CONTRACT BETWEEN

THE CITY OF LOS ANGELES

AND ABM ONSITE SERVICE – WEST, INC.

FOR PROPERTY MANAGEMENT SERVICES

AT LOS ANGELES WORLD AIRPORTS /

PALMDALE LANDHOLDINGS
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td>Term of Contract</td>
<td>2</td>
</tr>
<tr>
<td>2.0</td>
<td>Definitions</td>
<td>2</td>
</tr>
<tr>
<td>3.0</td>
<td>Scope of Work</td>
<td>3</td>
</tr>
<tr>
<td>4.0</td>
<td>Contractor’s Obligations</td>
<td>3</td>
</tr>
<tr>
<td>5.0</td>
<td>Warranty and Quality of Contractor’s Services</td>
<td>3</td>
</tr>
<tr>
<td>6.0</td>
<td>Contractor’s Fee and Payment</td>
<td>4</td>
</tr>
<tr>
<td>7.0</td>
<td>Staffing and Personnel</td>
<td>6</td>
</tr>
<tr>
<td>8.0</td>
<td>Notices</td>
<td>7</td>
</tr>
<tr>
<td>9.0</td>
<td>Insurance</td>
<td>8</td>
</tr>
<tr>
<td>10.0</td>
<td>City Held Harmless</td>
<td>9</td>
</tr>
<tr>
<td>11.0</td>
<td>Restrictions and Regulations</td>
<td>10</td>
</tr>
<tr>
<td>12.0</td>
<td>Disabled Access</td>
<td>10</td>
</tr>
<tr>
<td>13.0</td>
<td>Nondiscrimination and Equal Employment Practices/Affirmative Action Program</td>
<td>10</td>
</tr>
<tr>
<td>14.0</td>
<td>Child Support Orders</td>
<td>12</td>
</tr>
<tr>
<td>15.0</td>
<td>Business Tax Registration</td>
<td>13</td>
</tr>
<tr>
<td>16.0</td>
<td>Living Wage Requirements</td>
<td>13</td>
</tr>
<tr>
<td>17.0</td>
<td>Contractor Responsibility Program</td>
<td>15</td>
</tr>
<tr>
<td>18.0</td>
<td>Equal Benefits Ordinance</td>
<td>15</td>
</tr>
<tr>
<td>19.0</td>
<td>Small Business Enterprise</td>
<td>16</td>
</tr>
<tr>
<td>20.0</td>
<td>Municipal Lobbying Ordinance</td>
<td>17</td>
</tr>
<tr>
<td>21.0</td>
<td>Environmentally Favorable Operations</td>
<td>17</td>
</tr>
<tr>
<td>22.0</td>
<td>Hazardous and Other Regulated Substances</td>
<td>17</td>
</tr>
<tr>
<td>23.0</td>
<td>Independent Contractor</td>
<td>20</td>
</tr>
<tr>
<td>24.0</td>
<td>Prevailing Wages</td>
<td>20</td>
</tr>
<tr>
<td>25.0</td>
<td>Assignment or Transfer Prohibited</td>
<td>21</td>
</tr>
<tr>
<td>26.0</td>
<td>Termination or Suspension of Services or Contract</td>
<td>22</td>
</tr>
<tr>
<td>27.0</td>
<td>Default</td>
<td>22</td>
</tr>
<tr>
<td>28.0</td>
<td>Attorney’s Fees</td>
<td>23</td>
</tr>
<tr>
<td>29.0</td>
<td>Waiver</td>
<td>23</td>
</tr>
<tr>
<td>30.0</td>
<td>Ownership and Work Product</td>
<td>23</td>
</tr>
<tr>
<td>31.0</td>
<td>Alternative Fuel Vehicle Requirement Program</td>
<td>24</td>
</tr>
<tr>
<td>32.0</td>
<td>First Source Hiring Program for Airport Employers</td>
<td>25</td>
</tr>
<tr>
<td>33.0</td>
<td>Advertisements</td>
<td>25</td>
</tr>
<tr>
<td>34.0</td>
<td>Compliance with Los Angeles City Charter Section 470(c)(12) and 609(e)</td>
<td>25</td>
</tr>
<tr>
<td>35.0</td>
<td>Miscellaneous Provisions</td>
<td>26</td>
</tr>
<tr>
<td>36.0</td>
<td>Entire Agreement</td>
<td>27</td>
</tr>
</tbody>
</table>

SIGNATURE BLOCKS...........................................................................  28
<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1</td>
<td>Scope of Work and Maintenance Task List</td>
</tr>
<tr>
<td>A-2</td>
<td>Annual Management Fee</td>
</tr>
<tr>
<td>A-3</td>
<td>Compensation schedule</td>
</tr>
<tr>
<td>A-4</td>
<td>Site Plan for Palmdale Landholdings</td>
</tr>
<tr>
<td>A-5</td>
<td>Site Plan for Site 9</td>
</tr>
<tr>
<td>A-6</td>
<td>Description of Buildings</td>
</tr>
<tr>
<td>B</td>
<td>Key Personnel</td>
</tr>
<tr>
<td>C</td>
<td>Insurance</td>
</tr>
<tr>
<td>D</td>
<td>Equal Employment Practices</td>
</tr>
<tr>
<td>E</td>
<td>Affirmative Action Program</td>
</tr>
<tr>
<td>F</td>
<td>Child Support Orders</td>
</tr>
<tr>
<td>G</td>
<td>Living Wage Ordinance</td>
</tr>
<tr>
<td>H</td>
<td>Alternative Fuel Vehicle Requirement Program</td>
</tr>
<tr>
<td>I</td>
<td>First Source Hiring Program For Airport Employers</td>
</tr>
</tbody>
</table>
CONTRACT BETWEEN THE CITY OF LOS ANGELES AND ABM ONSITE SERVICE – WEST, INC. FOR PROPERTY MANAGEMENT SERVICES AT LOS ANGELES WORLD AIRPORTS / PALMDALE LANDHOLDINGS

THIS CONTRACT made and entered into this ______ day of __________________, 20__, at Los Angeles, California by and between the CITY OF LOS ANGELES, a municipal corporation “City”), acting by order of and through its Board of Airport Commissioners (“Board”) and ABM ONSITE SERVICE – WEST, INC. (“Contractor”).

RECITALS

WHEREAS, the City desires professional, expert, and technical services to provide the City with general property management services for Los Angeles World Airports / Palmdale Landholdings, including maintenance, emergency response, and administration, as further described in this Contract, the Request for Proposal (“RFP”) associated with this Contract, and any exhibits referenced herein and/or attached hereto (“Property Management Services”). The RFP is incorporated herein by reference. Except to the extent otherwise set forth herein, Property Management Services expressly exclude development, leasing, licensing, rights of entry, easements, and similar real estate related matters and agreements which are hereby reserved by City; and

WHEREAS, Palmdale Landholdings is comprised of approximately 17,540 acres of aeronautical, industrial, agricultural, and undeveloped land, with the boundaries thereof generally depicted in Exhibit A-4 (Site Plan for Palmdale Landholdings) attached hereto. A portion thereof is commonly known as Site 9 (“Site 9”) and is generally depicted in Exhibit A-5 (Site Plan for Site 9) attached hereto for reference; and

WHEREAS there are various Site 9 improvements, including parking lots, and 5 main buildings which comprise approximately 1,050,000 square feet, and other structures which comprise approximately 4,770 square feet, for a total area of approximately 1,054,690 square feet of building space. All of these improvements are generally described in Exhibit A-6 (Description of Sites/Buildings) attached hereto for reference; and

WHEREAS there are various other improvements, including 39516 N. 30th Street East, comprised of approximately 3.07 paved acres with 47,856 square foot industrial building (currently leased), 4037 E. Ave P-8, comprised of approximately 4.0 paved acres with 9,000 square foot building, and 39516 N. 25th Street East, comprised of approximately 1.8 paved acres with a 4,200 square foot building (collectively, Off Site 9 Improvements”), all as further generally described in Exhibit A-6 (Description of Sites/Buildings) attached hereto. The land and physical improvements, together with all appurtenances and other property rights associated therewith, shall hereinafter be referred to as the “Property”; and
WHEREAS, certain portions of the Property are presently leased and/or licensed to other parties “Current Tenants”); and whereas City may hereinafter further develop the Property or grant real property rights relating to it, including but not limited to leases, licenses, rights of entry, and easements to Current Tenants or to other parties for any purpose, including but not limited to solar power facility and filming uses, at City’s sole discretion; and

WHEREAS, the City issued a Request for Proposals for Property Management Services at Palmdale Landholdings (“RFP”); and Contractor is engaged in the business of providing property management services of the type sought by the City; and

WHEREAS, Contractor submitted a proposal in response to the RFP (“Proposal”), and was found to be the most responsive and responsible proposer; and

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Contract to be kept and performed by the respective parties hereto, and incorporating the recitals herein by this reference, IT IS HEREBY MUTUALLY AGREED as follows:

Section 1.0 Term of Contract.

1.1 The term of this Contract shall commence on January 1, 2017 and shall terminate five (5) years therefrom.

1.2 Performance, or continued performance, of this Contract by the Contractor will be wholly contingent upon annual approval of funding for this Contract by the Board and/or the City Council. If such funding is not approved, this Contract shall immediately terminate and shall present no further obligations for City, all of City’s officers, the Board, its Department, the CEO, or the Contractor, other than any obligations incurred prior to the termination. Further, termination of this Contract based upon this contingency shall present no liability for the City, the Board, the CEO, or the Contractor for breach of this Contract.

Section 2.0 Definitions.

2.1 It is understood that when the following words and phrases are used herein, each shall have the meaning set forth opposite the same:

BOARD: The Board of Airport Commissioners of the City of Los Angeles.

DEPARTMENT OR LAWA: The Department of Airports of the City of Los Angeles.

CEO: Chief Executive Officer of the Department of Airports, or her/his authorized designee.
Section 3.0  **Scope of Services.**

3.1 Contractor hereby agrees to perform Property Management Services for LAWA’s Commercial Development Group at the Palmdale Landholdings (“Services”), as more particularly described in Exhibit A-1 (Scope of Work and Maintenance Task List), under the terms and conditions of this Contract.

Section 4.0  **Contractor’s Obligations.**

4.1 Contractor agrees to furnish all personnel, equipment, and materials required to perform Services.

4.2 Contractor will be responsible for reporting unanticipated tasks necessary to perform the property management services in order to effectively manage the Palmdale Landholdings (“Additional Services”). If such Additional Services are mutually agreed to by both parties as necessary to be performed then added costs may be incurred and those costs that are approved in advance in writing by City shall be reimbursable to Contractor pursuant to the terms of this Contract.

4.3 Contractor shall promptly pay, when due, any and all amounts payable for labor and materials furnished in the performance of this Contract, so as to prevent or make unnecessary the filing of any claim, lien, or notice to withhold, as provided under and by virtue of the applicable provisions of Division III, Part 4, Title 15 (commencing with Section 3082) of the California Civil Code, and Contractor shall promptly pay all amounts due under the Unemployment Insurance Act with respect to such work or labor.

4.4 Contractor shall comply with all applicable laws, rules, and regulations, as well as with the terms of leases, licenses, and other agreements affecting the Property. Also, Contractor shall hold all necessary consultations and conferences with personnel of any and all City, county, state, or federal agencies, as applicable, which may have jurisdiction over, or connection to, elements of the work to be performed by Contractor under this Contract.

Section 5.0  **Warranty and Quality of Contractor’s Services.**

5.1 Contractor covenants and warrants that the Services provided pursuant to this Contract shall conform to the prevailing professional standards of a reasonably prudent contractor providing similar Services.

5.2 If in City’s sole discretion, through the CEO, any of Contractor’s agents or employees are not performing his or her duties under this Contract to the satisfaction of the City, then the City, through the CEO, shall have the right to request that such agent or employee be removed, and Contractor shall comply with such request and promptly assign a new agent or employee to replace the removed agent or employee within a reasonable time thereafter, but not longer than ten (10) business days thereafter.
Section 6.0 Contractor's Fee and Payment.

6.1 In consideration for providing Services under this Contract, the City shall pay Contractor for Services, as described herein.

6.2 The Annual Management Fee in Exhibit A-2 (Annual Management Fee) is deemed to include all provisions for Contractor's compensation for Services, including, without limitation, travel costs, fringe benefits, maintaining licenses, all basic materials and supplies, all out of pocket expenses, and overhead costs, as more particularly described in in Exhibit A-3 (Compensation Schedule), provided that the Annual Management Fee does not include Additional Services, which Additional Services may or may not include an administrative fee in accordance with Exhibit A-1 Section 2.20, 2.21, and 2.22.

6.3 For Additional Services (identified as such in the RFP), payment shall be as agreed in the Compensation Schedule in conjunction with the Annual Management Fee and shall be deemed to include all provisions for Contractor's compensation for those Additional Services, including, without limitation, travel costs, fringe benefits, maintaining licenses, all basic materials and supplies, all out of pocket expenses, and overhead costs.

6.4 The Annual Management Fee specifically contemplates inclusion of any and all individual Property Management Repairs up to Two Thousand Five Hundred Dollars ($2,500). Individual repairs below this threshold may not be aggregated to exceed this threshold. Those individual repairs over Two Thousand Five Hundred Dollars ($2,500) will be bid according to the Compensation Schedule and Section 6.13, as applicable, and will be compensated by LAWA if those individual repairs over Two Thousand Five Hundred Dollars ($2,500) have been pre-approved, in writing by LAWA.

6.5 In situations where emergency repairs are necessary, Contractor shall expeditiously perform or ensure that the emergency repairs are performed. Emergencies include any event that results in the interruption of the ongoing operation of vital services to facilities located on Palmdale Landholdings and those that require immediate action to prevent loss of life or extensive damage to property.

6.6 Notwithstanding the foregoing, the compensation to Contractor, for all services rendered, all costs, direct or indirect, and all expenses incurred by Contractor pursuant to this Contract, shall not exceed Seven Million Five Hundred Thousand Dollars ($7,500,000) over the term of the Contract.

6.7 The City is not obligated to pay for Contractor's time, mileage or other expenses associated with travel unless specifically authorized by advance written notice from the City. All travel must be in conformity with Los Angeles Administrative Code Sections 4.220 through 4.242.8.
6.8 Contractor shall submit on a monthly basis a single invoice for all Services completed during the billing period, including each individual repair over Two Thousand Five Hundred Dollars ($2,500) and any items listed as Additional Services. In addition, contractor shall submit a status report specifying all services rendered, expenses incurred, total monthly fees incurred, and the cumulative total of all fees and expenses incurred to date. Contractor shall also provide copies of all required bid estimates referred to in Section 6.13, as applicable.

6.9 All requests for payment submitted pursuant to this Contract shall be certified by a duly authorized representative of Contractor. City reserves the right to require additional substantiation of any payment request submitted if, in the opinion of the CEO, such would be in the best interest of City. In order to verify charges incurred and invoiced by Contractor in the performance of this Contract, Contractor agrees to make pertinent books and records available to City's representative at the address listed below upon fifteen (15) days' notice. Unless otherwise authorized by the CEO in writing, Operator shall retain all Books and Records and any other information necessary to perform any audit as described in this Agreement during the entire term of this Agreement and for a minimum of five (5) years thereafter. City shall initially bear its own expenses in performing such inspection or audit, and Operator shall bear its own expenses in performing such inspection or audit; provided, however, that in the event that any inspection or audit produces evidence that Operator has failed to accurately account for Operator's activities under this Agreement (other than unintentional, de minimis errors as determined by the CEO in the CEO's sole discretion), then Operator shall be in default of this Agreement and shall be liable to City for damages, including all costs incurred by City in connection with such inspection or audit (in addition to any and all other remedies City may have in connection with such default). Further, if it is determined by City as a result of an audit that there has been (i) a deficiency in the payment of any amount due to City under this Agreement (a "Deficiency") or (ii) an overcharge in the payment of amount charged to City under this Agreement (an "Overcharge"), then such Deficiency or Overcharge shall immediately become due and payable by Operator to City upon demand by City. Operator shall cause any and all subcontractors to permit the representatives of City to similarly inspect and audit the Books and Records of such subcontractor relating to such subcontractor's activities in connection with this Agreement for the same period of time. The aforesaid records shall not include any proprietary records of Contractor such as cost data.

6.10 The City shall, upon receipt and following approval of each payment request, remit to Contractor, at the address specified in this Contract, the appropriate amount. Good faith efforts will be made to pay invoices within thirty (30) days of the City's receipt thereof.

6.11 The City shall not be required to make payments for work not yet performed nor for work deemed unsatisfactory by the City. The parties agree that the CEO shall make the final determination as to when Contractor's services or any part thereof have been satisfactorily performed or completed to justify release of any given payment to Contractor under this Contract.
6.12 If a necessary change causes an increase in the scope of work or services to be performed by Contractor pursuant to this Contract, then the parties hereto shall first agree upon additional compensation, if any, to be paid to Contractor therefor, and this Contract shall be amended, in writing, prior to the performance by Contractor of said increased work or service.

6.13 Contractor shall perform Additional Services as directed in writing by the CEO, based on a time and materials basis. Contractor shall obtain a minimum of two (2) bids for all Additional Services costs up to and including Ten Thousand dollars ($10,000), and three (3) bids for all Additional Services costs above Ten Thousand Dollars ($10,000), and shall select the lowest qualified bid on any labor, materials, or supplies that are not basic or routine in nature (such as non-routine repairs), which are billed to City as Additional Services or additional expenses. Contractor shall also ensure that it or its subcontractors obtain any available vendor discounts which shall then be passed through to City.

6.14 In the event that there is a change in circumstances relating to providing Services that is not within the control of the Contractor and that causes Contractor to incur materially adverse economic consequences in the performance of Contractor’s obligations under the Contract, then the CEO may consider (in the CEO’s sole and absolute discretion), an amendment to the Contract providing for an equitable adjustment to the financial terms of the Contract (and such an amendment shall not require further approval of the Board or City Council). As a condition to the CEO’s consideration of such an amendment, Contractor shall have demonstrated to the satisfaction of the CEO that (i) such change in circumstances was not within the control of Contractor, (ii) such change in circumstances has or will result in unavoidable and material adverse economic consequences to Contractor, and (iii) an adjustment to the financial terms of the Contract is equitable under the circumstances. The equitable adjustment to the financial terms of the Contract shall be at the sole discretion of the CEO and shall not exceed a total sum of $150,000 during the aggregate term of the Contract except with prior approval from the Board. In the event Contractor’s request for an equitable adjustment is not approved, Contractor reserves the right to terminate this Contract, in whole or in part, without penalty, upon thirty (30) days’ written notice to City.

Section 7.0 Staffing and Personnel.

7.1 To the extent that a Project Manager (for purposes of this Contract synonymous to Site Manager) was included in the response to the Request for Proposal, Contractor represents that as the manager specified in Exhibit B will be the manager for this Contract (“Site Manager”). Changes to the Site Manager shall only be made after written request by Contractor to the CEO and shall be subject to the CEO’s prior written approval. If written request for such a change is made, Contractor shall provide any documentation requested by the CEO for review and approval. Any such request for changes to the Site Manager may be disapproved by the CEO, but such disapproval shall not be exercised so as to unreasonably deprive Contractor of its right to make appropriate work assignments.
Section 8.0 Notices.

8.1 Notice to City. Written notices to City hereunder shall be given by registered or certified mail, postage prepaid, and addressed to:

Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216
Attn: Deputy CEO,
Commercial Development Group

with a copy to:

Office of City Attorney
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216

or to such other addresses as City may designate by written notice to Contractor.

8.2 Notice to Contractor. Written notices to Contractor hereunder shall be given by registered or certified mail, postage prepaid, and addressed to:

ABM Onsite Service – West, Inc.
1150 South Olive Street, Suite 1900
Los Angeles, CA 90015

or to such other address as Contractor may designate by written notice to City.

8.3 The execution of this Contract and of any such notice by CEO shall be as effective as to Contractor as if it were executed by the Board, or by Resolution or Order of said Board, and Contractor shall not question the authority of CEO or the designee to execute this Contract and any such notice.

8.4 All such notices, except as otherwise provided herein, may either be delivered personally to CEO with a copy to the Office of the City Attorney, Airport Division, in the one case, or to Contractor in the other case, or may deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid by certified or registered mail, return receipt requested, and shall be effective five (5) days after deposit in the mail.
Section 9.0 Insurance.

9.1 Contractor shall procure at its expense, and keep in effect at all times during the term of this Contract, the types and amounts of insurance specified on Exhibit C (Insurance) attached hereto and incorporated herein by this reference. The specified insurance shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, include and insure the City, its Department of Airports, its Board and all of their officers, employees, and agents, their successors and assigns, as additional insureds, against the areas of risk described on the attached Exhibit C (Insurance) hereof with respect to Contractor's acts or omissions in its operations, use, and occupancy of Palmdale Landholdings or other related functions performed by or on behalf of Contractor in, on or about Palmdale Landholdings.

9.2 Each specified insurance policy (other than Workers' Compensation and Employers' Liability and fire and extended coverages) shall contain a Severability of Interest (Cross Liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability", and a Certificate of Insurance which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Contract with the City of Los Angeles."

9.3 All such insurance shall be primary and noncontributing with any other insurance held by City's Department of Airports where liability arises out of or results from the acts or omissions of Contractor, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Contractor. Such policies may provide for reasonable deductibles and/or retentions acceptable to the CEO based upon the nature of Contractor's operations and the type of insurance involved.

9.4 City shall have no liability for any premiums charged for such coverage(s). The inclusion of the City, its Department of Airports, Board and all of their officers, employees, and agents, their successors and assigns, as insureds is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Contractor in Contractor's operations at Palmdale Landholdings. In the event Contractor fails to furnish City evidence of insurance and maintain the insurance as required, City, upon ten (10) days prior written notice to comply, may (but shall not be required to) procure such insurance at the cost and expense of Contractor, and Contractor agrees to promptly reimburse City for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of invoice date.

9.5 At least ten (10) days prior to the expiration date of the above policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with City. If such coverage is canceled or reduced, Contractor shall, within fifteen (15) days of such cancellation of coverage, file with City evidence that the required insurance has been reinstated or provided through another insurance company or companies.
9.6 Contractor shall provide proof of all specified insurance and related requirements to City either by production of a stamped true and certified copy(ies) of the actual insurance policy(ies), by use of City's own endorsement form(s), by broker's letter acceptable to the CEO in both form and content in the case of foreign insurance syndicates, or by other written evidence of insurance acceptable to the CEO. The documents evidencing all specified coverages shall be filed with City in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of City's Administrative Code prior to Contractor occupying Palmdale Landholdings. The documents shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) days prior to the effective date thereof. City reserves the right to have submitted to it, upon request, all pertinent information about the agent and carrier providing such insurance.

9.7 City and Contractor agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Contract by the CEO who may, thereafter, require Contractor, on thirty (30) days prior, written notice, to adjust the amounts of insurance coverage to whatever reasonable amount said CEO deems to be adequate.

9.8 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Contractor agrees, except where exempted, to provide City proof of said insurance by and through a surplus line broker licensed by the State of California.

Section 10.0 City Held Harmless.

10.1 In addition to the provisions of Section 9 [Insurance] herein, and except for the sole negligence of City, Contractor undertakes and agrees to defend, indemnify and hold harmless City and any and all of City's boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands, and actually incurred expenses, including but not limited to reasonable attorneys' fees and costs of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Contractor's employees and agents, or damage of or destruction to any property of either party hereto or of third persons, in any manner arising by reasons of or incident to the performance of this Contract on the part of Contractor or its employees, servants, agents, contractors, or subcontractors, whether or not contributed to by any act or omission of City or any of the City's boards, officers, agents, or employees.
Section 11.0 Restrictions and Regulations.

11.1 Contractor shall be solely responsible for fully complying with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government authority.

11.2 Contractor shall be solely responsible for fully complying with any and all applicable present and/or future orders, directives, or conditions issued, given or imposed by the CEO which are now in force or which may be hereafter adopted by the Board of Airport Commissioners and/or the CEO with respect to the operation of Airport.

11.3 Contractor shall be solely responsible for any and all civil and/or criminal penalties assessed as a result of its failure to comply with any of these rules, regulations, restrictions, ordinances, statutes, laws, orders, directives and or conditions.

11.4 Contractor shall be solely responsible for insuring that the Services fully comply with any and all applicable present and/or future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state, and/or local government authority.

Section 12.0 Disabled Access.

12.1 As directly related to Contractor’s responsibilities with regard to this Contract, Contractor shall be solely responsible for fully complying with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws, and/or orders of any federal, state, and/or local governmental entity and/or court regarding disabled access including any services, programs, improvements or activities provided by Contractor. Contractor shall be solely responsible for any and all damages caused by, and/or penalties levied as the result of, Contractor’s noncompliance. Further, Contractor agrees to cooperate fully with City in its efforts to comply with the Americans with Disability Act of 1990 and any amendments thereto, or successor statutes.

12.2 Should Contractor fail to comply with Section 12.1, if applicable, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Contractor will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

Section 13.0 Nondiscrimination and Affirmative Action Program.


13.1.1 The Contractor assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from
Federal assistance. This Provision obligates the Contractor or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. [USE GUIDE, paragraph 1]¹


13.2.1 Non-Discrimination In Use Of Palmdale Landholdings. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition in the Contract, transfer, use, occupancy, tenure, or enjoyment of Palmdale Landholdings or any operations or activities conducted at Palmdale Landholdings or LAWA. Nor shall Contractor or any person claiming under or through Contractor establish or contract any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of contractors, subcontractors, or vendees of Palmdale Landholdings or LAWA. Any assignment or transfer, which may be permitted under this Contract, shall also be subject to all non-discrimination clauses contained in Section 11.2 and subsections thereof.

13.2.2 Non-Discrimination In Employment. During the term of this Contract, Contractor agrees and obligates itself in the performance of this Contract not to discriminate against any employee or applicant for employment because of the employees or applicant’s race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition. Contractor shall take affirmative action to insure that applicants for employment are treated, during the term of this Contract, without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Los Angeles Administrative Code, Sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

¹ The paragraph references are to mandatory requirements contained in a document entitled, “LEASE AND USE AGREEMENT GUIDE,” revised January 2004, published by the Federal Aviation Administration.
13.2.3 **Equal Employment Practices.** If the total payments made under this Contract are $1,000, (one thousand dollars) or more, this provision shall apply. During the performance of this Contract, Contractor agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"), which is incorporated herein by this reference. A copy of Section 10.8.3 has been attached to this Contract for the convenience of the parties as **Exhibit D.**

By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Contractor to comply with the Equal Employment Practices provisions of this Contract may be deemed to be a material breach of this Contract. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Contractor. Upon a finding duly made that Contractor has failed to comply with the Equal Employment Practices provisions of this Contract, this Contract may be forthwith terminated, cancelled, or suspended.

13.2.4 **Affirmative Action Program.** If the total payments made under this Contract are $100,000 (one hundred thousand dollars) or more, this provision shall apply. During the performance of this Contract, Contractor agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("Affirmative Action Program"), which is incorporated herein by this reference. A copy of section 10.8.4 has been attached to this Contract for the convenience of the parties as **Exhibit E.**

By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Los Angeles Administrative Code, the failure of Contractor to comply with the Affirmative Action Program provisions of this Contract may be deemed to be a material breach of this Contract. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to Contractor. Upon a finding duly made that Contractor has failed to comply with the Affirmative Action Program provisions of this Contract, this Contract may be forthwith terminated, cancelled, or suspended.

**Section 14.0 Child Support Orders.**

14.1 This Contract is subject to Los Angeles Administrative Code, Division 10, Chapter 1, Article 1, Section 10.10, et seq. related to Child Support Assignment Orders, which is incorporated herein by this reference. A copy of Section 10.10 has been attached hereto for the convenience of the parties as **Exhibit F.** Pursuant to this section, Contractor (and any subcontractor of Contractor providing services to City under this Contract) shall (1) fully comply with all State and Federal employment reporting requirements for Contractor's or Contractor's subcontractor's employees applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of Contractor and applicable subcontractors 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 Code, failure of Contractor or an applicable subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Contractor or applicable subcontractors 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 Contractor by City (in lieu of any time for cure provided elsewhere in this Contract).

Section 15.0 Business Tax Registration.

15.1 Contractor represents that it has registered its business with the Office of Finance of the City of Los Angeles and has obtained and presently holds from that office a Business Tax Registration Certificate, or a Business Tax Exemption Number, required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Contractor shall maintain, or obtain as necessary, all such certificates required of it under said ordinance and shall not allow any such certificates to be revoked or suspended during the term hereof.

Section 16.0 Living Wage Requirements.

16.1 Living Wage Ordinance.

16.1.1 General Provisions: Living Wage Policy. This Contract is subject to the Living Wage Ordinance (the "LWO") (Section 10.37, et seq., of the Los Angeles Administrative Code, which is incorporated herein by this reference. A copy of Section 10.37 has been attached hereto for the convenience of the parties as Exhibit G. The LWO requires that, unless specific exemptions apply, any employees of a service contractor who render services that involve an expenditure in excess of Twenty-Five Thousand Dollars ($25,000) and a contract term of at least three (3) months are covered by the LWO if any of the following applies: (1) at least some of the services are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City of Los Angeles employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City of Los Angeles has determined in writing that coverage would further the proprietary interests of the City of Los Angeles. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year. The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than Twelve Dollars ($12) per hour of their possible right to the Federal Earned Income Tax Credit.
("EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4. Contractor shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by City. Whether or not subject to the LWO, Contractor shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to Section 10.37.6(c), Contractor agrees to comply with Federal law prohibiting retaliation for union organizing.

16.1.2 Living Wage Coverage Determination. An initial determination has been made that this is a service contract under the LWO, and that it is not exempt from coverage by the LWO. Determinations as to whether this Contract is a service contract covered by the LWO, or whether an employer or employee is exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and/or other interpretations of the law are considered. In some circumstances, applications for exemption must be reviewed periodically. City shall notify Contractor in writing about any redetermination by City of coverage or exemption status. To the extent Contractor claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Contractor to prove such non-coverage or exemption.

16.1.3 Compliance; Termination Provisions And Other Remedies: Living Wage Policy. If Contractor is not initially exempt from the LWO, Contractor shall comply with all of the provisions of the LWO, including payment to employees at the minimum wage rates, effective on the execution date of this Contract. If Contractor is initially exempt from the LWO, but later no longer qualifies for any exemption, Contractor shall, at such time as Contractor is no longer exempt, comply with the provisions of the LWO and execute the then currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section 10.37.6(c) of the Code, violation of the LWO shall constitute a material breach of this Contract and City shall be entitled to terminate this Contract and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if City determines that Contractor violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided elsewhere in this Contract. Nothing in this Contract shall be construed to extend the time periods or limit the remedies provided in the LWO.

16.1.3 Subcontractor Compliance. Contractor agrees to include, in every subcontract or sublease covering City property entered into between Contractor and any subcontractor, a provision pursuant to which such subcontractor (A) agrees to comply with the LWO with respect to City's property; (B) agrees not to retaliate against any employee lawfully asserting noncompliance on the part of the subcontractor with the provisions of either the LWO; and (C) agrees and acknowledges that City, as the intended third-party beneficiary of this provision may (i) enforce the LWO directly against the subcontractor with respect to City property, and (ii) invoke, directly against the
subcontractor with respect to City property, all the rights and remedies available to City under Section 10.37.5 of the LWO, as same may be amended from time to time.

16.2 **Service Contract Worker Retention Ordinance.** This Contract may be subject to the Service Contract Worker Retention Ordinance ("SCWRO") (Section 10.36, et seq, of the Los Angeles Administrative Code), which is incorporated herein by this reference. If applicable, Contractor must also comply with the SCWRO which requires that, unless specific exemptions apply, all employers under contracts that are primarily for the furnishing of services to or for the City of Los Angeles and that involve an expenditure or receipt in excess of $25,000 and a contract term of at least three (3) months, shall provide retention by a successor contractor for a ninety-day (90-day) transition period of the employees who have been employed for the preceding twelve (12) months or more by the terminated contractor or subcontractor, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Contract and otherwise pursue legal remedies that may be available if City determines that the subject contractor violated the provisions of the SCWRO.

**Section 17.0 Contractor Responsibility Program.**

17.1 Pursuant to Resolution No. 21601 adopted by the Board of Airport Commissioners, effective May 20, 2002, it is the policy of Los Angeles World Airports (LAWA) to ensure that all LAWA contractors have the necessary quality, fitness and capacity to perform the work set forth in the contract. LAWA shall award contracts only to entities and individuals it has determined to be Responsible Contractors. The provisions of this Program apply to leases and contracts for construction, for services, and for purchases of goods and products that require Board approval.

17.2 Bidders/Proposers are required to complete and submit with the bid/proposal the attached “Contractor Responsibility Program Questionnaire” that provides information LAWA needs in order to determine if the bidder/proposer is responsible and has the capability to perform the contract. The information contained in the CRP Questionnaire is subject to public review for a period of not less than 14 days. Bidders/Proposers are also required to complete, sign and submit with the bid/proposal the attached “Contractor Responsibility Program Pledge of Compliance.” Bidders/Proposers are also required to respond within the specified time to LAWA’s request for information and documentation needed to support a Contractor Responsibility determination. Subcontractors will be required to submit the Pledge to the prime contractor prior to commencing work. The CRP Rules and Regulations are available at [http://www.lawa.org](http://www.lawa.org).

**Section 18.0 Equal Benefits Ordinance.**

18.1 Unless otherwise exempt in accordance with the provisions of the Equal Benefits Ordinance ("EBO"), Contractor certifies and represents that Contractor will comply with the applicable provisions of EBO Section 10.8.2.1 of the Los Angeles Administrative Code, as
amended from time to time. Contractor shall not, in any of its operations within the City of Los Angeles or in other locations owned by City, including Airport, discriminate in the provision of Non-ERISA Benefits (as defined below) between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration. As used above, the term “Non-ERISA Benefits” shall mean any and all benefits payable through benefit arrangements generally available to Contractor’s employees which are neither “employee welfare benefit plans” nor “employee pension benefit plans”, as those terms are defined in Sections 3(1) and 3(2) of ERISA. Non-ERISA Benefits shall include, but not limited to, all benefits offered currently or in the future, by Contractor to its employees, the spouses of its employees or the domestic partners of its employees, that are not defined as “employee welfare benefit plans” or “employee pension benefit plans”, and, which include any bereavement leave, family and medical leave, and travel discounts provided by Contractor to its employees, their spouses and the domestic partners of employees.

18.2 Contractor agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the term 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 Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480.”

18.3 The failure of Contractor to comply with the EBO will be deemed to be a material breach of the Contract by City. If Contractor fails to comply with the EBO City may cancel or terminate the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by City. City may also pursue any and all other remedies at law or in equity for any breach. Failure to comply with the EBO may be used as evidence against Contractor in actions taken pursuant to the provisions of Code Section 10.40, et seq., Contractor Responsibility Ordinance. If City determines that Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, City may terminate the Contract.

Section 19.0 Small Business Enterprise.

19.1 Contractor hereby agrees and obligates itself to utilize the services of the Small Business Enterprise (SBE) firms designated in its Proposal on the level designated in its Proposal (specifically, a ten Percent (10%) Small Business Enterprise (SBE) Subcontractor level of participation for the required Program designated Services).
19.2 Contractor hereby further agrees and obligates itself to comply strictly with all of the Rules and Regulations of LAWA's Small Business Enterprise Program (Program).

19.3 Failure to comply with any of the Program's requirements shall subject Contractor to the "Penalties" set forth in the Program's Rules.

19.4 Contractor shall submit, on a monthly basis, together with its invoice for payment the SBE Utilization Form listing the SBE Subcontractors utilized during the reporting period. Contractor shall cooperate with LAWA personnel in providing such information as shall be requested by LAWA in order to ensure compliance with the provisions of this section. LAWA will not process or pay Contractor's subsequent invoices if the SBE Utilization Forms are not timely submitted or if Contractor fails to cooperate with LAWA personnel by promptly providing any and all information related to SBE participation requested by LAWA.

19.5 Failure to comply with any of the terms of this Section (or the terms of this Contract) shall constitute a material breach of contract and may result in Contractor being deemed "Non-Responsible." (Section 10.40 et seq. of the Los Angeles Administrative Code.)

Section 20.0 Municipal Lobbying Ordinance.

20.1 Contractor shall comply with the provisions of the City of Los Angeles Municipal Lobbying Ordinance, Municipal Code Section 48.01 et seq., as amended.

Section 21.0 Environmentally Favorable Operations.

21.1 Contractor acknowledges, for itself and any subcontractors, that its operation of its activities under this Contract will be subject to all City policies, guidelines and requirements regarding environmentally favorable construction, use and/or operations practices (collectively, "Policies") as such Policies may be promulgated, revised or amended from time to time.

Section 22.0 Hazardous and Other Regulated Substances.

22.1 Definition of "Hazardous Substance(s)". For the purposes of this Contract, "Hazardous Substance(s)" shall mean:

22.1.1 Any substance the presence of which requires the investigation or remediation under any federal, state or local statute, regulation, rule, ordinance, order, action, policy or common law; or

22.1.2 Any substance which is or becomes defined as a hazardous waste, extremely hazardous waste, hazardous material, hazardous substance, hazardous chemical, toxic chemical, toxic substance, cancer causing substance, substance that causes reproductive harm, pollutant or contaminant under any federal, state or local statute, regulation, rule or ordinance or amendments thereto, including, without
limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.); or

22.1.3 Any substance which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, council, board, or instrumentality of the United States, the State of California, the City of Los Angeles, or any political subdivision of any of them; or

22.1.4 Any substance the presence of which causes or threatens to cause a nuisance upon the Property or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Property; or

22.1.5 Any substance the presence of which on adjacent properties could constitute a trespass; or

22.1.6 Any substance, without limitation, which contains gasoline, aviation fuel, jet fuel, diesel fuel or other petroleum hydrocarbons, lubricating oils, solvents, polychlorinated bipheynols (PCBs) asbestos, urea formaldehyde or radon gases.

22.2 Environmental Indemnification.

22.2.1 Contractor’s Indemnity. Contractor agrees that any claims, damages, penalties, or fines (collectively, “Claims”) asserted against or levied on City or the Contractor as a result of noncompliance by Contractor or its successors-in-interest, including their respective employees, servants, agents, contractors or subcontractors (collectively, “Contractor Group”) with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws, or other orders of any governmental entity regarding the use, storage, handling, distribution, processing, or disposal of Hazardous Substances (collectively, “Hazardous Substances Laws”) shall be the sole responsibility of the Contractor, and Contractor shall indemnify, defend, and hold City harmless from all such Claims. City may, at its option, pay such Claims resulting from Contractor’s non-compliance with any Hazardous Substances Laws, and Contractor shall indemnify and promptly reimburse City for any such payments.

22.2.2 City’s Indemnity.

22.2.2.1 City agrees that any Claims asserted against or levied on City or the Contractor as a result of noncompliance by City or its employees, servants, agents, contractors or subcontractors (other than Contractor Group) (collectively, “City Group”) with Hazardous Substances Laws shall be the sole responsibility of the City, and City shall indemnify, defend, and hold Contractor harmless from all such Claims.
22.2.2.2. City agrees that any Claims asserted against or levied on City or the Contractor as a result of environmental conditions existing on the Property prior to the original occupancy, use or management of the Property by Contractor ("Pre-Existing Environmental Conditions") shall be the sole responsibility of the City (as between City and Contractor only, and without limitation on City's recourse against third parties), and City shall indemnify, defend, and hold Contractor harmless from all such Claims; provided, however, that the foregoing shall not be applicable to the extent that the CEO reasonably believes that any of the Pre-Existing Environmental Conditions may have been caused or materially exacerbated by any member of Contractor Group.

22.3. Corrective Action for Environmental Contamination Caused by Contractor. In the case of any Hazardous Substance spill, leak, discharge, release or contamination by any member of Contractor Group in, on, about, through or under the Property, or as may be discharged or released in, on, about, through, or under adjacent property, Contractor agrees to make or cause to be made any necessary corrective actions to clean up and remove any such Hazardous Substance spill, leakage, discharge, release or contamination solely at its own cost. To the extent any member of Contractor Group actively exacerbates any Pre-Existing Environmental Conditions, Contractor shall be responsible for the cost of cleanup related activities to the extent of that exacerbation only. If Contractor fails to repair, clean up, properly dispose of, or take any other corrective actions as required, City may (but shall not be required to) take all steps it deems necessary to properly repair, clean up, or otherwise correct the conditions resulting from the Hazardous Substance spill, leak, discharge, release or contamination. Any such repair, cleanup, or corrective actions taken by City shall be at Contractor's sole cost and expense and Contractor shall indemnify and pay for and/or reimburse City for any and all costs (including any administrative costs) City incurs as a result of any repair, cleanup, or corrective action it takes.

22.4. Corrective Action for Environmental Contamination Not Caused by Contractor. With respect to Hazardous Substances or environmental contamination not caused by any member of Contractor Group, Contractor agrees to notify City immediately upon discovery of any Hazardous Substances or environmental contamination condition on site and to respond to, make or cause to be made any necessary corrective actions only as directed by City. Such environmental response activities will not be considered a basic service and City shall reimburse the Contractor’s cost plus an approved administrative fee.

22.4.1 Discovery of Hazardous Substances - Notification & Procedure. Upon discovery of any condition of contamination or Hazardous Substances at or about the Property by any member of Contractor Group, Contractor shall take the following actions:

22.4.1.1 Notification. Contractor shall (i) immediately notify City’s Environmental Services Division ("ESD") Representative identified below ("ESD Representative"), by telephone, and follow up with written notification to ESD within 48 hours of discovery; (ii) photograph and document the conditions of contamination or Hazardous Substances at or about the Property; and (iii) within 72 hours, provide a
detailed written discovery/incident report to ESD with respect to such Hazardous Substances.

22.4.1.2 ESD Representative. For purposes of this section 20.3., the City’s ESD Representative is

Los Angeles World Airports
Attn: Environmental Manager [for
Palmdale Landholdings Management]
7301 World Way West, Third Floor
Los Angeles, CA 90045
Phone: (424) 646-6474
or such other person as City may designate in writing from time to time.

22.5 Communications with Regulatory or Governmental Agencies. This Agreement does not authorize Contractor to represent City with any regulatory or other governmental agencies without the express prior written permission of City specifically stating the limited scope of such authority. If any member of Contractor Group is contacted by any representative of a regulatory or other governmental agency regarding environmental issues at the Property, Contractor shall immediately (i) refer that regulatory agency or governmental entity employee to the EDS Representative designated in paragraph 20.3.1.1 and (ii) notify the EDS Representative of the contact (including contact information).

22.6 Environmental Notices and Reports. Contractor shall promptly, within 72 hours, supply City with complete and legible copies of all notices, reports, correspondence, and other documents prepared, sent or received by any member of Contractor Group regarding conditions of contamination or Hazardous Substances at or about the Property, including but not limited to communications with any Agency or any other third party. Such written materials shall include, without limitation, all documents relating to any threatened or actual Hazardous Substance spill, leak, or discharge, or any investigations into or clean-up of any actual or threatened Hazardous Substance spill, leak, or discharge including all test results, and any claims from any person or entity relating thereto. Additionally, Contractor shall promptly notify City of any material verbal information that it may receive, including any threatened or actual claims, relating to conditions of contamination or Hazardous Substances at or about the Property.

22.7 Survival of Obligations. This Section and the obligations herein shall survive the expiration or earlier termination of this Contract.

Section. 23.0 Independent Contractor.

23.1 It is the express intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venturer or partner of City. Nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and
employee between Contractor and City or between Contractor and any official, agent, or employee of City. Both parties acknowledge that Contractor is not an employee of City.

23.2 Contractor shall retain the right to perform services for others during the term of this Contract, unless specified to the contrary herein or prohibited by conflict of interest or ethics laws, regulations, or professional rules of conduct.

**Section 24.0 Prevailing Wages**

24.1 Contractor shall at all times during the performance of the work hereunder pay, and ensure that subcontractors pay, as applicable, the general prevailing rate of per diem wages for each craft or type of worker needed to execute this Contract, at such rate(s) as have been determined by the Director of the Department of Industrial Relations of the State of California.

24.2 Contractor covenants, on behalf of itself and its subcontractors, to comply with all applicable labor laws, including but not limited to Section 1771 of the California Labor Code, which provides as follows:

"Except for public works projects of one thousand dollars ($1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work."

24.3 Contractor hereby agrees to indemnify, defend, and hold the City harmless with respect to any claims relating to violations of labor laws, including but not limited to Section 1771 of the California Labor Code.

**Section 25.0 Assignment or Transfer Prohibited.**

25.1 Contractor shall not, in any manner, directly or indirectly, by operation of law or otherwise, hypothecate, assign, transfer or encumber this Contract, or any portion thereof or any interest therein, without the prior written consent of the City or the CEO if within his/her authority. This Contract shall not, nor shall any interest therein, be assignable as to the interest of Contractor by operation of law without the prior written consent of the City or the CEO if within his/her authority.

25.2 For purposes of this Contract, the terms "transfer" and "assign" shall include, but not be limited to, the following: (i) if Contractor is a joint venture, a limited liability company, or a partnership, the transfer of fifty percent (50%) or more of the interest or membership in the joint venture, the limited liability company, or the partnership; (ii) if Contractor is a corporation,
any cumulative or aggregate sale, transfer, assignment, or hypothecation of fifty percent (50%) or more of the voting shares of Contractor; (iii) the dissolution by any means of Contractor; and, (iv) a change in business or corporate structure. Any such transfer, assignment, mortgaging, pledging, or encumbering of Contractor without the written consent of the City is a violation of this Contract and shall be voidable at the City’s option and shall confer no right, title, or interest in or to this Contract upon the assignee, mortgagee, pledgee, encumbrancer, or other lien holder, successor, or purchaser.

25.3 In the event of a name change of Contractor, in which there is no transfer, assignment, mortgaging, pledging, or encumbering of Contractor as provided in Section 11.2, the Contractor must obtain the written consent of the CEO; and Contractor shall provide all related documents, as well as any other documents requested by LAWA. Failure to obtain the consent of the CEO under this section may result in the City’s inability to pay and delay in paying the newly named entity.

25.4 When proper consent has been given by the City, or the CEO if within his/her authority, the provisions of this Contract shall be binding upon, and shall inure to the benefit of, the heir(s), successor(s), executor(s), administrator(s) and assign(s) of the parties hereto.

Section 26.0 Termination or Suspension of Services or Contract.

26.1 If, at any time, the CEO for any reason, with or without cause, decides to terminate or suspend the scope of work, or any part thereof, or Contractor’s services, or any part thereof, the CEO may: (1) require Contractor to terminate or suspend the performance of all, or a portion, of its services; and/or (2) terminate this Contract, or any part thereof, in either case upon giving Contractor sixty (60) days’ written notice prior to the effective date of such termination or suspension, which date shall be specified in such notice.

26.2 In the event this Contract, or any portion thereof, and/or Contractor’s services, or any portion thereof, is terminated or suspended by the CEO, City shall compensate Contractor for services performed and completed in accordance with the requirements of this Agreement prior to the effective date of such termination or suspension, less payment previously made by City for said services. City shall not be liable for the cost of work performed or expenses incurred subsequent to the date specified by City in the written notice to terminate or suspend, and in no event shall such payments exceed the amount specified in Section 5 hereof, to be paid by City to Contractor, without the prior approval of Board, unless this Contract is first amended in writing. Such payments shall be made by City within a reasonable time following receipt of Contractor’s invoice(s) therefor.

26.3 It is understood and agreed that should the CEO decide that any portion of the scope of work and/or Contractor’s services be terminated or suspended, this Contract shall continue to apply to those portions not terminated or suspended, and that such termination or suspension of a portion of the scope of work or services shall in no way void or invalidate this Contract.
26.4 Contractor shall have the right to terminate this Contract, with or without cause, upon providing one (1) year advance written notice to City.

Section 27.0 Default.

27.1 In the event Contractor fails to abide by the terms, covenants and conditions of this Contract, City may give Contractor written notice to correct the defect or default. If the same is not corrected, or substantial steps are not taken toward accomplishing such correction, within five (5) business days after City's mailing of notification, City may, at its sole discretion, (a) terminate this Contract forthwith upon giving Contractor a ten (10) day written notice, or (b) withhold any further payment for Contractor's services until such defect or default is corrected within the time specified by the City. If the default or defect is still not corrected within that time, City may terminate this Contract forthwith upon giving Contractor a ten (10) day written notice.

Section 28.0 Attorney’s Fees.

28.1 If City shall, without any fault, be made a party to any litigation commenced by or against Contractor arising out of Contractor's use or occupancy of Palmdale Landholdings, then Contractor shall pay all costs, expenses, and reasonable attorney’s fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

Section 29.0 Waiver.

29.1 The waiver by City of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of any subsequent breach of the same term, covenant, or condition.

Section 30.0 Ownership of Work Product.

30.1 The City shall own all titles, rights and interests in all Work Products created, originated and/or prepared by Contractor and all of its subcontractors (hereinafter collectively referred to as "Vendors") for the City under this Contract. Work Products are all materials, tangible or not, created in whatever medium under this Contract, including without limitation reports, manuals, specifications, drawings and sketches, computer programs and databases, schematics, maps, marks, logos, graphic designs, notes, matters and combinations thereof, and all forms of Intellectual Property Rights. Contractor shall not dispute or contest, directly or indirectly, the City's exclusive right and title to the Work Products nor the validity of the intellectual property embodied therein. Vendors hereby assign, and if later required by the City, shall assign to the City all titles, rights and interests in all Work Products. Contractor shall
cooperate and cause subcontractors to cooperate in perfecting City’s titles, rights or interests in any Work Product, including prompt execution of documents as presented by the City. Contractor agrees that before commencement of any subcontract work it will incorporate all provisions in this Contract on property ownership, including Section 17, to contractually bind or otherwise obligate its subcontractors and personnel performing work under this Contract such that the City's titles, rights, and interests in Work Products are preserved and protected as intended herein.

30.2 Contractor represents and warrants that performance of all obligations (including those performed by its subcontractors) under this Contract does not infringe in any way, directly or contributorily, upon any third party’s Intellectual Property Rights, including, without limitation, proprietary information, trade secrets and confidential information.

30.3 Contractor shall procure or causes to procure for City (including its employees, consultants and agents) all Intellectual Property Rights licenses (and/or sublicenses) necessary to enjoy fully the Work Products, deliverables and benefits conferred and/or delivered to City under this Contract. Such licenses shall be royalty-paid, perpetual, irrevocable in favor of the City, its employees, consultants and agents.

30.4 Contractor’s Trade Secrets. Trade Secrets, as used in this Contract, are defined in California Government Code Section 6254.7 and California Evidence Code Section 1061(a)(1) and may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it. Parties acknowledge that no Work Products or deliverables created and delivered to City under this Contract may constitute or contain any trade secrets of Contractor’s or that of any other third party.

30.4.1 Contractor hereby stipulates that it shall not deliver to City any of Contractor’s Trade Secrets. In the unlikely event that Contractor reveals any of its Trade Secrets (that is so marked conspicuously on every page) to City to further the intent and purpose of this Contract, so notifies City in writing that it has revealed its Trade Secrets to City, and so provide City with a “public copy” in which all such Trade Secrets are redacted or hidden; then City agrees to notify Contractor of any request made pursuant to the California Public Records Act, Cal. Gov. Code, § 6250 et seq., ("CPRA") that includes Contractor's redacted Trade Secrets. If requested, City has the option to disclose any of Contractor's Trade Secrets (in addition to the public copy), unless Contractor objects in writing to the City after 10 calendar days from the notice mailing date by the City to Contractor of the CPRA request, agrees to indemnify and hold City harmless for non-production of such Trade Secrets, and seeks timely judicial ruling on whether City shall produce such Trade Secrets under the CPRA request.
30.4.2 Unless expressly stated otherwise, for all pre-existing third-party and Contractor's intellectual property (if any), including software, required to operate or use any Work Product delivered by Contractor, Contractor hereby grants and will cause others to grant City (including its agents and contractors) a royalty-paid, perpetual, irrevocable license to use such pre-existing intellectual property internally by the City (including its agents and contractors).

30.5 The provisions of Paragraphs 17.1 through 17.5 shall survive termination of this Contract.

**Section 31.0 Alternative Fuel Vehicle Requirement Program (for LAX Only).**

31.1 Contractor shall comply with the provisions of the alternative fuel vehicle requirement program (the "Alternative Fuel Vehicle Requirement Program"). The rules, regulations and requirements of the Alternative Fuel Vehicle Requirement Program are attached as Exhibit H and made a material term of this Contract.

**Section 32.0 First Source Hiring Program For Airport Employers (for LAX ONLY).**

32.1 Contractor shall comply with the provisions of the First Source Hiring Program adopted by the Board. The rules, regulations, requirements, and penalties of the First Source Hiring Program are attached as Exhibit I and made a material term of this Contract.

**Section 33.0 Advertisements.**

33.1 Contractor shall not, at any time, under any circumstances, install, place, or maintain any type of advertising, on Airports.

**Section 34.0 Compliance with Los Angeles City Charter Section 470(c)(12) and 609(e)**

34.1 The Contractor, other underwriting firm members of the underwriting syndicate, Subcontractors, and their Principals are obligated to fully comply with City of Los Angeles Charter Sections 470(c)(12), 609(e) and related ordinances, regarding limitations on campaign contributions and fundraising to certain elected City officials or candidates for elected City office. Gifts to elected officials and certain City officials are also limited. Additionally, Contractor and other underwriting firm members of the underwriting syndicate are required to provide and update certain information to the City as specified by law. Any Contractor and other underwriting firm members of the underwriting syndicate subject to Charter Section 470(c)(12) and 609(e), 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 City of Los Angeles Campaign Contribution and Fundraising Restrictions.

As provided in Charter Sections 470(c)(12), 609(e) and related ordinances, you are subcontractor or underwriting firm on City of Los Angeles Contract/Resolution #________. Pursuant to City Charter Section 470(c)(12) and 609(e), underwriting firm, subcontractor and 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. Additionally, gifts are limited to elected officials and certain City officials. 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 10 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.

34.2 Contractor, underwriting firms, 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.

Section 35.0 Miscellaneous Provisions.

35.1 Fair Meaning. The language of this Contract shall be construed according to its fair meaning, and not strictly for or against either City or Contractor.

35.2 Section Headings. The section headings appearing herein are for the convenience of City and Contractor, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Contract.

35.3 Void Provisions. If any provision of this Contract is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Contract, and all such other provisions shall remain in full force and effect.

35.4 Two Constructions. It is the intention of the parties hereto that if any provision of this Contract is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
35.5 **Governing Law.** This Contract shall be construed and enforced in accordance with the laws of the State of California and venue shall lie in the appropriate U.S. Federal Court or California Superior Court located in Los Angeles County.

35.6 **Gender.** The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

35.7 **Ordinance and Code Language Governs.** City of Los Angeles ordinance and code exhibits are provided as a convenience to the parties only. In the event of a discrepancy between the exhibits and the applicable ordinance and/or code language, or amendments thereto, the language of the ordinance and/or code shall govern.

35.8 **Amendments to Ordinances and Codes.** The obligation to comply with any ordinances and codes which have been incorporated into this Contract by reference shall extend to any amendments which may be made to those ordinances and codes during the term of this Contract.

35.9 **No Exclusive Right.** No provision of this Contract shall be construed to grant or authorize the granting of an exclusive right within the meaning of the Federal Aviation Act, 49 U.S.C. 40103(e) and 40107(a)(4)(Public Law No. 103-272).

35.10 **Amendment.** All amendments hereto shall be in writing and signed by the persons authorized to bind the parties thereto.

35.11 **Force Majeure.** Notwithstanding any other provision hereof, neither the Contractor nor the City shall be held responsible or liable for failure to meet their respective obligations under this agreement, if such failure shall be due to causes beyond the Contractor's or City's control. Such causes include but are not limited to: strikes, fire, flood, civil disorder, acts of God or the public enemy, acts of the Federal Government or any unit of state or local government in either sovereign or contractual capacity, insurrection, epidemics, freight embargos or delay in transportation, and changes in federal, state or local laws.

**Section 36.0 Entire Agreement.**

36.1 This Contract contains the entire agreement between the parties hereto and supersedes any and all prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements or understandings, oral or written, between and among the parties relating to the subject matter contained in this Contract which are not fully set forth herein. This is an integrated agreement.

(signatures on the following page)
IN WITNESS WHEREOF, City has caused this Contract to be executed on its behalf by CEO, and Contractor has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

APPROVED AS TO FORM:
MICHAEL N. FEUER,
City Attorney

Date: 11/18/16

By: ____________________________
   Deputy/Assistant City Attorney

ATTEST:

By: ____________________________
   Signature (Secretary)
   RENÉ JACOBSEN
   Print Name

CITY OF LOS ANGELES

By ____________________________
   CEO
   Department of Airports

ABM ONSITE SERVICE – WEST, INC.

By ____________________________
   Signature
   JAMES M. AHERN
   Print Name
   VP Operations
   Print Title
The Contractor will be required to provide property management services for 17,750 acres of land and various buildings, including the 155-acre industrial complex at Site 9. This required Scope of Work includes maintenance, repairs, and emergency response, all generally described as Property Management Services. The required Property Management Services do not include leasing, licensing, rights of entry, easements, development, or other similar matters.

The following table provides a brief description of LAWA assets which the Contractor will be required to maintain and manage under the terms of a property management Agreement:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Palmdale Landholdings</td>
<td>See Exhibit A-4 – Site Plan for Palmdale Airport Landholdings</td>
</tr>
<tr>
<td>Site 9</td>
<td>See Exhibits A-5 and A-6</td>
</tr>
<tr>
<td>Additional Industrial Buildings</td>
<td>See Exhibit A-6</td>
</tr>
<tr>
<td>Agricultural Land</td>
<td>Includes leased agricultural land owned by LAWA (Leased).</td>
</tr>
<tr>
<td>Other Unleased Areas</td>
<td>All areas not leased in Exhibit A-4</td>
</tr>
</tbody>
</table>

The following provides a summary of the Scope of Work:

1. PROPERTY MANAGEMENT RESPONSIBILITIES OVERVIEW

The Contractor will provide site and facility property management services for all Palmdale Landholdings, including Site 9. Palmdale Landholdings cover approximately 17,750 acres of land and various LAWA-owned buildings. The Contractor will not be required to perform property management functions on property covered under tenant-leased property except as specifically described in this Agreement.

1.1. Property management services include:

- Proactive maintenance and repair.
- Timely response for all property management services.
- On-going identification of needs.
- Operations management.
- Scheduled and unscheduled maintenance.
- Repair of equipment and buildings’ systems.
- Conscientious environmental stewardship.
- Responsible fiscal administration.
The Contractor will provide complete maintenance management including routine/scheduled tasks, repair work and preventative maintenance of the facilities, lighting, mechanical equipment, fire life safety, utilities systems, and roadways located at Palmdale.

1.2. The Contractor will be responsible for regularly assessing the conditions of the buildings and their systems, as well as developing and implementing preventative maintenance programs necessary to maintain, preserve, and keep the premises in good repair.

1.3. The Contractor must provide all management, supervision, personnel, labor, materials, supplies, tools, vehicles, equipment (except as otherwise provided), and other items and services necessary to perform all work.

1.4. The Contractor must also provide 24-hour daily emergency/urgent response services for repairs requiring immediate attention.

1.5. The Contractor may hire subcontractors to perform tasks that require special skills or licenses or tasks that may be performed more effectively by a subcontractor.

1.6. The Contractor will maintain and secure all Palmdale assets, except for tenant lease responsibilities.

2. FACILITY MAINTENANCE AND REPAIR RESPONSIBILITIES FOR PALMDALE LANDHOLDINGS

2.1. In addition to the responsibilities described in Exhibit A-1 – Scope of Work and Exhibit A-1 – Maintenance Task List, Contractor is responsible for required Additional Services as described in the Compensation Schedule (Exhibit A-3). All tasks of a routine nature are to be included in the Management Fee, as well as individual repairs under $2,500. Additional charges to LAWA for these tasks will not be allowed.

2.2. For Site 9, the Contractor will provide property management services for the ongoing operation and maintenance of the critical systems listed below and must ensure that appropriate licenses and/or certifications are maintained by personnel handling equipment prior to working on these systems. All applicable licensing requirements must be verified and complied with by the Contractor.

- Fire Suppression*
- Fire Monitoring
- Domestic Water
- Electrical
- Sewer
- HVAC
- Gas

* A Los Angeles County Fire Department C-16 license for Fire Suppression and C-10 license for Fire Monitoring is required.

2.3. For Site 9, the Contractor must retain sufficient trained and licensed (as applicable) personnel to complete the tasks and related repairs listed in Exhibit A-1. Site familiarization and all necessary training must be provided by the Contractor for personnel assigned to Site 9.
2.4. For Site 9, LAWA's expects proposer to maintain Site 9 facilities in good working order and operational condition, and in compliance with all regulatory requirements. LAWA does not expect proposer to upgrade the facilities or substantially improve the facility condition as part of their bid proposal.

2.5. For Site 9, the Contractor's management staff will respond in a professional and timely manner to tenant property management services requests. Any repair work to be performed on tenant leasehold requires prior approval by LAWA.

2.6. For Site 9, the Contractor will establish an on-site property management office in building 701, as directed by LAWA. LAWA will provide work shop area and storage area for use as related to Agreement's requirements. Contractor shall provide all furnishings, office equipment, and provide maintenance and repair for these areas.

2.7. Contractor will perform physical site inspections and maintenance of LAWA-owned vacant buildings to maintain safety and prevent deterioration or damage of existing structure. Contractor will perform general property repairs and regular maintenance, including boarding and other necessary securing of vacant structures (allowing for proper ventilation). Contractor will provide proper management services to vacant buildings/facilities as to maintain the structural integrity of the improvements and ensure the utilities and systems remain in working order.

2.8. Contractor will ensure that vacant buildings are free of graffiti, other signs of vandalism, and rodent infestation and will provide treatment as needed.

2.9. Contractor will maintain a work log to record and validate that inspections and necessary repairs of LAWA-owned buildings were performed.

2.10. Contractor will provide ground maintenance and debris removal for all Palmdale property, unless the property is leased. All supplies and equipment to maintain the premises must be provided by the Contractor.

2.11. Contractor must maintain the grounds at a level whereby the grounds will not deteriorate and its appearance will not deter marketing of property to prospective tenants. Minimally, Contractor must ensure that designated grounds (e.g. Site 9, areas in or around all building structures, taxiways, aviation common areas, and private roads) are free of debris, weeds are removed, and landscaped areas are maintained and watered. Sprinkler systems must be properly maintained with consideration of water conservation and resources.

2.12. Contractor will perform weekly inspections of all gates and fences within Palmdale boundaries approximating 88 miles. The Contractor must erect or maintain fences to adequately protect LAWA property. Broken fences must be repaired immediately to discourage unauthorized access, squatier activities and dumping of trash or environmental waste.

2.13. Contractor will perform regular inspections of private LAWA roads and parking areas at any unleased commercial buildings at Palmdale. Contractor must ensure that roadways and parking areas are maintained in good condition. At a minimum, maintenance work will include repairing potholes and cracks, controlling weed growth, removing debris, maintenance of road signs and markings, maintenance of proper drainage flow to prevent ponding in event of heavy rain, and maintenance of lighting for security and nighttime travel. Construction activities involving the
resurfacing or reconstructing of roadways to maintain roadbed quality must be approved by LAWA and other government agencies with jurisdiction.

2.14. Contractor will maintain lighting throughout Palmdale. Regular inspections of lights located at common areas, roadways, parking lots, and LAWA-controlled buildings will be performed. Contractor will replace burned out bulbs and maintain and repair light fixtures.

2.15. Contractor will inspect and maintain ditches and storm water ponds. At a minimum, maintenance activities must be performed to prevent blockages and repair erosions.

2.16. Contractor will be responsible for emergency repairs resulting from but not limited to, acts of nature, such as high winds, flooding, and power failures.

2.17. Contractor will provide all tools, equipment, lifts, fork lifts, cranes, portable cranes, welding machines, and all necessary supplies to maintain the site.

2.18. Contractor will provide own portable radios and batteries to effectively communicate on site.

2.19. Contractor will provide its own vehicle for purposes of transporting staff within the site as may be necessary. Contractor will be responsible for fuel and repair of its vehicles.

2.20. Contractor will provide, and maintain as current, the required certifications and inspections listed below, and will be compensated by LAWA without markup for such costs, in addition to the Management Fee. If applicable, selection of subcontractors will be based on the lowest bid.

- Fire suppression system
- Fire extinguishers
- Plumbing system
- Fire alarm
- Elevators
- High voltage system
- Chemical treatment system
- HVAC system
- Cranes
- Fire pumps, generator engines, and boilers

2.21. Contractor will provide the services listed below and will be compensated for such fees, with no additional markup, by LAWA.

- Fire monitoring services
- Fire watch
- Monthly waste management and trash removal.
- Waste management and trash removal services (beyond the standard monthly service).
2.22. Contractor will provide Additional Services listed below and will be compensated for such fees, with an administrative fee (See Exhibit A-3), by LAWA.

- Emergency Repairs
- Construction Projects
- Unforeseen required services
- Services not listed in Scope of Work or Maintenance Task List

3. SAFETY AND SECURITY SERVICES

3.1. Contractor will cooperate with LAWA or consultant hired by LAWA providing for hazardous waste removal, water quality permit and testing, environmental permits and issues, and other regulatory agency directives that threaten the safety and security of Palmdale.

3.2. Contractor will communicate and cooperate with Los Angeles County Sheriff, the United States Air Force, the Federal Aviation Administration (FAA), LAWA and other enforcement agencies regarding any security issues.

3.3. Contractor will perform activities to deter and control illegal dumping at Palmdale by maintaining the fence in good condition, controlling site access, timely disposal of dumped items, and hazardous waste removal in compliance with regulatory agency guidelines.

3.4. Ensure visitor and/or tenant vehicles are properly parked in authorized parking lot or have proper clearance to enter beyond the gate. As necessary, maintain a sign-in sheet at the main gate complete with date, time, full name, signature, company name and reason for visit for all visitors to the site.

3.5. Contractor will inspect fencing and gates to ensure the facility is properly locked and secured.

3.6. Contractor must immediately report to LAWA any emergency issues such as activated alarms (not false alarms), fire, theft, water line breaks, or damage due to inclement weather.

3.7. Contractor will ensure that personnel are familiar with the alarm system at all LAWA-owned buildings. Vacant buildings with alarm systems include those designated as the Airport Administration building and the Airport Maintenance Building. The Los Angeles County Sheriff’s Department will respond to security breaches to Site 9 and Palmdale Land Holdings. Contractor will provide LAWA with a report of any security breaches as soon as possible.

4. ADMINISTRATIVE SERVICES AND STAFFING

4.1. Contractor will designate an onsite supervisor during business hours, Monday – Friday, 7 a.m. – 5 p.m. Contractor’s on-site supervisor must have experience in the oversight of similar facilities. The supervisor must be accessible or on-call 24-hours daily, in the event of an emergency.
4.2. Contractor will provide feedback and recommendations on how to reduce water and power usage for the site. Utility bills will be sent directly to LAWA who will provide the Contractor with a copy of the invoice. LAWA will pay the utility invoices. Contractor will read all appropriate meters and sub meters on a monthly basis, review the bills and provide allocation of tenant's share of bills to LAWA. Contractor will perform due diligence in managing utility use, working with LAWA to reduce utilities to minimum levels.

4.3. Contractor will attend any necessary safety meetings. Copies of the meeting minutes will be provided to LAWA staff as part of a Monthly Property Management Report.

4.4. Contractor may be requested by LAWA to perform a variety of minor tasks not already stated in this scope of work that involves direct interface with the public, government entities, or prospective tenants.

5. REPORTING REQUIREMENTS

5.1. Monthly Expense Reports. Contractor will submit a monthly expense report displaying actual expenses compared to budgets, the variances, and comments on the discrepancies. Contractor is also required to submit quarterly expense statements summarizing the three months' prior expenses.

5.2. Maintenance Work Coordination and Tracking. Contractor will propose a method in which to maintain records that show job details – including date of performance, type of maintenance (routine, non-routine, emergency), description of tasks, labor hours and costs, material items and costs, related administrative duties and costs, comments and recommendations. Contractor will maintain written construction and maintenance reports for submission to LAWA upon request.

5.3. Reports Required by Regulatory Agencies. Contractor will submit reports requested by regulatory agencies in the format directed and within the specified deadlines.

5.4. Additional reports, as required by LAWA.
# Maintenance Task List

(Exhibit A-1

1. **MAINTENANCE OF BUILDINGS AND COMMON AREAS**

<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roof Inspection and Repairs</td>
<td>Inspect roof.</td>
<td>Q + AN</td>
<td>In addition to listed tasks, inspect for leaks after each rain. All roofs except: Site 9 – Bldg. #703</td>
</tr>
<tr>
<td></td>
<td>Repair leaks.</td>
<td>AN</td>
<td>All roofs except leased buildings.</td>
</tr>
<tr>
<td>Skin (Siding, Masonry, Sash, Glazing, Window Washing, External Doors)</td>
<td>Maintain and repair.</td>
<td>AN</td>
<td>All facilities except Building 703.</td>
</tr>
<tr>
<td>Exterior Signage</td>
<td>Maintain and repair exterior signage.</td>
<td>AN</td>
<td>Non-tenant signs only.</td>
</tr>
<tr>
<td>Caulking and Expansion Joints</td>
<td>Maintain and repair caulking and expansion joints.</td>
<td>AN</td>
<td>Site 9 common areas.</td>
</tr>
<tr>
<td>Rain Water Drainage (gutter, sump pumps)</td>
<td>Inspect and repair.</td>
<td>AN</td>
<td>Fuel farm area at Site 9 contains one sump pump.</td>
</tr>
<tr>
<td></td>
<td>At least once a month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Lighting</td>
<td>Inspect parking lot lights, streets lights, and building flood lights and replace when burned out.</td>
<td>M</td>
<td>Inspect monthly or as reported. Applies to: 25th Street building (on timer). Street lighting for ingress/egress into Site 9, side building lights at Site 9.</td>
</tr>
<tr>
<td></td>
<td>Maintain and repair fixtures.</td>
<td>AN</td>
<td>As required.</td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily   M: Monthly   AN: As-Needed
W: Weekly   Q: Quarterly
BW: Bi-weekly   A: Annually
<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Graffiti Removal</td>
<td>Remove, repair, and paint.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>8 Backflow Testing and Certifications</td>
<td>Test and certify backflow devices.</td>
<td>A</td>
<td>Provide LAWA with certificate annually.</td>
</tr>
<tr>
<td></td>
<td>Repair or replace backflow valves if test fails.</td>
<td>AN</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily   M: Monthly   AN: As-Needed
W: Weekly   Q: Quarterly
BW: Bi-weekly   A: Annually
## 2. INTERIOR MAINTENANCE OF BUILDINGS.

<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Interior Lighting Systems</td>
<td>Replace burned out light bulbs.</td>
<td>AN</td>
</tr>
<tr>
<td>2</td>
<td>Emergency Generators 701, 702, 704S, and 704N</td>
<td>Full load transfers switch testing.</td>
<td>M</td>
</tr>
<tr>
<td></td>
<td>1 - 701</td>
<td>Check emergency lighting.</td>
<td>M</td>
</tr>
<tr>
<td></td>
<td>1 - 702</td>
<td>Check exit lights.</td>
<td>M</td>
</tr>
<tr>
<td></td>
<td>2 - 704 (4 total)</td>
<td>Run diesel emergency for 10 minutes periodically.</td>
<td>W</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Inspect and maintain systems per Fire Department regulations.</td>
<td>W</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check oil, batteries, and coolant.</td>
<td>W</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Refuel.</td>
<td>AN</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check blocks heaters.</td>
<td>W</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Change oil, replace oil and fuel filters.</td>
<td>A</td>
</tr>
<tr>
<td>3</td>
<td>Egress Signage for Fire Safety Requirements</td>
<td>Inspect, repair, replace if needed.</td>
<td>AN</td>
</tr>
<tr>
<td>4</td>
<td>Fire Life Safety Systems and Alarms.</td>
<td>Check fire panel for faults.</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check fire systems air compressors.</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain system as required by L.A. County Fire Department and other authorities having jurisdiction.</td>
<td>AN</td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily  M: Monthly  AN: As-Needed  
W: Weekly  Q: Quarterly  
BW: Bi-weekly  A: Annually
<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Check water level on fire water storage tanks. Fill as necessary.</td>
<td>D</td>
<td>25th Street Building and Old Maintenance building have both burglar and fire monitoring.</td>
</tr>
<tr>
<td></td>
<td>Inspect fire pump house for leaks and systems settings.</td>
<td>D</td>
<td>24/7 Monitoring required.</td>
</tr>
<tr>
<td></td>
<td>Inspect all fire risers and provide inspection log.</td>
<td>M</td>
<td>Need daily P.M.</td>
</tr>
<tr>
<td></td>
<td>Check fire valve cycles (above ground values.)</td>
<td>AN</td>
<td>Quarterly (minimum)</td>
</tr>
<tr>
<td></td>
<td>Spot check alarms.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check manual pull stations.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check flow sensors.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check flow fire hydrants.</td>
<td>A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check and exercise all Post Indicator Valves (PIV) inspections.</td>
<td>M - Visually A</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fire Drills</td>
<td>Bi-annually</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Annual and 5-Year Inspection/Testing</td>
<td>A</td>
<td>Check for pressure and condition.</td>
</tr>
<tr>
<td></td>
<td>Perform annual service.</td>
<td>AN</td>
<td>Follow L.A. County Fire Department Regs.</td>
</tr>
<tr>
<td></td>
<td>Support annual fire inspection activities.</td>
<td>AN</td>
<td>Last 5-year inspection was in 2012.</td>
</tr>
<tr>
<td>6</td>
<td>Fire Extinguisher Repair and Maintenance -</td>
<td>M</td>
<td>Check for pressure and condition.</td>
</tr>
<tr>
<td></td>
<td>Conduct fire extinguisher checks.</td>
<td>M</td>
<td>Vacant buildings only.</td>
</tr>
<tr>
<td>7</td>
<td>Remote Monitoring Devices</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Same as #5</td>
<td>AN</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

| 8 | Elevator Maintenance and Repair | Check emergency phones. | W | Must maintain to comply with State of California Standards. |
|   |                                 |                           |   | There are three elevators: two (2) in building 704 and one (1) in building 715. |
| 9 | Elevator Maintenance and Repair | Emergency lights.         | W | Must maintain to comply with State Standards. |
|   |                                 | Recall function.          | AN | There are three elevators: two (2) in building 704 and one (1) in building 715 |
|   |                                 | Monitoring elevator phones. | 24/7 | |
| 10 | Domestic Water                  | Check all lift stations for level and pump operation. | W | Maintain Positive Pressure. |
|   |                                 | Check system pressure-grease pump. | M | Pumps need to be maintained at 120 PSI. |
|   |                                 | Check for Leakage.        | D | All valves for water systems should be exercised quarterly (minimum). |
|   |                                 | Flush water system.       | M | |
|   |                                 | Lube water circuit pressure. | D | |
|   |                                 | Check domestic pump house for proper operation of pumps and pressure reading of pumps. | D | |
| 11 | Domestic Water                  | Check chemical levels in domestic water systems. | W | There are two (2) sets of Jockey pumps for domestic and fire system. |
|   |                                 | Rotate jockey pumps.      | W | |
|   |                                 | Flush system to keep water quality acceptable. | D | |
|   |                                 | Test water.               | W | |
|   |                                 | Maintain permit requirements (as required). | AN | |

**FREQUENCY:**

D: Daily  M: Monthly  AN: As-Needed  
W: Weekly  Q: Quarterly  A: Annually  
BW: Bi-weekly
<table>
<thead>
<tr>
<th></th>
<th>Sanitary Waste (Restrooms)</th>
<th>Fill floor drains with water and keep sewer gases from accumulating.</th>
<th>W</th>
<th>Non-leased buildings.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Flush toilets / run sinks.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Run drinking fountains.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Repair a leaks.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check pressure.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Building 701, 704 HVAC System-Pressurize Hot Water Loop (for Domestic Water system)</td>
<td>Check make-up pressure.</td>
<td>AN</td>
<td>Must maintain positive pressure or leakage at couplings will occur. 5,000 to 10,000 gallon capacity per loop.</td>
</tr>
<tr>
<td></td>
<td>Building 701 and 715 for testing and maintenance only.</td>
<td>Run pump(s).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Check water system.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Building 701, 704 HVAC System-Boiler - (Heating)</td>
<td>Prepare boilers for below freezing temperatures.</td>
<td>AN</td>
<td>Turn equipment off during summer, have ready for winter months.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain office and storage.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Circulate local heating loop.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Building 701 Maintenance</td>
<td>Start units.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Building 701 Heating Loop</td>
<td>Shut down at shift's end if freezing weather is not forecasted.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Air Handler Units – 701, 704 (Upper Floors), 715</td>
<td>Test and run units</td>
<td>AN</td>
<td>Once every 3 months.</td>
</tr>
<tr>
<td>17</td>
<td>Communication and Security Systems</td>
<td>Maintain telephones (general communications, elevator, etc.)</td>
<td>AN</td>
<td>Elevator phones require inspection once per year.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain existing two-way radio communication equipment.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain security systems in the building that have security systems.</td>
<td>AN</td>
<td>25th Street Building. Maintenance Building.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain fire monitoring systems.</td>
<td>AN</td>
<td>Required by Fire Code.</td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily  M: Monthly  AN: As-Needed  
W: Weekly  Q: Quarterly  
BW: Bi-weekly  A: Annually
### 3. ROADS AND GROUNDS MAINTENANCE

<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Roadways, Sidewalks, Parking Lots, North aircraft ramp.</td>
<td>Paving repair.</td>
<td>AN</td>
<td>Site 9.</td>
</tr>
<tr>
<td></td>
<td>Sealing.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inspection</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td>2 Landscape</td>
<td>Site care (plant, mow, irrigation, tree removal).</td>
<td>AN</td>
<td>Maintain as necessary or directed.</td>
</tr>
<tr>
<td></td>
<td>Bush trimming.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trash removal from fence lines.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Weed abatement.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>3 Underground fire systems and fire hydrants.</td>
<td>Inspect and maintain.</td>
<td>AN</td>
<td>Runs underground from fire pump house to outside of buildings.</td>
</tr>
<tr>
<td>4 Underground Vaults</td>
<td>Maintain underground vault and drainage system.</td>
<td>AN</td>
<td>There are six (6) or more vaults that house isolation valves for fire system. Allows for partial shutdown of fire system.</td>
</tr>
<tr>
<td>5 Trenches</td>
<td>Maintain trenches to prevent flooding.</td>
<td>AN</td>
<td>Directs surface water to storm drains.</td>
</tr>
<tr>
<td>6 Pond</td>
<td>Maintain ponds.</td>
<td>AN</td>
<td>There is one large catch pond.</td>
</tr>
<tr>
<td>7 Water supply to Golf Course</td>
<td>Maintain pump and pipe to Golf Course.</td>
<td>AN</td>
<td>Maintain water supply to Golf Course from LAWA tenant location</td>
</tr>
<tr>
<td>8 Storm Water Ditch</td>
<td>Inspect drainage culverts; remove weeds/debris to prevent blockage.</td>
<td>M</td>
<td>Approx. 4 miles</td>
</tr>
<tr>
<td></td>
<td>Clear drainage culverts.</td>
<td>A</td>
<td>Tractor with mower is required.</td>
</tr>
</tbody>
</table>

**FREQUENCY:**

- **D:** Daily
- **M:** Monthly
- **AN:** As-Needed
- **W:** Weekly
- **Q:** Quarterly
- **BW:** Bi-weekly
- **A:** Annually
4. **UTILITY/CENTRAL SYSTEM MAINTENANCE**

<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 12K Electrical Switch Gear</td>
<td>Service 12K electrical switch gear.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check 12K house charging system.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check battery levels.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td>2 Electrical Generation and Distribution</td>
<td>Exit signs.</td>
<td>AN</td>
<td>Air Quality District regulates hours allowed for generator testing.</td>
</tr>
<tr>
<td></td>
<td>Repair and maintain all stairwell lighting.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Repair and maintain emergency lighting.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Test and maintain generators on site:</td>
<td>BW</td>
<td>All buildings at Site 9; except Hangar 703.</td>
</tr>
<tr>
<td></td>
<td>Repair and maintain parking lights.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>3 Well Water Pumps and Associated Equipment</td>
<td>Blow down sand separator.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check for leaks, grease all fittings.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintain Well Fault lights.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rotate well(s.)</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Well cycle, lube and blow down.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Run well and check pressure at well, take meter reading.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>4 Water - Domestic</td>
<td>Sample water.</td>
<td>BW</td>
<td>Sample water 1x/wk. (URS).</td>
</tr>
<tr>
<td></td>
<td>Maintain standards.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td>5 Chemical Inject Operation 24/7.</td>
<td>Weigh chlorine barrel.</td>
<td>D</td>
<td>California State Regional Water Control Board and LAWA's environmental consultant regulate.</td>
</tr>
<tr>
<td></td>
<td>Weigh phosphoric acid barrel.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintain phosphoric acid barrel.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>6 Chemical Inject Operation 24/7 - continued. Two Pumps.</td>
<td>Check pumps and lines for leaks.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check chlorine level in water.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintain chlorine barrel.</td>
<td>D</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

- **D:** Daily
- **M:** Monthly
- **AN:** As-Needed
- **W:** Weekly
- **Q:** Quarterly
- **BW:** Bi-weekly
- **A:** Annually
<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel Fire Pumps</td>
<td>Run diesel fire pumps #1-7.</td>
<td>W</td>
<td>Operate in accordance with Air Quality District limitations.</td>
</tr>
<tr>
<td></td>
<td>Operate and maintain entire system.</td>
<td>M</td>
<td>As per Los Angeles County Fire Department regulations.</td>
</tr>
<tr>
<td></td>
<td>Maintain systems per Fire Department Regulations.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check oil and batteries.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Refuel.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check pumps for operation and leakage.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td>Boiler</td>
<td>Start boiler.</td>
<td>AN</td>
<td>Winter only.</td>
</tr>
<tr>
<td></td>
<td>Check operation and temperature.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shut down at shift's end if freezing weather is not forecasted.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>Solid Waste Management System/Sewer System.</td>
<td>Fill north lift station as needed.</td>
<td>AN</td>
<td>Sanitation Department regulates.</td>
</tr>
<tr>
<td></td>
<td>Lift station A, B, 702 and &quot;C&quot; levels.</td>
<td>AN</td>
<td>System monitored 24/7.</td>
</tr>
<tr>
<td></td>
<td>Check pump operation for primary and secondary.</td>
<td>W</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check system operation</td>
<td>M</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily  M: Monthly  AN: As-Needed  
W: Weekly  Q: Quarterly  
BW: Bi-weekly  A: Annually
## 5. OTHER ITEMS

<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above Ground Fuel Storage Tanks (for diesel fire pumps)</td>
<td>Inspect as required by Fire Code.</td>
<td>AN</td>
<td>Required by Fire Code</td>
</tr>
<tr>
<td></td>
<td>Fill as necessary (typically every 6 months).</td>
<td>AN</td>
<td>Seven (7) tanks in fire pump house; Approx. 250-300 gallons each.</td>
</tr>
<tr>
<td></td>
<td>Run/maintain as required by the Fire Code.</td>
<td>AN</td>
<td>Additional 40 gallon tanks on small generators at buildings.</td>
</tr>
<tr>
<td>Chemical and Hazardous Waste Removal and Disposal</td>
<td>Dispose chemical and hazardous waste that is generated by maintenance activities.</td>
<td>AN</td>
<td>Typically, just small amounts.</td>
</tr>
<tr>
<td>Pest Control</td>
<td>Perform pest control for all facilities.</td>
<td>M/AN</td>
<td>All buildings. Snakes, rodents, insects</td>
</tr>
<tr>
<td>Crane Certification</td>
<td>Contract with crane company to inspect and certify cranes.</td>
<td>A</td>
<td>Last certification 11/2014.</td>
</tr>
<tr>
<td>Natural occurrences - Heavy Rain</td>
<td>Check all buildings for leaks.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Repair.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>Natural occurrences - Heavy Rain - Storm Water Ditches</td>
<td>Eliminate tumbleweeds.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check drainage culverts for obstructions and check condition of sides.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check retention basin for condition and water level in rainy season.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>Natural occurrences - Heavy Rain - Underground Vaults</td>
<td>Pump water out of underground vaults.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Electrical vaults.</td>
<td>AN</td>
<td>Prevent short circuit.</td>
</tr>
<tr>
<td></td>
<td>Fire vaults.</td>
<td>AN</td>
<td>Prevents valves from rusting.</td>
</tr>
<tr>
<td>Natural occurrences - High Wind (&gt;40 knots) - Buildings</td>
<td>Check roofs for damage.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check building for damage (loss of siding).</td>
<td>AN</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

- **D:** Daily
- **W:** Weekly
- **M:** Monthly
- **Q:** Quarterly
- **BW:** Bi-weekly
- **A:** Annually
- **AN:** As-Needed
<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 Naturual occurrences - High Wind (&gt;40 knots) - Storm Water ditches</td>
<td>Check for tumbleweeds and trash.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>10 Naturual occurrences - High Wind (&gt;40 knots) - Patrol</td>
<td>Check for fence line damage.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Remove trash and tumbleweeds.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>11 Special Events-Power</td>
<td>Reset fire panels.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reset water wells.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reset all fire roll up doors in Building 703.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check substation circuit breakers.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Refuel emergency generators( if required)</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Refuel fire pumps (if required).</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reset HVAC system.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Perform Domestic Water Testing (if pressure loss).</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>12 Site Winterizing</td>
<td>Drain building 716 cooler unit.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Drain building 701 cooler unit.</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check heat tapes on East and West wells.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wrap pipes site wide.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Install freeze thermostats in closed buildings.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>13 Support NASA</td>
<td>Technical support</td>
<td>AN</td>
<td></td>
</tr>
<tr>
<td>14 Security Checks</td>
<td>Inspect fencing and gates-make repairs as needed.</td>
<td>W</td>
<td>Weekly P.M. all zones.</td>
</tr>
<tr>
<td></td>
<td>There is approximately 88 miles of fence.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 Security Checks</td>
<td>Patrol all vacant buildings.</td>
<td>W</td>
<td>All tasks are on P.M. schedule.</td>
</tr>
<tr>
<td></td>
<td>Inspect all buildings for leaks.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check site for evidence of underground leaks.</td>
<td>D</td>
<td></td>
</tr>
</tbody>
</table>

**FREQUENCY:**

D: Daily  M: Monthly  AN: As-Needed
W: Weekly  Q: Quarterly
BW: Bi-weekly  A: Annually
<table>
<thead>
<tr>
<th>ASSET / EQUIPMENT / EVENT</th>
<th>MAINTENANCE TASK</th>
<th>FREQ. (See footer)</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inspect fencing and gates-make repairs as needed.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inspect, lube, and repair rolling gates.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Removal of Foreign Object Debris (FOD), trash, and wildlife.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inspect, repair, and exercise (lock and unlock) padlocks.</td>
<td>M</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>NASA Safety Meetings</td>
<td>D</td>
<td>Meetings are 30 minutes or less.</td>
</tr>
<tr>
<td>16</td>
<td>Recordkeeping</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Detailed records of all mtce. activities must be maintained at a minimum for buildings, mechanical systems, electrical systems, fire suppression systems, fire monitoring systems, roads asphalt &amp; concrete surfaces, wells, potable water systems, and fences.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Recycling Program</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Compliance with Recycling Programs.</td>
<td>D</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Emergency Response</td>
<td>AN</td>
<td>Typical emergencies are power outages, fire suppression systems' leaks, fire monitoring alarms, damaged fences, potable water systems' malfunctions, high wind damage, plumbing leaks, rain flooding, etc.</td>
</tr>
<tr>
<td>19</td>
<td>Emergency Plan</td>
<td>A</td>
<td>Emergency plan must be presented to LACFD upon request. Unified Program (LACFD CUPA) is current.</td>
</tr>
</tbody>
</table>

**FREQUENCY:**

EXHIBIT A-2
ANNUAL MANAGEMENT FEE

*Annual Management Fee is **$977,471**

Monthly amount is **$81,455.92**

*Subject to a 2% annual adjustment increase on each January 1 of the contract term. The first annual adjustment date is January 1, 2018.
EXHIBIT A-3
COMPENSATION SCHEDULE

1. **Annual Management Fee**
   - Base Services as described in Scope of Work (Exhibit A-1), and Maintenance Task List (Exhibit A-1)
   - Individual repairs costing up to $2,500.
   - All personnel cost.
   - Administrative and overhead expenses.
   - On-site office and maintenance/operations expenses, including but not limited to phone and internet service for office, computers, stationary, postage, office supplies, copier lease, etc.
   - Supplies (all basic supplies to operate site; this item is not subject to the $2500 repair threshold).
   - Equipment (included but not limited to: tools, forklifts, welders, cranes, and all necessary equipment to perform scope of work).
   - Vehicles and associated fuel costs.
   - All fuel costs to operate site 9 (diesel generators for emergency lighting and pumps related to the fire system).
   - Licenses and permits.
   - Insurance.

   Annual Management Fee Increase: Annual Management Fee will increase 2% each year of the Agreement.

2. **Repairs costing over $2,500 (subject to Administrative Fee Chart)**

   Any individual repair costing over $2,500 will be compensated and will be bid according to the tables shown below. Individual repairs will not be aggregated to exceed the amount of $2,500. Repairs costing over $2,500 will be pre-approved in writing by LAWA, except in the case of emergencies.

3. **Additional Services (subject to Administrative Fee Chart and Bid Chart below)**

   Successful Proposer shall be compensated for Additional Services as follows:

   **A) Additional Services (with no Administrative Fee):**
   - All certifications and inspections as listed in Scope of Work
   - All services listed in Scope of Work

   **B) Additional Services (with Administrative Fee):**
   - Emergency Repairs
   - Construction Projects
   - Unforeseen required services
   - Services not listed in Scope of Work or Maintenance Task List
EXHIBIT A-3

Administrative Fee Chart

<table>
<thead>
<tr>
<th>Cost</th>
<th>% Above Invoice Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $2,500</td>
<td>Included in Management Fee</td>
</tr>
<tr>
<td>$2,500.01 – $7,500</td>
<td>10%</td>
</tr>
<tr>
<td>$7,500.01 – $20,000</td>
<td>7.5%</td>
</tr>
<tr>
<td>Above $20,000</td>
<td>5%</td>
</tr>
</tbody>
</table>

Bid Chart: Bids are awarded to the lowest bidder, as indicated below.

<table>
<thead>
<tr>
<th>Cost</th>
<th>No. of Bids Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $10,000</td>
<td>2 Bids</td>
</tr>
<tr>
<td>Above $10,000</td>
<td>3 Bids</td>
</tr>
</tbody>
</table>
SITE PLAN FOR SITE 9
2825 E. Avenue P
Palmdale, CA 93550

EXHIBIT A-5
Description of Site/Buildings
Site, Location and Descriptions of Buildings

Site 9

Location: North of intersection of Avenue P and 30th Street East on developed portion of Air Force Plant 42.

Zoning M-3 PZ, Airport Industrial General Plan and Permitted Uses.

Site: 165.172 acres paved. Parcel is irregular in shape with East-West 2,700 feet, North - South 2,550 - 3,700 feet. Access to Plant 42 runway physically exists; documented usage rights have not been defined. Subject property is located north of intersection of Avenue P and 30th Street and accessed by 2-lane roadway northerly of Avenue P beginning at intersection with 30th Street East.

Hangers: 4 hangers with over 1.07 million square feet complex.

Topography: Sites are generally level and at grade. Elevation of approximately 2,550 feet with gradual slope from south to north. South portion has approximately 2,370 feet of frontage and a depth of 2,074 feet. North portion broadens to width of 2,679 feet and has depth of 3,202 feet.

Parking: 575 spaces in West lot.

Buildings: 155.172 acre site has 4 primary structures plus a recreation center and 2 well sites.
### Descriptions of Buildings

**Site 9**

<table>
<thead>
<tr>
<th>Building Use</th>
<th>Building Size (SF)</th>
<th>Lease Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>701 Support Building</td>
<td>64,000</td>
<td>Unleased</td>
</tr>
<tr>
<td>702 Manufacturing</td>
<td>257,000</td>
<td>Leased</td>
</tr>
<tr>
<td>703 Hangar</td>
<td>422,000</td>
<td>Leased (Except 2nd/3rd floor)</td>
</tr>
<tr>
<td>704 Manufacturing</td>
<td>262,012</td>
<td>Leased</td>
</tr>
<tr>
<td>715 Fire Water Pump Enclosure</td>
<td>2,400</td>
<td>NA</td>
</tr>
<tr>
<td>706 Domestic Water Pump</td>
<td></td>
<td>250 LAWA</td>
</tr>
<tr>
<td>700 C Old Chem Shed</td>
<td></td>
<td>50 LAWA</td>
</tr>
<tr>
<td>700 D New Chem Injection Shed</td>
<td></td>
<td>60</td>
</tr>
<tr>
<td>702 Paint Booth</td>
<td>1,360</td>
<td>LAWA</td>
</tr>
<tr>
<td>722 Guard Post-Ramp</td>
<td>200</td>
<td>LAWA</td>
</tr>
<tr>
<td>727 Air Compressor Building</td>
<td></td>
<td>450 LAWA</td>
</tr>
<tr>
<td><strong>Total Area</strong></td>
<td><strong>1,054,690</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Site 9 Building Locations**

- **701**: Support Building
- **702**: Manufacturing
- **703**: Hangar
- **704**: Manufacturing
- **715**: Fire Water Pump Enclosure
- **706**: Domestic Water Pump
- **700 C**: Old Chem Shed
- **700 D**: New Chem Injection Shed
- **702 Paint Booth**: 1,360
- **722 Guard Post-Ramp**: 200
- **727 Air Compressor Building**: 450

**Legend**

- **Red**: Lease Status
- **Blue**: Building Use
- **Green**: Building Size
- **Yellow**: Lease Location

**Map Features**

- **DITCH**: Ditch
- **TOTAL PROPERTY**: Total Property
- **Proposed Property**: Proposed Property
- **Structural Elements**: Structural Elements
Notes:

Hangars 703 and 704 total 894,412 sq. ft. and comprise approximately 64% of total space.

Hangar 703 has full coverage of the bridge crane system; two 20-ton hoists; two 10-ton hoists; and two 5-ton hoists. All systems interlock. Crane repair bay is located in the southeast corner of building, at the 3rd mezzanine level.

Well Site: Square 100 feet by 100 feet - 10,000 square foot water well site surrounded on 3 sides by 155 acre site. Well casement 14 inches in diameter supplies a well drilled to 771 feet. Storage tank used with well contains 21,000 gallons. Groundwater level measured is approximately 450 feet below surface.
<table>
<thead>
<tr>
<th>Lot Size</th>
<th>Building Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0 paved Acres</td>
<td>9,000 Square Feet</td>
</tr>
</tbody>
</table>

4037 E Ave P-8

Building Type: Maintenance/Garage

Zoning: M-3 PZ.

Current Status: Vacant/U-leased, Maintenance and Repairs are LAWA responsibility.

39516 N 25th Street East

1.8 paved Acres 4,200 Square Feet

Building Type: Manufactured Office

APN 3022 008 274

Zoning M 2 1/2, Currently used as admin building.

Current Status: Vacant/Un-leased, Maintenance and Repairs are LAWA responsibility.
SITE PERSONNEL

SITE MANAGER/CHIEF ENGINEER: JIM JACOBSEN (See section 7.0)

EXHIBIT B
INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS

NAME:  
AGREEMENT / ACTIVITY:  RFP (7152) – PMD PROPERTY MANAGEMENT SERVICES  
TERM:  Five years  
LAWA DIVISION:  Commercial Development Group

The insured must maintain insurance coverage at limits normally required of its type operation; however, the following coverage noted with an "X" is the minimum required and must be at least the level of the limits indicated. All limits are per occurrence unless otherwise specified.

<table>
<thead>
<tr>
<th>LIMITS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(X) Workers' Compensation (Statutory)/Employer's Liability</td>
<td>Statutory</td>
</tr>
<tr>
<td>(X) Voluntary Compensation Endorsement</td>
<td></td>
</tr>
<tr>
<td>(X) Waiver of Subrogation, specifically naming LAWA</td>
<td></td>
</tr>
<tr>
<td>(Please see attached supplement)</td>
<td></td>
</tr>
<tr>
<td>(X) Automobile Liability - covering owned, non-owned &amp; hired auto</td>
<td>$1,000,000 CSL</td>
</tr>
<tr>
<td>(X) Aviation/Airport or Commercial General Liability, including the following coverage:</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>(X) Premises and Operations</td>
<td></td>
</tr>
<tr>
<td>(X) Contractual (Blanket/Schedule)</td>
<td></td>
</tr>
<tr>
<td>(X) Independent Contractors</td>
<td></td>
</tr>
<tr>
<td>(X) Products/Completed Operations</td>
<td></td>
</tr>
<tr>
<td>(X) Personal Injury</td>
<td></td>
</tr>
<tr>
<td>(X) Additional Insured Endorsements, specifically naming LAWA</td>
<td></td>
</tr>
<tr>
<td>(Please see attached supplement).</td>
<td></td>
</tr>
<tr>
<td>( ) Explosion, Collapse &amp; Underground</td>
<td></td>
</tr>
<tr>
<td>(required when work involves digging, excavation, grading or use of explosive materials.)</td>
<td></td>
</tr>
<tr>
<td>( ) Hangarkeepers Legal Liab. (At least at a limit of liability of $ 1 million)</td>
<td></td>
</tr>
<tr>
<td>Coverage for Hazardous Substances</td>
<td>$***</td>
</tr>
<tr>
<td>*** Must meet contractual requirements</td>
<td></td>
</tr>
<tr>
<td>(X) Professional Liability</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>* Claims-made policy: continuous coverage for three years after contract completion, or three-year extended reporting period beginning after contract completion.</td>
<td></td>
</tr>
</tbody>
</table>

CONTRACTOR SHALL BE HELD RESPONSIBLE FOR OWN OR HIRED EQUIPMENT AND SHALL HOLD AIRPORT HARMLESS FROM LOSS, DAMAGE OR DESTRUCTION TO SUCH EQUIPMENT.

INSURANCE COMPANIES WHICH DO NOT HAVE AN AMBEST RATING OF A- OR BETTER, AND HAVE A MINIMUM FINANCIAL SIZE OF AT LEAST 4, MUST BE REVIEWED FOR ACCEPTABILITY BY RISK MANAGEMENT.

PLEASE RETURN THIS FORM WITH EVIDENCE OF INSURANCE
INSURANCE REQUIREMENTS FOR LOS ANGELES WORLD AIRPORTS (SUPPLEMENT)

The **only** evidence of insurance accepted will be either a Certificate of Insurance and/or a True and Certified copy of the policy. The following items must accompany the form of evidence provided:

- **Endorsements:**
  1. Workers Compensation Waiver of Subrogation Endorsement  
     (WC 04 03 06 or similar)
  2. General Liability Additional Insured Endorsements  
     (ISO Standard Endorsements)

****All endorsements must specifically name in the schedule:

The City of Los Angeles, Los Angeles World Airports, its Board, and all of its officers, employees and agents.

A BLANKET/AUTOMATIC ENDORSEMENT AND/OR LANGUAGE ON A CERTIFICATE OF INSURANCE IS NOT ACCEPTABLE.

- A typed legible name of the Authorized Representative must accompany the signature on the Certificate of Insurance and/or the True and Certified copy of the policy.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is $1,000 or more, and every construction contract for which the consideration is $1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor 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. The 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. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to 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, the 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. The 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 the contractor shall provide evidence 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 has been given to the contractor.

F. Upon a finding duly made that the 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 of Los Angeles. 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 said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two

EXHIBIT D
EQUAL EMPLOYMENT
years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

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, the 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. 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.

SECTION HISTORY

Amended by: Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C.; Ord. No. 164,516, Eff. 4-13-89; Paragraphs C.; Ord. No.168,244, Eff. 10-18-92; Ord. No. 173,186, Eff. 5-22-00; Subsec. F., Ord. No.173,285, Eff. 6-26-00, Oper. 7-1-00.

EXHIBIT D
EQUAL EMPLOYMENT
LOS ANGELES ADMINISTRATIVE CODE
Div. 10, Ch. 1, Art. 1
AFFIRMATIVE ACTION


Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is $100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is $5,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such contract:

A. During the performance of a City contract, the contractor certifies and represents that the 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. The 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. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to 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, the contractor shall certify on an electronic or hard copy form to be supplied, that the 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. The 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 the contractor.

F. Upon a finding duly made that the 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 of Los Angeles. 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

EXHIBIT E
AFFIRMATIVE ACTION
371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles 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 the contractor has been guilty of a 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 the contractor by the City of Los Angeles 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 of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.

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. The 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, the 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, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

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 the 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:

EXHIBIT E
AFFIRMATIVE ACTION
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. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

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.

SECTION HISTORY
Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs B. and C., Ord. No. 168,244, Eff. 10-18-92; Title and Section, Ord. No. 173,186, Eff. 6-26-00; Subsec. F, Ord. No. 173,285, Eff. 7-1-00.

EXHIBIT E
AFFIRMATIVE ACTION
Sec. 10.10. Child Support Assignment Orders.

a. Definitions.

1. **Awarding Authority** means a subordinate or component entity or person of the City (such as a City department or Board of Commissioners) that has the authority to enter into a contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

2. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies, or the rendering of any service to the City of Los Angeles or to the public which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.


Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code §§ 5230 et seq. and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

d. Current Contractor Compliance.

Within 30 days of the operative date of this ordinance, the City, through its operating departments, shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code § §5230 et seq. and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

e. City's Compliance with California Family Code.

The City shall maintain its compliance with the provisions of California Family Code §§ 5230 et
seq. and all other applicable law regarding its obligations as an employer to implement lawfully served Wage and Earnings Assignments and Notices of Assignment.

f. Report of Employees' Names to District Attorney.

1. The City shall maintain its current practice of assisting the District Attorney's support enforcement activities by annually reporting to the Los Angeles County District Attorney the names of all of its employees and retirees so that the District Attorney may identify those employees and retirees subject to Wage and Earnings Assignment Orders and Notices of Assignment and may establish court orders for support, where appropriate. Should the District Attorney so request it, the City will provide such information on a more frequent basis.

2. All applicants for employment with the City of Los Angeles will be asked to acknowledge their responsibility to comply with any court ordered support obligations and will be advised of the City's practice of assisting the District Attorney as described in the provisions of Subsection f.1., above.

SECTION HISTORY

*Added by Ord. No. 172,401, Eff. 2-13-99.*
Sec. 10.37 Legislative Findings.

The City awards many contracts to private firms to provide services to the public and to City government. Many lessees or licensees of City property perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Experience indicates that procurement by contract of services has all too often resulted in the payment by service contractors to their employees of wages at or slightly above the minimum required by federal and state minimum wage laws. Such minimal compensation tends to inhibit the quantity and quality of services rendered by such employees to the City and to the public. Underpaying employees in this way fosters high turnover, absenteeism, and lackluster performance. Conversely, adequate compensation promotes amelioration of these undesirable conditions. Through this article the City intends to require service contractors to provide a minimum level of compensation that will improve the level of services rendered to and for the City.

The inadequate compensation typically paid today also fails to provide service employees with resources sufficient to afford life in Los Angeles. It is unacceptable that contracting decisions involving the expenditure of City funds should foster conditions placing a burden on limited social services. The City, as a principal provider of social support services, has an interest in promoting an employment environment that protects such limited resources. In requiring the payment of a higher minimum level of compensation, this article benefits that interest.

Nothing less than the living wage should be paid by the recipients of City financial assistance themselves. Whether they be engaged in manufacturing or some other line of business, the City does not wish to foster an economic climate where a lesser wage is all that is offered to the working poor. The same adverse social consequences from such inadequate compensation emanate just as readily from manufacturing, for example, as service industries. This article is meant to protect these employees as well.

The City holds a proprietary interest in the work performed by many employees employed by lessees and licensees of City property and by their service contractors and subcontractors. In a very real sense, the success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses. Inadequate compensation of these employees adversely impacts the performance by the City's lessee or licensee and thereby does the same for the success of City operations. By the 1998 amendment to this article, recognition is given to the prominence of this interest at those facilities visited by the public on a frequent basis, including but not limited to, terminals at Los Angeles International Airport, Ports O'Call Village in San Pedro, and golf courses and recreation centers operated by the Department of Recreation and Parks. This article is meant to cover all such employees not expressly exempted.

Requiring payment of the living wage serves both proprietary and humanitarian concerns of the City. Primarily because of the latter concern and experience to date regarding the failure of some employers to honor their obligation to pay the living wage, the 1998 amendments introduce additional enforcement mechanisms to ensure compliance with this important obligation. Non-complying employers must now face the prospect of paying civil penalties, but only if they fail to cure non-compliance after having been given formal notice thereof. Where non-payment is the issue, employers who dispute determinations of non-compliance may avoid civil penalties as well by paying into a City holding account the monies in dispute. Employees should not fear retaliation, such as by losing their jobs, simply because they claim their right to the living wage, irrespective of the accuracy of the claim. The 1998 amendments strengthen the prohibition against
retaliation to serve as a critical shield against such employer misconduct.

SECTION HISTORY


Sec. 10.37.1 Definitions.

The following definitions shall apply throughout this article:

(a) "Airport" means the Department of Airports and each of the airports which it operates.

(b) "Airport Employer" means an Employer, as the term is defined in this section, at the Airport.

(c) "Airport Employee" means an Employee, as the term is defined in this section, of an Airport Employer.

(d) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or public lease or license, or, where there is no such subordinate or component entity or person, then the City or the City financial assistance recipient.

(e) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles ("CRA"). The CRA is urged, however, to adopt a policy similar to that set forth in this article.

(f) "City financial assistance recipient" means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars ($1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar ($1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars ($1,000,000) but at least one hundred thousand dollars ($100,000), there shall be compliance for one year if at least one hundred thousand dollars ($100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar ($100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

A recipient - who employs the long-term unemployed or provides trainee positions intended to prepare employees for permanent positions, and who claims that compliance with this article would cause an economic hardship - may apply in writing to the City department or office administering such assistance, which department or office which shall forward such application and its recommended action on it to the City Council. Waivers shall be affected by Council resolution.

A recipient shall be exempted from application of this article if: (1) it is in its first year of existence, in which case the exemption shall last for one (1) year, (2) it employs fewer than five (5) employees for each working day in each of twenty (20) or more calendar weeks in the current or preceding calendar year, or (3) it obtains a waiver as provided herein. A recipient - who employs the long-term unemployed or provides trainee positions intended to prepare employees for permanent positions, and who claims that compliance with this article would cause an economic hardship - may apply in writing to the City department or office administering such assistance, which department or office which shall forward such application and its recommended action on it to the City Council. Waivers shall be affected by Council resolution.

(g) "Contractor" means any person that enters into: (1) a service contract with the City, (2) a service contract with a proprietary lessee or licensee or sublessee or sublicensee, or (3) a contract with a City financial assistance recipient to assist the recipient in performing the work for which the assistance is being given. Vendors, such as service contractors, of City financial assistance recipients...
shall not be regarded as contractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(h) "Designated Administrative Agency (DAA)" means the Department of Public Works, Bureau of Contract Administration, who shall bear administrative responsibilities under this article.

(i) “Employee” means any person - who is not a managerial, supervisory, or confidential employee and who is not required to possess an occupational license - who is employed (1) as a service employee of a contractor or subcontractor on or under the authority of one or more service contracts and who expends any of his or her time thereon, including but not limited to: hotel employees, restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; (2) as a service employee - of a public lessee or licensee, of a sublessee or sublicensee, or of a service contractor or subcontractor of a public lessee or licensee, or sublicensee - who works on the leased or licensed premises; (3) by a City financial assistance recipient who expends at least half of his or her time on the funded project; or (4) by a service contractor or subcontractor of a City financial assistance recipient and who expends at least half of his or her time on the premises of the City financial assistance recipient directly involved with the activities funded by the City.

(j) “Employer” means any person who is a City financial assistance recipient, contractor, subcontractor, public lessee, public sublessee, public licensee, or public sublicensee and who is required to have a business tax registration certificate by Los Angeles Municipal Code §§ 21.00 - 21.198 or successor ordinance or, if expressly exempted by the Code from such tax, would otherwise be subject to the tax but for such exemption; provided, however, that corporations organized under §501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. §501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight (8) times the lowest wage paid by the corporation, shall be exempted as to all employees other than child care workers.

(k) “Person” means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(l) “Public lease or license”.

(a) Except as provided in (l)(b)*, “Public lease or license” means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:

*Technical correction due to re-lettering of subsections: "(i)(b)" corrected to "(l)(b)".

1. The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or

2. Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or

3. The DAA has determined in writing that coverage would further the proprietary interests of the City.

(b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:

1. The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars ($350,000), from business conducted on City property;

2. The lessee or licensee employs no more than seven (7) people total in the company on and off City property;

3. To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company’s entire workforce to the awarding authority as required by regulation;

EXHIBIT G
LIVING WAGE ORDINANCE
(4) Whether annual gross revenues are less than three hundred fifty thousand dollars ($350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;

(5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);

(6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;

(7) Public leases and licenses shall be deemed to include public subleases and sublicenses;

(8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.

(m) “Service contract” means a contract let to a contractor by the City primarily for the furnishing of services to or for the City (as opposed to the purchase of goods or other property or the leasing or renting of property) and that involves an expenditure in excess of twenty-five thousand dollars ($25,000) and a contract term of at least three (3) months; but only where any of the following applies: (1) at least some of the services rendered are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) the DAA has determined in writing that coverage would further the proprietary interests of the City.

(n) “Subcontractor” means any person not an employee that enters into a contract (and that employs employees for such purpose) with (1) a contractor or subcontractor to assist the contractor in performing a service contract or (2) a contractor or subcontractor of a proprietary lessee or licensee or sublessee or sublicensee to perform or assist in performing services on the leased or licensed premises. Vendors, such as service contractors or subcontractors, of City financial assistance recipients shall not be regarded as subcontractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(o) “Willful violation” means that the employer knew of his, her, or its obligations under this article and deliberately failed or refused to comply with its provisions.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (e), Ord. No. 176,155, Eff. 9-22-04; Subsec. (e), Ord. No. 176,283, Eff. 12-25-04, Oper. 9-22-04; Subsecs, (a) through (1) re-lettered (d) through (o), respectively and new Subsecs. (a), (b), and (c) added, Ord. No. 180,877, Eff. 10-19-09.

Sec. 10.37.2 Payment of Minimum Compensation to Employees.

(a) Wages. Employers shall pay Employees a wage of no less than the hourly rates set under the authority of this article. The initial rates were seven dollars and twenty-five cents ($7.25) per hour with health benefits, as described in this article, or otherwise eight dollars and fifty cents ($8.50) per hour without health benefits. With the annual adjustment effective July 1, 2009, together with all previous annual adjustments as provided by this subsection, such rates are ten dollars and thirty cents ($10.30) per hour with health benefits or, if health benefits are not provided, then fourteen dollars and eighty cents ($14.80) per hour for Airport Employees and eleven dollars and fifty-five cents ($11.55) per hour for all other Employees. The hourly rate with health benefits to be paid to all Employees and the hourly rate without health benefits to be paid to Airport Employees shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly rates, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted rates, which shall take effect upon such publication.
Compensated Days Off. Employers shall provide at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request. Employers shall also permit employees to take at least an additional ten (10) days a year of uncompensated time to be used for sick leave for the illness of the employee or a member of his or her immediate family where the employee has exhausted his or her compensated days off for that year.

SECTIOI N HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.3 Health Benefits.

(a) Health Benefits. The health benefits required by this article shall consist of the payment of at least four dollars and fifty cents ($4.50) per hour by Airport Employers and at least one dollar and twenty-five cents ($1.25) per hour by all other Employers towards the provision of health care benefits for Employees and their dependents. Proof of the provision of such benefits must be submitted to the awarding authority to qualify for the wage rate in Section 10.37(a) for Employees with health benefits. Airport Employees cannot waive the health benefits offered by an Airport Employer when the Airport Employer does not require an out-of-pocket contribution by the Airport Employee. Consistent with and as shall be reflected in the hourly rates payable to Airport Employees as provided in 10.37.2(a) above, the amount of payment for health benefits by Airport Employers shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly payments, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted payment, which shall take effect upon such publication.

(b) Periodic Review. At least once every three years, the Office of Administrative and Research Services shall review the health benefit payment by Airport Employers set forth in 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

SECTIOI N HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.4 Notifying Employees of their Potential Right to the Federal Earned Income Credit.

Employers shall inform employees making less than twelve dollars ($12) per hour of their possible right to the federal Earned Income Credit ("EIC") under § 32 of the Internal Revenue Code of 1954, 26 U.S.C. § 32, and shall make available to employees forms informing them about the EIC and forms required to secure advance EIC payments from the employer.

SECTIOI N HISTORY

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.5 Retaliation Prohibited.

Neither an employer, as defined in this article, nor any other person employing individuals shall 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 this article, for opposing any practice proscribed by this article, for participating in proceedings related to this article, for seeking to enforce his or her rights under this article by any lawful means, or for otherwise asserting rights under this article.

SECTIOI N HISTORY

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.6 Enforcement.

(a) An employee claiming violation of this article may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against an employer and may be awarded:

(1) For failure to pay wages required by this article - back pay for each day during which the violation continued.
(2) For failure to pay medical benefits - the differential between the wage required by this article without benefits and such wage with benefits, less amounts paid, if any, toward medical benefits.

(3) For retaliation - reinstatement, back pay, or other equitable relief the court may deem appropriate.

(4) For willful violations, the amount of monies to be paid under (1) - (3) shall be trebled.

(b) The court shall award reasonable attorney's fees and costs to an employee who prevails in any such enforcement action and to an employer who so prevails if the employee's suit was frivolous.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article shall constitute a material breach thereof and entitle the City to terminate the contract and otherwise pursue legal remedies that may be available. Such contracts shall also include a pledge that there shall be compliance with federal law proscribing retaliation for union organizing.

(d) An employee claiming violation of this article may report such claimed violation to the DAA which shall investigate such complaint. Whether based upon such a complaint or otherwise, where the DAA has determined that an employer has violated this article, the DAA shall issue a written notice to the employer that the violation is to be corrected within ten (10) days. In the event that the employer has not demonstrated to the DAA within such period that it has cured such violation, the DAA may then:

(1) Request the awarding authority to declare a material breach of the service contract, public lease or license, or financial assistance agreement and exercise its contractual remedies thereunder, which are to include, but not be limited to, termination of the service contract, public lease or license, or financial assistance agreement and the return of monies paid by the City for services not yet rendered.

(2) Request the City Council to debar the employer from future City contracts, leases, and licenses for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last. Such debarment shall be to the extent permitted by, and under whatever procedures may be required by, law.

(3) Request the City Attorney to bring a civil action against the employer seeking:

(i) Where applicable, payment of all unpaid wages or health premiums prescribed by this article; and/or

(ii) A fine payable to the City in the amount of up to one hundred dollars ($100) for each violation for each day the violation remains uncured.

Where the alleged violation concerns non-payment of wages or health premiums, the employer will not be subject to debarment or civil penalties if it pays the monies in dispute into a holding account maintained by the City for such purpose. Such disputed monies shall be presented to a neutral arbitrator for binding arbitration. The arbitrator shall determine whether such monies shall be disbursed, in whole or in part, to the employer or to the employees in question. Regulations promulgated by the DAA shall establish the framework and procedures of such arbitration process. The cost of arbitration shall be borne by the City, unless the arbitrator determines that the employer's position in the matter is frivolous, in which event the arbitrator shall assess the employer for the full cost of the arbitration. Interest earned by the City on monies held in the holding account shall be added to the principal sum deposited, and the monies shall be disbursed in accordance with the arbitration award. A service charge for the cost of account maintenance and service may be deducted therefrom.

(e) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for violation of this article.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.7 Administration.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article ("designated administrative agency" - DAA).
The DAA shall monitor compliance, including the investigation of claimed violations, and shall promulgate implementing regulations consistent with this article. The DAA shall also issue determinations that persons are City financial assistance recipients, that particular contracts shall be regarded as "service contracts" for purposes of Section 10.37.1(i), and that particular leases and licenses shall be regarded as "public leases" or "public licenses" for purposes of Section 10.37.1(i), when it receives an application for a determination of non-coverage or exemption as provided for in Section 10.37.13. The DAA shall also establish employer reporting requirements on employee compensation and on notification about and usage of the federal Earned Income Credit referred to in Section 10.37.4. The DAA shall report on compliance to the City Council no less frequently than annually.

During the first, third, and seventh years of this article's operation since May 5, 1997, and every third year thereafter, the Office of Administrative and Research Services and the Chief Legislative Analyst shall conduct or commission an evaluation of this article's operation and effects. The evaluation shall specifically address at least the following matters: (a) how extensively affected employers are complying with the article; (b) how the article is affecting the workforce composition of affected employers; (c) how the article is affecting productivity and service quality of affected employers; (d) how the additional costs of the article have been distributed among workers, their employers, and the City. Within ninety days of the adoption of this article, these offices shall develop detailed plans for evaluation, including a determination of what current and future data will be needed for effective evaluation.

**SECTION HISTORY**

Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,283, Eff. 6-26-00, Oper. 7-1-00.

**Sec. 10.37.9 Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.**

This article shall not be construed to limit an employee's right to bring legal action for violation of other minimum compensation laws.

**SECTION HISTORY**

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.

**Sec. 10.37.10 Expenditures Covered.**

This article shall apply to the expenditure -- whether through aid to City financial recipients, service contracts let by the City, or service contracts let by its financial assistance recipients -- of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds.

**SECTION HISTORY**

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.

**Sec. 10.37.11 Timing of Application.**

(a) Original 1997 Ordinance. The provisions of this article as enacted by City Ordinance No.171,547, effective May 5, 1997, shall apply to (1) contracts consummated and financial assistance provided after such date, (2) contract amendments consummated after such date and before the effective date of the 1998 ordinance which themselves met the requirements of former Section 10.37.1(h) (definition of "service contract") or which extended contract duration, and (3) supplemental financial assistance provided after May 5, 1997 and before the effective date of the 1998 ordinance which itself met the requirements of Section 10.37.1(c).

(b) 1998 Amendment. The provisions of this article as amended by the 1998 ordinance shall apply to (1) service contracts, public leases or licenses, and financial assistance agreements consummated after the effective date of such ordinance and (2) amendments, consummated after the effective date of such ordinance, to service contracts, public

**SECTION HISTORY**

Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,283, Eff. 6-26-00, Oper. 7-1-00.

**Sec. 10.37.8 Exclusion of Service Contracts from Competitive Bidding Requirement.**

Service contracts otherwise subject to competitive bid shall be let by competitive bid if they involve the expenditure of at least two-million dollars ($2,000,000). Charter Section 372 shall not be applicable to service contracts.

**SECTION HISTORY**

Added by Ord. No. 171,547, Eff. 5-5-97.
leases or licenses, and financial assistance agreements that provide additional monies or which extend term.

(c) 2000 amendment. The provisions of this article as amended by the 2000 ordinance shall apply to (1) service contracts, public leases or public licenses and City financial assistance recipient agreements consummated after the effective date of such ordinance and (2) amendments to service contracts, public leases or licenses and City financial assistance recipient agreements which are consummated after the effective date of such ordinance and which provide additional monies or which extend the term.

(d) 2009 Amendment. The provisions of this article as amended by the 2009 ordinance shall become operative ninety (90) days following the effective date of the 2009 ordinance.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (b), Subsec. (c) Added, Ord. No. 173,747, Eff. 2-24-01; Subsec. (d) Added, Ord. No. 180,877, Eff. 10-19-09.

Sec. 10.37.12 Supersession by Collective Bargaining Agreement.

Parties subject to this article may by collective bargaining agreement provide that such agreement shall supersede the requirements of this article.

SECTION HISTORY

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.

Sec. 10.37.13 Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage.

The definitions of “City financial assistance recipient” in Section 10.37.1(c), of “public lease or license” in Section 10.37.1(i), and of “service contract” in Section 10.37.1(j) shall be liberally interpreted so as to further the policy objectives of this article. All recipients of City financial assistance meeting the monetary thresholds of Section 10.37.1(c), all City leases and licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services that are more than incidental, shall be presumed to meet the corresponding definition just mentioned, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition.

The DAA shall by regulation establish procedures for informing persons engaging in such transactions with the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

SECTION HISTORY


Sec. 10.37.14 Severability

If any provision of this article is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

SECTION HISTORY

Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
ALTERNATIVE FUEL VEHICLE REQUIREMENT PROGRAM
(LAX ONLY)

I. Definitions.

The following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"Airport Contract" shall mean a contract awarded by LAWA and pertaining to LAX, and subcontracts of any level under such a contract.

"Airport Contractor" shall mean (i) any entity awarded an Airport Contract, and subcontractors of any level working under an Airport Contract; (ii) any contractors that have entered into a contract with an Airport Lessee to perform work on property owned by LAWA and pertaining to LAX, and any subcontractors working in furtherance of such a contract; and (iii) any contractor that have entered into a contract with an Airport Licensee to perform work pertaining to LAX, and any subcontractors working under such a contract.

"Airport Lessee" shall mean any entity that leases or subleases any property owned by LAWA and pertaining to LAX.

"Airport Licensee" shall mean any entity issued a license or permit by LAWA for operations that pertain to LAX.

"Alternative-Fuel Vehicle" shall mean a vehicle that is not powered by petroleum-derived gasoline or diesel fuel. Alternative-Fuel Vehicles include, but are not limited to, vehicles powered by compressed or liquefied natural gas, liquefied petroleum gas, methanol, ethanol, electricity, fuel cells, or other advanced technologies. Vehicles that are powered with a fuel that includes petroleum-derived gasoline or diesel are Alternative-Fuel Vehicles only if the petroleum-derived energy content of the fuel is no more than twenty percent (20%) of the total energy content of the fuel. Vehicles powered by dual fuel technologies are Alternative-Fuel Vehicles only if no more than twenty-percent (20%) of the fuel used by the engine comes from a petroleum-derived fuel. Vehicles powered by fuels that are derived from sources other than petroleum, but that can be used in conventional spark or combustion-ignition engines, are Alternative-Fuel Vehicles.

"CARB" shall mean the California Air Resources Board.

"Comparable Emissions Vehicle" shall mean a vehicle powered by an engine certified by CARB operating on petroleum-derived gasoline or diesel fuel that has criteria pollutant emissions less than or equal to a comparable alternative fuel engine.

"Covered Vehicles" is defined in Section II below.

"EPA" shall mean the United States Environmental Protection Agency.
"Independent Third Party Monitor" shall mean a person or entity empowered by LAWA to monitor compliance with and/or implementation of particular requirements in this policy.

"LAWA" shall mean Los Angeles World Airports.

"LAX" shall mean Los Angeles International Airport.

"Least-Polluting Available Vehicle" shall mean a vehicle that (i) is determined by an Independent Third Party Monitor to be (x) commercially available, (y) suitable for performance of a particular task, and (z) certified by CARB or EPA to meet the applicable engines emission standard in effect at the time of purchase; and (ii) is equipped with a retrofit device that reduces NOx emissions by at least twenty-five percent (25%) and reduces particulate matter by at least eighty-five percent (85%). Where more than one vehicle meets these requirements for a particular task, LAWA, working with the Independent Third Party Monitor, will designate as the Least-Polluting Available Vehicle the vehicle that emits the least amount of criteria air pollutants.

"Operator" shall mean any Airport Contractor, Airport Lessee, or Airport Licensee.

II. Covered Vehicles. The requirements under this Attachment shall apply to all on-road vehicles, including trucks, shuttles, passenger vans, and buses that are 8,500 lbs gross vehicle weight rating or more and are used in operations related to LAX ("Covered Vehicles").

III. Conversion Schedule.

A. By January 31, 2010, fifty percent (50%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.

B. By January 31, 2015, one hundred percent (100%) of the Covered Vehicles operated by an Operator shall be Alternative-Fuel Vehicles or Comparable Emissions Vehicles.

IV. Least-Polluting Available Vehicles. In cases where an Operator cannot comply with the requirements established pursuant to Section III above because neither Alternative-Fuel Vehicles nor Comparable Emissions Vehicles are commercially available for performance of particular tasks, LAWA will instead require Operators to use Least-Polluting Available Vehicles for such tasks. An Independent Third Party Monitor will determine on an annual basis whether Alternative-Fuel Vehicles or Comparable Emissions Vehicles are commercially available to perform particular tasks, and, in cases where Alternative-Fuel Vehicles are not commercially available for performance of a particular task, will identify the Least-Polluting Available Vehicle for performance of that task.

V. Written Reports. Operator shall complete and submit to LAWA the vehicle information required on the reporting form accessible on-line at https://online.lawa.org/altfuel/ on a semi-annual basis. The reporting form may be amended from time to time by LAWA.
FIRST SOURCE HIRING PROGRAM FOR AIRPORT EMPLOYEES

I. **Purpose.** The purpose of this First Source Hiring Program is to facilitate the employment of Targeted Applicants by Airport Employers. It is a goal of this First Source Hiring Program that this Program benefit Airport Employers by providing a pool of qualified job applicants through a non-exclusive referral system.

II. **Definitions.** As used in this Program, the following capitalized terms shall have the following meanings. All definitions include both the singular and plural form.

"Airport" shall mean Los Angeles International Airport.

"Airport Employer" shall mean a party that, through a contract, lease, licensing arrangement, or other arrangement, agrees to comply with this First Source Hiring Program with regard to Airport Jobs. Operators of transportation charter party limousines, non-tenant shuttles, and taxis shall not be considered Airport Employers.

"Airport Job" shall mean a job that either (i) is performed On-Site, or (ii) is directly related to a contract, lease, licensing arrangement, or other arrangement under which the employer is an Airport Employer. Positions for which City's Worker Retention Policy requires hiring of particular individuals shall not constitute Airport Jobs for purposes of this Program.

"City" shall mean the City of Los Angeles.

"Coalition" shall mean the LAX Coalition for Economic, Environmental, and Educational Justice, an unincorporated association comprised exclusively of the following organizations: AGENDA; AME Minister's Alliance; Clergy and Laity United for Economic Justice; Coalition for Clean Air; Communities for a Better Environment; Community Coalition; Community Coalition for Change; Environmental Defense; Inglewood Coalition for Drug and Violence Prevention; Inglewood Democratic Club; Lennox Coordinating Council; Los Angeles Alliance for a New Economy; Los Angeles Council of Churches; Nation of Islam; Natural Resources Defense Council; Physicians for Social Responsibility Los Angeles; Service Employees International Union Local 347; and Teamsters Local 911.

"Coalition Representative" shall mean the following: The Coalition shall designate one individual as the “Coalition Representative” authorized to speak or act on behalf of the Coalition for all purposes under the Cooperation Agreement. The Coalition Representative may designate one or more assistants to assist the Coalition Representative in speaking or acting on behalf of the Coalition with respect to any specific program or activity or any other matter. The Coalition shall provide LAWA with contact information for the Coalition Representative upon request.
"Cooperation Agreement" shall mean the Cooperation Agreement between LAWA and the LAX Coalition for Economic, Environmental and Educational Justice.

"LAWA" shall mean Los Angeles World Airports.

"Low-Income Individual" shall mean an individual whose household income is no greater than 80% of the median income, adjusted for household size, for the Primary Metropolitan Statistical Area.

"On-Site" shall mean physically located on property owned or leased by LAWA and pertaining to Airport.

"Program" shall mean this First Source Hiring Program.

"Project Impact Area" shall have the meaning set forth in the "Final Environmental Impact Report" for the LAX Master Plan Program, dated April 2004, as supplemented by one or more EIR Addenda prior to certification of the EIR by the City Council.

"Referral System" shall mean the referral system established to provide applicant referrals for the Program.

"Special Needs Individuals" shall mean: (i) individuals who receive or have received public assistance through the [Temporary Assistance for Needy Families Program], within the past 24 months; (ii) individuals who are homeless; (iii) ex-offenders, (iv) chronically unemployed, and (v) dislocated airport workers.

"Targeted Applicants" shall have the meaning set forth in Section IV below.

III. **Coverage.** This Program shall apply to hiring by Airport Employers for all Airport Jobs, except for jobs for which the hiring procedures are governed by a collective bargaining contract that conflicts with this Program.

IV. **Targeted Applicants.** Referrals under the Program shall, to the extent permissible by law, be made in the order of priority set forth below.

   - **First Priority:** Low-Income Individuals living in the Project Impact Area for at least one year and Special Needs Individuals; and
   
   - **Second Priority:** Low-Income Individuals residing in City.

V. **Initial Airport Employer Roles.**

   A. **Liaison.** Each Airport Employer shall designate a liaison for issues related to the Program. The liaison shall work with LAWA, the Coalition Representative, the Referral System provider, and relevant public officials to facilitate effective implementation of this Program.

---

EXHIBIT I
FIRST SOURCE HIRING
(LAX Only)
B. **Long-Range Planning.** Any entity that becomes an Airport Employer at least two (2) months prior to commencing operations related to Airport shall, at least two months prior to commencing operations related to Airport, provide to the Referral System the approximate number and type of Airport Jobs that it will fill and the basic qualifications necessary.

VI. **Airport Employer Hiring Process.**

A. **Notification of Job Opportunities.** Prior to hiring for any Airport Job, an Airport Employer shall notify the Referral System, by e-mail or fax, of available job openings and provide a description of job responsibilities and qualifications, including expectations, salary, work schedule, duration of employment, required standard of appearance, and any special requirements (e.g., language skills, driver’s license, etc.). Job qualifications shall be limited to skills directly related to performance of job duties.

B. **Referrals.** After receiving a notification under Section VI.A above, the Referral System shall within five days, or longer time frame agreed to by the Referral System and Airport Employer, refer to the Airport Employer one or more Targeted Applicants who meet the Airport Employer's qualifications.

C. **Hiring.**

1. **New Employer Targeted Hiring Period.** When making initial hires for the commencement of an Airport Employer's operations related to Airport, the Airport Employer shall consider and hire only Targeted Applicants for a two week period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.

2. **Established Employer Targeted Hiring Period.** When making hires after the commencement of operations related to Airport, an Airport Employer shall consider and hire only Targeted Applicants for a five-day period following provision of the notification described in Section VI.A. After this period, the Airport Employer shall make good-faith efforts to hire Targeted Applicants, but may consider and hire applicants referred or recruited through any source.

3. **Hiring Procedure During Targeted Hiring Periods.** During the periods described in Sections VI.C.1 and VI.C.2 above, Airport Employers may hire Targeted Applicants recruited or referred through any source. During such periods Airport Employers shall use normal hiring practices, including interviews, to consider all applicants referred by the Referral System.
4. **No Referral Fees.** No Airport Employer or referred job candidate shall be required to pay any fee, cost or expense of the Referral System or this Program in connection with referrals.

VIII. **Reporting and Recordkeeping.**

A. **Reports.** During the time that this Program is applicable to any Airport Employer, that Airport Employer shall, on a quarterly basis, notify the Referral System of the number, by job classification, of Targeted Applicants hired by the Airport Employer during that quarter, and the total number of employees hired by the Airport Employer for Airport Jobs during that quarter. Any Airport Employer who has not had hiring activity for the quarter, shall also notify the Referral System of such inactivity.

B. **Recordkeeping.** During the time that this Program is applicable to any Airport Employer, that Airport Employer shall retain records sufficient for monitoring of compliance with this Program with regard to each Airport Job, including records of notifications sent to the Referral System, referrals from the Referral System, job applications received from any source, number of Targeted Applicants hired, and total number of employees hired for Airport Jobs. To the extent allowed by law, and upon reasonable notice, these records shall be made available to LAWA and to the Referral System for inspection upon request. The Coalition Representative may request that LAWA provide such records at anytime. Records may be redacted so that individuals are not identified by name and so that information required by law to remain confidential is excluded.

C. **Complaints.** If LAWA, the Coalition, or the Referral System believes that an Airport Employer is not complying with this Program, then the designated LAWA office shall be notified to ensure compliance with this program.

D. **Liquidated Damages.** Each Airport Employer agrees to pay to LAWA liquidated damages in the amount of One Thousand Dollars ($1,000) where LAWA finds that the Airport Employer has violated this Program with regard to hiring for a particular Airport Job. LAWA shall establish procedures providing to Airport Employers notice and an opportunity to present all relevant evidence prior to LAWA’s final determination regarding an alleged violation. This liquidated damages provision does not preclude LAWA from obtaining any other form of available relief to ensure compliance with this Program, including injunctive relief.

IX. **Miscellaneous.**

A. **Compliance with State and Federal Law.** This Program shall be implemented only to the extent that it is consistent with the laws of the State of California and the United States. If any provision of this Program is held by a court of law to be in conflict with state or federal law, the applicable law shall prevail over the terms of
this Program, and the conflicting provisions of this Program shall not be enforceable.

B. **Severability Clause.** If any term, provision, covenant or condition of this Program is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall continue in full force and effect.

C. **Binding on Successors.** This Program shall be binding upon and inure to the benefit of the successors in interest, transferees, assigns, present and future partners, subsidiary corporations, affiliates, agents, representatives, heirs, and administrators of any party that has committed to comply with it. Any reference in this Program to a party shall be deemed to apply to any successor in interest, transferee, assign, present or future partner, subsidiary corporation, affiliate, agent, representative, heir or administrator of such party; provided, however, that any assignment, transfer or encumbrance of a lease agreement, permit or contract in which this Program is incorporated shall only be made in strict compliance with the terms of such lease agreement, permit or contract and the foregoing shall not constitute consent to any such assignment, transfer or encumbrance.

D. **Lease Agreements and Contracts.** Airport Employers shall not execute any sublease agreement or other contract under which Airport Jobs may occur directly or indirectly, unless the entirety of this Program is included as a material term thereof, binding on all parties.

E. **Assurance Regarding Preexisting Contracts.** Each Airport Employer warrants and represents that as of the date of execution of this Program, it has executed no sublease agreement or other contract that would violate any provision of this Program had it been executed after the date of incorporation of this Program into a binding contract.

F. **Intended Beneficiaries.** LAWA, the Coalition, and the Referral System are intended third-party beneficiaries of contracts and other agreements that incorporate this Program with regard to the terms and provisions of this Program. However, the parties recognize that only LAWA has the sole responsibility to enforce the provisions of this Program.

G. **Material Terms.** All provisions of this Program shall be material terms of any lease agreement or contract in which it is incorporated.

H. **Effective Date.** Section VI of this Program shall become effective on the effective date of the contract or agreement into which it is incorporated.

I. **Construction.** Any party incorporating this Program into a binding contract has had the opportunity to be advised by counsel with regard to this Program. Accordingly, this Program shall not be strictly construed against any party, and
the rule of construction that any ambiguities be resolved against the drafting party shall not apply to this Program.

J. **Entire Contract.** This Program contains the entire agreement between the parties on the subjects described herein, and supersedes any prior agreements, whether written or oral. This Program may not be altered, amended or modified except by an instrument in writing signed in writing by all parties to the contract in which it is incorporated.