunities; and
 - 4. Reasonable accommodations for persons with disabilities.
- L. Any subcontract entered into by CONTRACTOR, to the extent allowed hereunder, shall include a like provision for work to be performed under this CONTRACT. Failure of CONTRACTOR to comply with this requirement or to obtain the compliance of its SUBCONTRACTORS with all such obligations shall subject CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to termination of the CONTRACTOR'S CONTRACT with the CITY.

Article 42. MUNICIPAL LOBBYING ORDINANCE

ADD THIS ARTICLE:

Any Contractor for the CITY shall submit a certification, on a form prescribed by the City Ethics Commission, that the CONTRACTOR acknowledges and agrees to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance, Exhibit H, if the CONTRACTOR qualifies as a lobbying entity under the Ordinance. The exemptions contained in Los Angeles Administrative Code Section 10.40.4, shall not apply to this subsection.

Article 43. FIRST SOURCE HIRING ORDINANCE

ADD THIS ARTICLE:

Unless otherwise exempt in accordance with the provisions of this Ordinance, this CONTRACT is subject to the applicable provisions of the First Source Hiring Ordinance (FSHO), Section 10.44 *et seq.* of the Los Angeles Administrative Code, as amended from time to time.

CONTRACTOR shall, prior to the execution of the CONTRACT, provide to the DAA a list of anticipated employment opportunities that CONTRACTOR estimate they will need to fill in order to perform the services under the CONTRACT. The Department of Public Works Office of Contract Compliance is the DAA.

CONTRACTOR further pledges that it will, during the term of the CONTRACT, shall:

- A. At least seven (7) business days prior to making an announcement of a specific employment opportunity, provide notifications of that employment opportunity to the Community Development Department (CDD), which will refer individuals for interview;
- B. Interview qualified individuals referred by CDD; and
- C. Prior to filling any employment opportunity, the CONTRACTOR shall inform the DAA of the names of the Referral Resources used, the names of the individuals they referred, the names of the referred individuals who the CONTRACTOR interviewed and the reasons why referred individuals were not hired.

Any Subcontract entered into by the CONTRACTOR relating to this AGREEMENT, to the extent allowed hereunder, shall be subject to the provisions of FSHO, and shall incorporate the FSHO.

CONTRACTOR shall comply with all rules, regulations and policies promulgated by the DAA, which may be amended from time to time.

Where under the provisions of Section 10.44.13 of the Los Angeles Administrative Code the DAA has determined that the CONTRACTOR/CONSULTANT intentionally violated or used hiring practices for the purpose of avoiding the article, the determination must be documented in the Awarding Authority's Contractor Evaluation, required under Los Angeles Administrative Code Section 10.39 *et seq.*, and must be documented in each of the CONTRACTOR'S subsequent Contractor Responsibility Questionnaires submitted under Los Angeles Administrative Code Section 10.40, *et seq.*

This measure does not limit the CITY'S authority to act under this article. Under the provisions of Section 10.44.8 of the Los Angeles Administrative Code, the Awarding Authority shall, under appropriate circumstances, terminate this CONTRACT and otherwise pursue legal remedies that may be available if the Designated Administrative Agency determines that the subject CONTRACTOR has violated provisions of the FSHO.

Article 44. COMPLIANCE WITH LOS ANGELES CITY CHARTER SECTION 470 (c)(12) MEASURE H/CONTRACTOR CONTRIBUTIONS/FUNDRAISING

ADD THIS ARTICLE:

The CONTRACTOR, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected CITY officials or candidates for elected CITY office if the contract is valued at \$100,000 or more and requires approval of a CITY elected official. Additionally, CONTRACTOR is required to provide and update certain information to the CITY as specified by law. Any CONTRACTOR subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subcontractor expected to receive at least \$100,000 for performance under this CONTRACT:

Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles Contract #C-111835. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor's principals and contact information and shall update that information if it changes during the 12 month time period. Subcontractor's information included must be provided to contractor within 5 business days. Failure to comply may result in termination of contract or any other available legal remedies include fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213/978-1960.

CONTRACTOR, Subcontractors, and their Principals shall comply with these requirements and limitations. Violation of this provision shall entitle the CITY to terminate this AGREEMENT and pursue any and all legal remedies that may be available.

Article 45. IRAN CONTRACTING ACT OF 2010

ADD THIS ARTICLE:

In accordance with California Public Contract Code Sections 2200-2208, all bidders submitting proposals for, entering into, or renewing contracts with the City of Los Angeles for goods and services estimated at \$1,000,000 or more are required to complete, sign, and submit the "Iran Contracting Act of 2010 Compliance Affidavit."

