

0150-11660-0002

TRANSMITTAL

TO The Council	DATE 6/20/2024	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT All

**Proposed Second Amendment to Contract No. C-129151 with
Outfront Media LLC for Transit Vehicle Advertising**

Approval for the Los Angeles Department of Transportation to execute the above amendment.
Transmitted for your consideration.
See the City Administrative Officer report attached.



MAYOR

(Carolyn Webb de Macias for)

MWS:ADN:06240079t

Report From
OFFICE OF THE CITY ADMINISTRATIVE OFFICER
Analysis of Proposed Contract
(\$25,000 or Greater and Longer than Three Months)

To: The Mayor	Date: 06-14-24	C.D. No. All	CAO File No.: 0150-11660-0002				
Contracting Department/Bureau: Department of Transportation		Contact: Lindsey Estes (213) 928-9772					
Reference: Department of Transportation transmittal dated April 8, 2024, referred for report by the Mayor on April 9, 2024.							
Purpose of Contract: To provide transit vehicle advertising services.							
Type of Contract: () New contract (X) Amendment, Contract No. C-129151		Contract Term Dates: March 1, 2017 through September 30, 2023 (current) March 1, 2017 through March 31, 2025 (requested) (12 month extension from October 1, 2023 through September 30, 2024 with an option to extend on a month-to-month basis for a maximum of six months through March 31, 2025)					
Contract/Amendment Amount: The contract and proposed amendment have no cost to the City. Net revenue from the sale of advertising on City transit vehicles is shared between the contractor and the City. A 60 percent share of the net revenue will be deposited to the City revenue for the term of the proposed contract extension from October 2023 through March 2025.							
Source of funds: None. Revenue received will be placed in the Proposition A Local Transit Assistance Fund.							
Name of Contractor: Outfront Media Group, LLC							
Address: 405 Lexington Avenue, New York NY 10174							
	Yes	No	N/A	Contractor has complied with:	Yes	No	N/A
1. Council has approved the purpose	X			8. Business Inclusion Program	X		
2. Appropriated funds are available			X	9. Equal Benefits & First Source Hiring Ordinances	X		
3. Charter Section 1022 findings completed	X			10. Contractor Responsibility Ordinance	X		
4. Proposals have been requested	X			11. Disclosure Ordinances	X		
5. Risk Management review completed	X			12. Bidder Certification CEC Form 50	X		
6. Standard Provisions for City Contracts included	X			13. Prohibited Contributors (Bidders) CEC Form 55	X		
7. Workforce that resides in the City: %				14. California Iran Contracting Act of 2010	X		

RECOMMENDATION

That the Council and Mayor authorize the General Manager of the Los Angeles Department of Transportation (LADOT), or designee, to execute a Second Amendment to Contract No. C-129151 with Outfront Media Group, LLC, for transit vehicle advertising services, to:

- A) Extend the term of the Contract through September 30, 2024 with the option to extend on a month-to-month basis for a period not to exceed the end of March 2025;
- B) Approve the adjustment of the compensation rate to pay the City a 60 percent share of the net revenue earned by the Contractor from the sale of advertising during the proposed term extension; and,
- C) Update the City Standard Provisions for City Contracts (Rev 9/22) [v.1], and contracting language as required by ordinance of all City contracts, and incorporate the Attachments and Exhibits.

<i>Andrew Neri</i>	<i>Ylenda Chavez</i>		
ADN	Analyst	06240079	for City Administrative Officer

SUMMARY

The LADOT requests approval to execute a Second Amendment to Contract No. C-129151 with Outfront Media, LLC, for transit vehicle advertising services, to:

- Extend the term of the Contract through September 30, 2024 with the option to extend on a month-to-month basis for a period not to exceed six additional months, for a total term through the end of March 2025;
- Approve the adjustment of the compensation rate to pay the City a 60 percent share of the net revenue earned by the Contractor from the sale of advertising during the proposed term extension; and,
- Update the City's Standard Provisions for City Contracts (Rev 9/22) [v.1], and contracting language as required by ordinance of all City contracts, and incorporation of the Attachments and Exhibits.

In March 2017, following a Request for Proposals (RFP) process, the City Council authorized LADOT to execute a contract with Outfront Media Group LLC for a five-year term for the provision of transit vehicle advertising Services (C.F. 11-2007). This contract expired on March 31, 2022. In April 2022, LADOT executed the First Amendment to the contract, which extended the contract term for an additional year, with an option to extend on a month-to-month basis for no more than six additional months through September 30, 2023.

On December 19, 2023, LADOT released a new Request for Proposals (RFP) to procure advertising services. The deadline for responses to the RFP was in February 2024. LADOT is currently evaluating the RFP submissions.

On April 8, 2024, LADOT submitted a request to the Mayor to extend the contract that expired September 30, 2023. LADOT states that they require an extension of the expired contract to prevent an interruption in revenue generation from advertising services and that Outfront Media has been working for the City without a contract since October 1, 2023.

The COVID-19 pandemic significantly impacted demand for advertising services on transit vehicles, and in 2020 and 2021, LADOT waived the minimum annual guarantee originally included in this agreement as a result. The prior agreement stipulated that the contractor pay the City a minimum annual guarantee of \$950,000 or 60 percent of revenues whichever one is higher. While revenue has increased since the pandemic drop, Outfront Media Group LLC indicates that they are still experiencing lower demand in major sectors they historically received interest from. LADOT reports that the advertising revenue generated is only 70 percent of what was collected prior to COVID-19. As a result, LADOT recommends waiving the minimum annual guarantee for the remainder of the Agreement and will only require deposit of the 60 percent net revenue share.

In accordance with Los Angeles Administrative Code Section 10.5(a), Council approval is required as the term of the contract exceeds three years.

BACKGROUND

The scope of work is the sale and display of advertising on the exterior and interior of 387 LADOT transit Commuter Express buses, Community DASH buses, and Cityride Paratransit service vehicles. The contractor designs, develops, sells and places advertising signs and displays in, on, and upon the

City owned vehicles, both on exterior and interior locations. LADOT retains the right to display exterior advertisements on up to five percent of the buses and up to 50 percent of the interior space for the optional use by LADOT or other City agencies to share information of public concern. The contractor is required to work closely with the fleet operators for the installation and removal of advertising materials to avoid service disruption.

FISCAL IMPACT STATEMENT

There is no General Fund cost associated with this proposed contract amendment.

Execution of the proposed amendment will result in a 60 percent share of the net revenue earned by the Contractor from the sale of advertising from October 1, 2023 through March 31, 2025. Revenue generated through this contract is deposited into the City's Proposition A Local Transit Assistance Fund which supports City transit services. The contract includes a ratification clause to apply the rates in the amendment for services provided to the City in the period prior to the execution of the extension.

FINANCIAL POLICIES STATEMENT

The recommendation in this Report complies with the City Financial Policies. There is no cost to the City for the proposed contract amendment and the contract agreement provides for revenue to the City.


Attachment

MWS:ADN:06240079

CITY OF LOS ANGELES
INTER-DEPARTMENTAL MEMORANDUM

Date: April 8, 2024

To: The Honorable Karen Bass, Mayor
Office of the Mayor
Attention: Heleen Ramirez, Legislative Coordinator

From: Laura Rubio-Cornejo, General Manager 
Department of Transportation

Subject: **SECOND AMENDMENT TO AGREEMENT C-129151 BETWEEN THE LOS ANGELES DEPARTMENT OF TRANSPORTATION AND OUTFRONT MEDIA GROUP LLC FOR TRANSIT VEHICLE ADVERTISING SERVICES**

SUMMARY

The City of Los Angeles Department of Transportation (LADOT) requests authorization to execute a contract amendment with Outfront Media Group LLC for the continued provision of transit vehicle advertising services for its Proposition A and C funded public transit services and projects.

RECOMMENDATIONS

That the City Council, with the concurrence of the Mayor:

1. AUTHORIZE the LADOT General Manager to execute the Second Amendment to Agreement C-129151 with Outfront Media Group LLC.
2. APPROVE the extension of the term of the Agreement for 12 months, from October 1, 2023 to September 30, 2024, followed by a month-to-month option for an additional six months, from October 1, 2024 to March 31, 2025, for a total of 18 months.
3. APPROVE the adjustment of the compensation rate.
4. APPROVE the update of the City's Standard Provisions for City Contracts (Rev 9/22) [v.1], addition of contracting language as required by ordinance of all City contracts, and incorporation of the Attachment.

BACKGROUND

Since 2006, LADOT allowed transit vehicle advertising on its vehicles through an advertising service provider, generating additional revenue for LADOT transit operations. The transit vehicle advertising contractor markets and sells advertising space inside and outside of the LADOT transit vehicles from interested firms. The contractor is responsible for installing, maintaining, and removing these advertisements.

On March 29, 2017, the City Council authorized LADOT to execute a contract with Outfront Media Group LLC for a five-year term for the provision of Transit Vehicle Advertising Services (C.F. 11-2007). On May 18, 2022, LADOT executed the First Amendment, extending the Agreement for 12 months, followed by a month-to-month option for an additional six months for a total of 18 months, from April 1, 2023, to September 30, 2023, and updated the compensation and City contracting language.

The scope of work is the sale and display of advertising on the exterior and interior of 387 LADOT transit Commuter Express buses, Community DASH buses, and Cityride Paratransit service vehicles. The contractor designs, develops, sells, and places advertising signs and displays in, on, and upon the City owned vehicles, both on exterior and interior locations. LADOT retains the right to display exterior advertisements on up to five percent of the buses and up to 50 percent of the interior space for the optional use by LADOT or other City agencies to share information of public concern. The contractor must work closely with the fleet operators to install and remove advertising materials to avoid service disruption.

DISCUSSION

On April 11, 2017, Outfront Media Group LLC began providing the services as required under Agreement C-129151 for Transit Vehicle Advertising Services. This revenue-generating Agreement requires Outfront Media Group LLC to pay a minimum annual guarantee, adjusted annually, or 60 percent of the net revenues, whichever is greater.

On December 19, 2023, LADOT released a new Request for Proposals (RFP) for these services but requires continuation of the current Agreement until a new contract is awarded to prevent an interruption in revenue generation from advertising services. The requested contract extension is a stop-gap measure to ensure uninterrupted transit vehicle advertising while a new RFP process is completed.

There is no cost to the City for the Agreement and proposed amendment. The proposed Second Amendment requires the Contractor to pay the City a 60 percent share of the net revenue earned by the Contractor from the sale of advertising during the proposed term extension. The COVID-19 pandemic significantly impacted demand for advertising services on transit vehicles, and in 2020 and 2021, LADOT waived the minimum annual guarantee originally included in this agreement as a result. While revenue generated by this Agreement has increased progressively since 2020, the advertising revenue generated is still only about 70 percent of what was collected since the onset of the COVID-19 pandemic (detailed in Table 1 below). LADOT recommends waiving the minimum annual guarantee for the remainder of the Agreement and will only require deposit of the 60 percent net revenue share.

Table 1: Transit Vehicle Advertising Services Revenue Summary

Contract Year	Annual Billings	60% Share	Minimum Annual Guarantee
Year 1 - April 2017 - March 2018	\$1,232,243	\$739,346	\$850,000
Year 2 - April 2018 - March 2019	\$1,586,618	\$951,971	\$875,000
Year 3 - April 2019 - March 2020	\$1,456,849	\$874,110	\$900,000
Year 4 - April 2020 - March 2021	\$420,686*	\$252,412	N/A**

Year 5 - April 2021 - March 2022	\$585,713*	\$351,428	N/A**
Year 6 - April 2022 - March 2023	\$1,008,298	\$604,979	\$950,000

* COVID-19 pandemic affected revenues

** Minimum Annual Guarantee suspended during COVID-19 pandemic

FISCAL IMPACT

There is no General Fund impact associated with this Agreement. Revenue generated through this contract amendment is deposited into the City’s Proposition A Local Transit Assistance Fund, which supports City transit services.

LRC:JWK

Attachment

SECOND AMENDMENT
TO AGREEMENT C-129151
BETWEEN
THE CITY OF LOS ANGELES
AND
OUTFRONT MEDIA GROUP LLC
FOR
TRANSIT VEHICLE ADVERTISING SERVICES

**SECOND AMENDMENT TO AGREEMENT C-129151
BETWEEN
THE CITY OF LOS ANGELES
AND
OUTFRONT MEDIA GROUP LLC
FOR TRANSIT VEHICLE ADVERTISING SERVICES**

THIS SECOND AMENDMENT to Agreement (“**Agreement**” or “**Contract**”) C-129151 is made and entered into by and between the City of Los Angeles, (hereinafter referred to as “**CITY**”), a municipal corporation, acting by and through the Department of Transportation (hereinafter referred to as “**LADOT**”), and Outfront Media Group LLC (hereinafter referred to as the “**CONTRACTOR**”), referred to collectively as “**Parties**” and individually as “**Party**,” is entered into with reference to the following:

WITNESSETH

WHEREAS, the CITY desires to continue contracting with an out-of-home advertising organization to develop and manage a revenue-generating transit advertising program for the City’s transit services; and

WHEREAS, the CITY performed a Charter 1022 review and determined that services can be performed more economically or feasibly by an independent contractor than by City employees; and

WHEREAS, on October 24, 2016, the CITY issued a Request for Proposals (RFP) for companies, both locally and nationally, interested in providing transit advertising services, which said RFP is on file in the office of the CITY and is incorporated herein by reference; and

WHEREAS, the CONTRACTOR submitted a proposal in response to the RFP, dated November 22, 2016, which is incorporated herein by reference (collectively hereinafter referred to as the “**Proposal**”); and

WHEREAS, on April 11, 2017, the Parties entered into Agreement C-129151, wherein the CONTRACTOR agreed to develop and manage a revenue-generating transit advertising program for the City’s transit services; and

WHEREAS, on May 18, 2022, the Parties executed the First Amendment to Agreement C-129151 that extended the term for twelve (12) months, from April 1, 2022 to March 31, 2023, followed by a month-to-month option for an additional six (6) months, from April 1, 2023 to September 30, 2023 for a total of eighteen (18) months, (C.F. 11-2007-S1); and

WHEREAS, on December 19, 2023, LADOT released a new RFP for these services, but requires continuation of the current Agreement until the new contract award; and

WHEREAS, LADOT desires in this Second Amendment to Agreement C-129151 to a) extend the term of the Agreement for twelve (12) months, from October 1, 2023 to September 30, 2024, followed by a month-to-month option for an additional six (6) months, from October 1, 2024 - March 31, 2025, for a total of eighteen (18) months, b) update the Standard Provisions for City Contracts (Rev. 9/22) [v.1], c) adjust the compensation rate, d) add contracting language as required by ordinance of all City contracts, and e) incorporate Attachments; and

NOW, THEREFORE, in consideration of the above premises, and the mutual covenants and agreements herein contained, the Parties agree as follows:

1. **Section I. INTRODUCTION AND CONDITIONS PRECEDENT**, Subsection B.1.a Representatives of the Parties and Service of Notices, is hereby amended in its entirety read as follows:

Laura Rubio-Cornejo, General Manager
Los Angeles Department of Transportation
100 South Main Street, 10th Floor
Los Angeles, California, 90012

With copies to:

Brian Lee, Chief of Transit Programs
Los Angeles Department of Transportation
100 South Main Street, 10th Floor
Los Angeles, California, 90012

2. **Section II. TERMS OF CONTRACT**, Subsection A.1 Contract Period, and Subsection A.4 - Termination During the Month-to-Month Extension, are hereby amended in their entirety, and a new Subsection A.5 - Ratification, is hereby added immediately after A.4 to read as follows:

1. This Agreement shall be in effect for seven (7) years and six (6) months from April 1, 2017 through September 30, 2024. Thereafter, the CITY shall have the right to extend the Agreement on a month-to-month basis up to an additional six (6) months, from October 1, 2024 to March 31, 2025, provided that the CITY provides a written notice to the CONTRACTOR of the CITY'S intent to exercise the month-to-month extension no less than sixty (60) days prior to September 30, 2024.
4. Termination During the Month-to-Month Extension. If the CITY exercises its right to extend the Agreement on a month-to-month basis beyond September 30, 2024, pursuant to Section II A.1, the CITY may terminate the month-to-month extension prior to March 31,, 2025, provided the CITY provides the CONTRACTOR with a written notice of its intent to terminate this Agreement no less than sixty (60) days prior to the actual termination date.
5. Ratification. The CONTRACTOR may have provided prior services to the City of Los Angeles under the terms of an executed Agreement , which included a requirement to adhere to the City's Standard Provisions for City Contracts. To the extent that the CONTRACTOR provided services to the CITY prior to the execution of this extension, and the CONTRACTOR'S services were performed in accordance with the terms and conditions of this extension and the original Agreement, including the City's Standard Provisions for City Contracts, those services are hereby ratified.

3. **Section V, COMPENSATION**, Paragraph B is hereby amended to read as follows:

B. The CONTRACTOR shall pay the CITY based on the following payment schedule for each year of the Agreement:

Year	Minimum Annual Guarantee	Share Percentage
One (4/1/17 - 3/31/18)	\$850,000	60% of Net Revenues
Two (4/1/18 - 3/31/19)	\$875,000	60% of Net Revenues
Three (4/1/19 - 3/31/20)	\$900,000	60% of Net Revenues
Four (4/1/20 - 3/31/21)*	\$925,000	60% of Net Revenues
Five (4/1/21 - 3/31/22)*	\$950,000	60% of Net Revenues
Six (4/1/22 - 3/31/23)	\$950,000	60% of Net Revenues
Month-to-Month Extension (4/1/23 – 9/30/23)**	\$950,000	60% of Net Revenues
Seven (10/1/23 – 9/30/24)	None	60% of Net Revenues
Month-to-Month Extension (10/1/24 – 3/31/25)	None	60% of Net Revenues

* The Minimum Annual Guarantee was suspended following the onset of the COVID-19 pandemic

**The Minimum Annual Guarantee was prorated on a monthly basis.

4. Effective the date of attestation by the City Clerk of this Second Amendment, all references to the Standard Provisions for City Contracts or Standard Provisions for City Contracts (Rev. 10/21) [v.4] throughout the Agreement are hereby deleted and replaced with the following: Standard Provisions for City Contracts (Rev. 9/22) [v.1].
5. **Section VII, STANDARD CONTRACT PROVISIONS**, First paragraph, is hereby amended in its entirety to read as follows:

By entering into this Agreement with the CITY, the CONTRACTOR agrees to abide by the Standard Provisions for City Contracts (Rev. 9/22) [v.1], attached hereto and incorporated herein as Attachment A.
6. **Attachment A, Standard Provisions for City Contracts**, is hereby replaced in its entirety by the Standard Provisions for City Contracts (Rev. 9/22) [v.1] attached hereto and incorporated herein as Attachment A.
7. Except as herein amended, all other terms and conditions of this Agreement shall remain in full force and effect.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

THE CITY OF LOS ANGELES,
a Municipal Corporation

Outfront Media Group LLC, a California Limited Liability Company

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this contract.

By: _____
Laura Rubio-Cornejo
General Manager
Department of Transportation

By*: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:
HYDEE-FELDSTEIN-SOTO, City Attorney

By: _____
Michael Nagle
Deputy City Attorney

By**: _____

Title: _____

Date: _____

Date: _____

ATTEST:
HOLLY L. WOLCOTT, City Clerk

By: _____

Date: _____

City Agreement Number: C-129151-2

Council File Number: 11-2007, 11-2007-S1

NOTE: If Contractor is a corporation, two signatures are required.

* The signature of President, Chairman of the Board, or Vice President is required here; and

** An additional signature of Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer is also required for the Corporation.

ATTACHMENT A

Standard Provisions for City Contracts (Rev. 9/22) [v.1]

STANDARD PROVISIONS FOR CITY CONTRACTS

TABLE OF CONTENTS

PSC-1	<u>Construction of Provisions and Titles Herein</u>	1
PSC-2	<u>Applicable Law, Interpretation and Enforcement</u>	1
PSC-3	<u>Time of Effectiveness</u>	1
PSC-4	<u>Integrated Contract</u>	2
PSC-5	<u>Amendment</u>	2
PSC-6	<u>Excusable Delays</u>	2
PSC-7	<u>Waiver</u>	2
PSC-8	<u>Suspension</u>	3
PSC-9	<u>Termination</u>	3
PSC-10	<u>Independent Contractor</u>	5
PSC-11	<u>Contractor's Personnel</u>	5
PSC-12	<u>Assignment and Delegation</u>	6
PSC-13	<u>Permits</u>	6
PSC-14	<u>Claims for Labor and Materials</u>	6
PSC-15	<u>Current Los Angeles City Business Tax Registration Certificate Required</u>	6
PSC-16	<u>Retention of Records, Audit and Reports</u>	6
PSC-17	<u>Bonds</u>	7
PSC-18	<u>Indemnification</u>	7
PSC-19	<u>Intellectual Property Indemnification</u>	7
PSC-20	<u>Intellectual Property Warranty</u>	8
PSC-21	<u>Ownership and License</u>	8
PSC-22	<u>Data Protection</u>	9

TABLE OF CONTENTS (Continued)

PSC-23	<u>Insurance</u>	9
PSC-24	<u>Best Terms</u>	9
PSC-25	<u>Warranty and Responsibility of Contractor</u>	10
PSC-26	<u>Mandatory Provisions Pertaining to Non-Discrimination in Employment</u>	10
PSC-27	<u>Child Support Assignment Orders</u>	10
PSC-28	<u>Living Wage Ordinance</u>	11
PSC-29	<u>Service Contractor Worker Retention Ordinance</u>	11
PSC-30	<u>Access and Accommodations</u>	11
PSC-31	<u>Contractor Responsibility Ordinance</u>	12
PSC-32	<u>Business Inclusion Program</u>	12
PSC-33	<u>Slavery Disclosure Ordinance</u>	12
PSC-34	<u>First Source Hiring Ordinance</u>	12
PSC-35	<u>Local Business Preference Ordinance</u>	12
PSC-36	<u>Iran Contracting Act</u>	12
PSC-37	<u>Restrictions on Campaign Contributions in City Elections</u>	12
PSC-38	<u>Contractors' Use of Criminal History for Consideration of Employment Applications</u>	13
PSC-39	<u>Limitation of City's Obligation to Make Payment to Contractor</u>	13
PSC-40	<u>Compliance with Identity Theft Laws and Payment Card Data Security Standards</u>	14
PSC-41	<u>Compliance with California Public Resources Code Section 5164</u>	14
PSC-42	<u>Possessory Interests Tax</u>	14
PSC-43	<u>Confidentiality</u>	15
PSC-44	<u>COVID-19</u>	15
PSC-45	<u>Contractor Data Reporting</u>	15

Exhibit 1 Insurance Contractual Requirements..... 16

STANDARD PROVISIONS FOR CITY CONTRACTS

PSC-1. Construction of Provisions and Titles Herein

All titles, subtitles, or headings in this Contract have been inserted for convenience, and shall not be deemed to affect the meaning or construction of any of the terms or provisions of this Contract. The language of this Contract shall be construed according to its fair meaning and not strictly for or against **CITY** or **CONTRACTOR**. The word "**CONTRACTOR**" includes the party or parties identified in this Contract. The singular shall include the plural and if there is more than one **CONTRACTOR**, unless expressly stated otherwise, their obligations and liabilities shall be joint and several. Use of the feminine, masculine, or neuter genders shall be deemed to include the genders not used.

PSC-2. Applicable Law, Interpretation and Enforcement

Each party's performance shall comply with all applicable laws of the United States of America, the State of California, and **CITY**, including but not limited to, laws regarding health and safety, labor and employment, wage and hours and licensing. This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. **CONTRACTOR** shall comply with new, amended, or revised laws, regulations, or procedures that apply to the performance of this Contract with no additional compensation paid to **CONTRACTOR**.

In any action arising out of this Contract, **CONTRACTOR** consents to personal jurisdiction, and agrees to bring all such actions, exclusively in state or federal courts located in Los Angeles County, California.

If any part, term or provision of this Contract is held void, illegal, unenforceable, or in conflict with any federal, state or local law or regulation, the validity of the remaining parts, terms or provisions of this Contract shall not be affected.

PSC-3. Time of Effectiveness

Unless otherwise provided, this Contract shall take effect when all of the following events have occurred:

- A. This Contract has been signed on behalf of **CONTRACTOR** by the person or persons authorized to bind **CONTRACTOR**;
- B. This Contract has been approved by the City Council or by the board, officer or employee authorized to give such approval;
- C. The Office of the City Attorney has indicated in writing its approval of this Contract as to form; and
- D. This Contract has been signed on behalf of **CITY** by the person designated by the City Council, or by the board, officer or employee authorized to enter into this Contract.

PSC-4. Integrated Contract

This Contract sets forth all of the rights and duties of the parties with respect to the subject matter of this Contract, and replaces any and all previous Contracts or understandings, whether written or oral, relating thereto. This Contract may be amended only as provided for in the provisions of PSC-5 hereof.

PSC-5. Amendment

All amendments to this Contract shall be in writing and signed and approved pursuant to the provisions of PSC-3.

PSC-6. Excusable Delays

Neither party shall be liable for its delay or failure to perform any obligation under and in accordance with this Contract, if the delay or failure arises out of fires, floods, earthquakes, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by the party or any of the party's Subcontractors), freight embargoes, terrorist acts, insurrections or other civil disturbances, or other similar events to those described above, but in each case the delay or failure to perform must be beyond the control and without any fault or negligence of the party delayed or failing to perform (these events are referred to in this provision as "Force Majeure Events").

Notwithstanding the foregoing, a delay or failure to perform by a Subcontractor of **CONTRACTOR** shall not constitute a Force Majeure Event, unless the delay or failure arises out of causes beyond the control of both **CONTRACTOR** and Subcontractor, and without any fault or negligence of either of them. In such case, **CONTRACTOR** shall not be liable for the delay or failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit **CONTRACTOR** to perform timely. As used in this Contract, the term "Subcontractor" means a subcontractor at any tier.

In the event **CONTRACTOR'S** delay or failure to perform arises out of a Force Majeure Event, **CONTRACTOR** agrees to use commercially reasonable best efforts to obtain the goods or services from other sources, and to otherwise mitigate the damages and reduce the delay caused by the Force Majeure Event.

PSC-7. Waiver

A waiver of a default of any part, term or provision of this Contract shall not be construed as a waiver of any succeeding default or as a waiver of the part, term or provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

PSC-8. Suspension

At **CITY'S** sole discretion, **CITY** may suspend any or all services provided under this Contract by providing **CONTRACTOR** with written notice of suspension. Upon receipt of the notice of suspension, **CONTRACTOR** shall immediately cease the services suspended and shall not incur any additional obligations, costs or expenses to **CITY** until **CITY** gives written notice to recommence the services.

PSC-9. Termination

A. Termination for Convenience

CITY may terminate this Contract for **CITY'S** convenience at any time by providing **CONTRACTOR** thirty days written notice. Upon receipt of the notice of termination, **CONTRACTOR** shall immediately take action not to incur any additional obligations, costs or expenses, except as may be necessary to terminate its activities. **CITY** shall pay **CONTRACTOR** its reasonable and allowable costs through the effective date of termination and those reasonable and necessary costs incurred by **CONTRACTOR** to effect the termination. Thereafter, **CONTRACTOR** shall have no further claims against **CITY** under this Contract. All finished and unfinished documents and materials procured for or produced under this Contract, including all intellectual property rights **CITY** is entitled to, shall become **CITY** property upon the date of the termination. **CONTRACTOR** agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

B. Termination for Breach of Contract

1. Except as provided in PSC-6, if **CONTRACTOR** fails to perform any of the provisions of this Contract or so fails to make progress as to endanger timely performance of this Contract, **CITY** may give **CONTRACTOR** written notice of the default. **CITY'S** default notice will indicate whether the default may be cured and the time period to cure the default to the sole satisfaction of **CITY**. Additionally, **CITY'S** default notice may offer **CONTRACTOR** an opportunity to provide **CITY** with a plan to cure the default, which shall be submitted to **CITY** within the time period allowed by **CITY**. At **CITY'S** sole discretion, **CITY** may accept or reject **CONTRACTOR'S** plan. If the default cannot be cured or if **CONTRACTOR** fails to cure within the period allowed by **CITY**, then **CITY** may terminate this Contract due to **CONTRACTOR'S** breach of this Contract.
2. If the default under this Contract is due to **CONTRACTOR'S** failure to maintain the insurance required under this Contract, **CONTRACTOR** shall immediately: (1) suspend performance of any services under this Contract for which insurance was required; and (2) notify its employees and Subcontractors of the loss of insurance coverage and Contractor's obligation to suspend performance of

services. **CONTRACTOR** shall not recommence performance until **CONTRACTOR** is fully insured and in compliance with **CITY'S** requirements.

3. If a federal or state proceeding for relief of debtors is undertaken by or against **CONTRACTOR**, or if **CONTRACTOR** makes an assignment for the benefit of creditors, then **CITY** may immediately terminate this Contract.
4. If **CONTRACTOR** engages in any dishonest conduct related to the performance or administration of this Contract or violates **CITY'S** laws, regulations or policies relating to lobbying, then **CITY** may immediately terminate this Contract.
5. Acts of Moral Turpitude
 - a. **CONTRACTOR** shall immediately notify **CITY** if **CONTRACTOR** or any Key Person, as defined below, is charged with, indicted for, convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, any act which constitutes an offense involving moral turpitude under federal, state, or local laws ("Act of Moral Turpitude").
 - b. If **CONTRACTOR** or a Key Person is convicted of, pleads nolo contendere to, or forfeits bail or fails to appear in court for a hearing related to, an Act of Moral Turpitude, **CITY** may immediately terminate this Contract.
 - c. If **CONTRACTOR** or a Key Person is charged with or indicted for an Act of Moral Turpitude, **CITY** may terminate this Contract after providing **CONTRACTOR** an opportunity to present evidence of **CONTRACTOR'S** ability to perform under the terms of this Contract.
 - d. Acts of Moral Turpitude include, but are not limited to: violent felonies as defined by Penal Code Section 667.5, crimes involving weapons, crimes resulting in serious bodily injury or death, serious felonies as defined by Penal Code Section 1192.7, and those crimes referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2); in addition to and including acts of murder, rape, sexual assault, robbery, kidnapping, human trafficking, pimping, voluntary manslaughter, aggravated assault, assault on a peace officer, mayhem, fraud, domestic abuse, elderly abuse, and child abuse, regardless of whether such acts are punishable by felony or misdemeanor conviction.

- e. For the purposes of this provision, a Key Person is a principal, officer, or employee assigned to this Contract, or owner (directly or indirectly, through one or more intermediaries) of ten percent or more of the voting power or equity interests of **CONTRACTOR**.
 - 6. In the event **CITY** terminates this Contract as provided in this section, **CITY** may procure, upon such terms and in the manner as **CITY** may deem appropriate, services similar in scope and level of effort to those so terminated, and **CONTRACTOR** shall be liable to **CITY** for all of its costs and damages, including, but not limited to, any excess costs for such services.
 - 7. If, after notice of termination of this Contract under the provisions of this section, it is determined for any reason that **CONTRACTOR** was not in default under the provisions of this section, or that the default was excusable under the terms of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to PSC-9(A) Termination for Convenience.
 - 8. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- C. In the event that this Contract is terminated, **CONTRACTOR** shall immediately notify all employees and Subcontractors, and shall notify in writing all other parties contracted with under the terms of this Contract within five working days of the termination.

PSC-10. Independent Contractor

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

PSC-11. Contractor's Personnel

Unless otherwise approved by **CITY**, **CONTRACTOR** shall use its own employees to perform the services described in this Contract. **CITY** has the right to review and approve any personnel who are assigned to work under this Contract. **CONTRACTOR** shall remove personnel from performing work under this Contract if requested to do so by **CITY**.

CONTRACTOR shall not use Subcontractors to assist in performance of this Contract without the prior written approval of **CITY**. If **CITY** permits the use of Subcontractors, **CONTRACTOR** shall remain responsible for performing all aspects of this Contract and paying all Subcontractors. **CITY** has the right to approve **CONTRACTOR'S** Subcontractors, and **CITY** reserves the right to request replacement of any

Subcontractor. **CITY** does not have any obligation to pay **CONTRACTOR'S** Subcontractors, and nothing herein creates any privity of contract between **CITY** and any Subcontractor.

PSC-12. Assignment and Delegation

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

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

PSC-13. Permits

CONTRACTOR and its directors, officers, partners, agents, employees, and Subcontractors, shall obtain and maintain all licenses, permits, certifications and other documents necessary for **CONTRACTOR'S** performance of this Contract. **CONTRACTOR** shall immediately notify **CITY** of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to **CONTRACTOR'S** performance of this Contract.

PSC-14. Claims for Labor and Materials

CONTRACTOR shall promptly pay when due all amounts owed for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of law from arising against any **CITY** property (including reports, documents, and other tangible or intangible matter produced by **CONTRACTOR** hereunder), and shall pay all amounts due under the Unemployment Insurance Act or any other applicable law with respect to labor used to perform under this Contract.

PSC-15. Current Los Angeles City Business Tax Registration Certificate Required

For the duration of this Contract, **CONTRACTOR** shall maintain valid Business Tax Registration Certificate(s) as required by **CITY'S** Business Tax Ordinance, Section 21.00 *et seq.* of the Los Angeles Municipal Code ("LAMC"), and shall not allow the Certificate to lapse or be revoked or suspended.

PSC-16. Retention of Records, Audit and Reports

CONTRACTOR shall maintain all records, including records of financial transactions, pertaining to the performance of this Contract, in their original form or as otherwise approved by **CITY**. These records shall be retained for a period of no less than three years from the later of the following: (1) final payment made by **CITY**, (2) the expiration of this Contract or (3) termination of this Contract. The records will be subject to examination and audit by authorized **CITY** personnel or **CITY'S** representatives at any time. **CONTRACTOR** shall provide any reports requested by **CITY** regarding

performance of this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

In lieu of retaining the records for the term as prescribed in this provision, **CONTRACTOR** may, upon **CITY'S** written approval, submit the required information to **CITY** in an electronic format, e.g. USB flash drive, at the expiration or termination of this Contract.

PSC-17. Bonds

All bonds required by **CITY** shall be filed with the Office of the City Administrative Officer, Risk Management for its review and acceptance in accordance with Los Angeles Administrative Code ("LAAC") Sections 11.47 *et seq.*, as amended from time to time.

PSC-18. Indemnification

Except for the active negligence or willful misconduct of **CITY**, or any of its boards, officers, agents, employees, assigns and successors in interest, **CONTRACTOR** shall defend, indemnify and hold harmless **CITY** and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including **CONTRACTOR'S** employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of an act, error, or omission by **CONTRACTOR**, Subcontractors, or their boards, officers, agents, employees, assigns, and successors in interest. The rights and remedies of **CITY** provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-19. Intellectual Property Indemnification

CONTRACTOR, at its own expense, shall defend, indemnify, and hold harmless the **CITY**, and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by **CITY**, including but not limited to, costs of experts and consultants), damages or liability of any nature arising out of the infringement, actual or alleged, direct or contributory, of any intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity, and proprietary information: (1) on or in any design, medium, matter, article, process, method, application, equipment, device, instrumentation, software, hardware, or firmware used by **CONTRACTOR**, or its Subcontractors, in performing the work under this Contract; or (2) as a result of **CITY'S** actual or intended use of any Work Product (as defined in PSC-21) furnished by **CONTRACTOR**, or its Subcontractors, under this Contract. The rights and remedies of **CITY** provided in this section shall not be exclusive

and are in addition to any other rights and remedies provided by law or under this Contract. This provision will survive expiration or termination of this Contract.

PSC-20. Intellectual Property Warranty

CONTRACTOR represents and warrants that its performance of all obligations under this Contract does not infringe in any way, directly or contributorily, upon any third party's intellectual property rights, including, without limitation, patent, copyright, trademark, trade secret, right of publicity and proprietary information.

PSC-21. Ownership and License

Unless otherwise provided for herein, all finished and unfinished works, tangible or not, created under this Contract including, without limitation, documents, materials, data, reports, manuals, specifications, artwork, drawings, sketches, blueprints, studies, memoranda, computation sheets, computer programs and databases, schematics, photographs, video and audiovisual recordings, sound recordings, marks, logos, graphic designs, notes, websites, domain names, inventions, processes, formulas, matters and combinations thereof, and all forms of intellectual property originated and prepared by **CONTRACTOR** or its Subcontractors under this Contract (each a "Work Product"; collectively "Work Products") shall be and remain the exclusive property of **CITY** for its use in any manner **CITY** deems appropriate. **CONTRACTOR** hereby assigns to **CITY** all goodwill, copyright, trademark, patent, trade secret and all other intellectual property rights worldwide in any Work Products originated and prepared under this Contract. **CONTRACTOR** further agrees to execute any documents necessary for **CITY** to perfect, memorialize, or record **CITY'S** ownership of rights provided herein.

CONTRACTOR agrees that a monetary remedy for breach of this Contract may be inadequate, impracticable, or difficult to prove and that a breach may cause **CITY** irreparable harm. **CITY** may therefore enforce this requirement by seeking injunctive relief and specific performance, without any necessity of showing actual damage or irreparable harm. Seeking injunctive relief or specific performance does not preclude **CITY** from seeking or obtaining any other relief to which **CITY** may be entitled.

For all Work Products delivered to **CITY** that are not originated or prepared by **CONTRACTOR** or its Subcontractors under this Contract, **CONTRACTOR** shall secure a grant, at no cost to **CITY**, for a non-exclusive perpetual license to use such Work Products for any **CITY** purposes.

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

Any subcontract entered into by **CONTRACTOR** relating to this Contract shall include this provision to contractually bind its Subcontractors performing work under this Contract such that **CITY'S** ownership and license rights of all Work Products are preserved and protected as intended herein.

PSC-22. Data Protection

- A. **CONTRACTOR** shall protect, using the most secure means and technology that is commercially available, **CITY**-provided data or consumer-provided data acquired in the course and scope of this Contract, including but not limited to customer lists and customer credit card or consumer data, (collectively, the “City Data”). **CONTRACTOR** shall notify **CITY** in writing as soon as reasonably feasible, and in any event within twenty-four hours, of **CONTRACTOR’S** discovery or reasonable belief of any unauthorized access of City Data (a “Data Breach”), or of any incident affecting, or potentially affecting City Data related to cyber security (a “Security Incident”), including, but not limited to, denial of service attack, and system outage, instability or degradation due to computer malware or virus. **CONTRACTOR** shall begin remediation immediately. **CONTRACTOR** shall provide daily updates, or more frequently if required by **CITY**, regarding findings and actions performed by **CONTRACTOR** until the Data Breach or Security Incident has been effectively resolved to **CITY’S** satisfaction. **CONTRACTOR** shall conduct an investigation of the Data Breach or Security Incident and shall share the report of the investigation with **CITY**. At **CITY’S** sole discretion, **CITY** and its authorized agents shall have the right to lead or participate in the investigation. **CONTRACTOR** shall cooperate fully with **CITY**, its agents and law enforcement.
- B. If **CITY** is subject to liability for any Data Breach or Security Incident, then **CONTRACTOR** shall fully indemnify and hold harmless **CITY** and defend against any resulting actions.

PSC-23. Insurance

During the term of this Contract and without limiting **CONTRACTOR’S** obligation to indemnify, hold harmless and defend **CITY**, **CONTRACTOR** shall provide and maintain at its own expense a program of insurance having the coverages and limits not less than the required amounts and types as determined by the Office of the City Administrative Officer of Los Angeles, Risk Management (template Form General 146 in Exhibit 1 hereto). The insurance must: (1) conform to **CITY’S** requirements; (2) comply with the Insurance Contractual Requirements (Form General 133 in Exhibit 1 hereto); and (3) otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. **CONTRACTOR** shall comply with all Insurance Contractual Requirements shown on Exhibit 1 hereto. Exhibit 1 is hereby incorporated by reference and made a part of this Contract.

PSC-24. Best Terms

Throughout the term of this Contract, **CONTRACTOR**, shall offer **CITY** the best terms, prices, and discounts that are offered to any of **CONTRACTOR’S** customers for similar goods and services provided under this Contract.

PSC-25. Warranty and Responsibility of Contractor

CONTRACTOR warrants that the work performed hereunder shall be completed in a manner consistent with professional standards practiced among those firms within **CONTRACTOR'S** profession, doing the same or similar work under the same or similar circumstances.

PSC-26. Mandatory Provisions Pertaining to Non-Discrimination in Employment

Unless otherwise exempt, this Contract is subject to the applicable non-discrimination, equal benefits, equal employment practices, and affirmative action program provisions in LAAC Section 10.8 et seq., as amended from time to time.

- A. **CONTRACTOR** shall comply with the applicable non-discrimination and affirmative action provisions of the laws of the United States of America, the State of California, and **CITY**. In performing this Contract, **CONTRACTOR** shall not discriminate in any of its hiring or employment practices against any employee or applicant for employment because of such person's race, color, religion, national origin, ancestry, sex, sexual orientation, gender, gender identity, age, disability, domestic partner status, marital status or medical condition.
- B. The requirements of Section 10.8.2.1 of the LAAC, the Equal Benefits Ordinance, and the provisions of Section 10.8.2.1(f) are incorporated and made a part of this Contract by reference.
- C. The provisions of Section 10.8.3 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Equal Employment Practices" provisions of this Contract.
- D. The provisions of Section 10.8.4 of the LAAC are incorporated and made a part of this Contract by reference and will be known as the "Affirmative Action Program" provisions of this Contract.

Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-27. Child Support Assignment Orders

CONTRACTOR shall comply with the Child Support Assignment Orders Ordinance, Section 10.10 of the LAAC, as amended from time to time. Pursuant to Section 10.10(b) of the LAAC, **CONTRACTOR** shall fully comply with all applicable State and Federal employment reporting requirements. Failure of **CONTRACTOR** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment or Notices of Assignment, or the failure of any principal owner(s) of **CONTRACTOR** to comply with any Wage and Earnings Assignment or Notices of Assignment applicable to them personally, shall constitute a default by the **CONTRACTOR** under this Contract. Failure of **CONTRACTOR** or principal owner to cure

the default within 90 days of the notice of default will subject this Contract to termination for breach. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-28. Living Wage Ordinance

CONTRACTOR shall comply with the Living Wage Ordinance, LAAC Section 10.37 *et seq.*, as amended from time to time. **CONTRACTOR** further agrees that it shall comply with federal law proscribing retaliation for union organizing. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-29. Service Contractor Worker Retention Ordinance

CONTRACTOR shall comply with the Service Contractor Worker Retention Ordinance, LAAC Section 10.36 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-30. Access and Accommodations

CONTRACTOR represents and certifies that:

- A. **CONTRACTOR** shall comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 *et seq.*, the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 *et seq.*, the Fair Housing Act, and its implementing regulations and any subsequent amendments, and California Government Code Section 11135;
- B. **CONTRACTOR** shall not discriminate on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability;
- C. **CONTRACTOR** shall provide reasonable accommodation upon request to ensure equal access to **CITY**-funded programs, services and activities;
- D. Construction will be performed in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 C.F.R. Part 40; and
- E. The buildings and facilities used to provide services under this Contract are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

CONTRACTOR understands that **CITY** is relying upon these certifications and representations as a condition to funding this Contract. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-31. Contractor Responsibility Ordinance

CONTRACTOR shall comply with the Contractor Responsibility Ordinance, LAAC Section 10.40 *et seq.*, as amended from time to time.

PSC-32. Business Inclusion Program

Unless otherwise exempted prior to bid submission, **CONTRACTOR** shall comply with all aspects of the Business Inclusion Program as described in the Request for Proposal/Qualification process, throughout the duration of this Contract. **CONTRACTOR** shall utilize the Business Assistance Virtual Network (“BAVN”) at <https://www.labavn.org/>, to perform and document outreach to Minority, Women, and Other Business Enterprises. **CONTRACTOR** shall perform subcontractor outreach activities through BAVN. **CONTRACTOR** shall not change any of its designated Subcontractors or pledged specific items of work to be performed by these Subcontractors, nor shall **CONTRACTOR** reduce their level of effort, without prior written approval of **CITY**.

PSC-33. Slavery Disclosure Ordinance

CONTRACTOR shall comply with the Slavery Disclosure Ordinance, LAAC Section 10.41 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-34. First Source Hiring Ordinance

CONTRACTOR shall comply with the First Source Hiring Ordinance, LAAC Section 10.44 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-35. Local Business Preference Ordinance

CONTRACTOR shall comply with the Local Business Preference Ordinance, LAAC Section 10.47 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-36. Iran Contracting Act

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

PSC-37. Restrictions on Campaign Contributions and Fundraising in City Elections

Unless otherwise exempt, if this Contract is valued at \$100,000 or more and requires approval by an elected **CITY** office, **CONTRACTOR**, **CONTRACTOR’S** principals, and **CONTRACTOR’S** Subcontractors expected to receive at least \$100,000 for performance under the Contract, and the principals of those Subcontractors (the “Restricted Persons”)

shall comply with Charter Section 470(c)(12) and LAMC Section 49.7.35. Failure to comply entitles **CITY** to terminate this Contract and to pursue all available legal remedies. Charter Section 470(c)(12) and LAMC Section 49.7.35 limit the ability of the Restricted Persons to make campaign contributions to and engage in fundraising for certain elected **CITY** officials or candidates for elected **CITY** office for twelve months after this Contract is signed. Additionally, a **CONTRACTOR** subject to Charter Section 470(c)(12) is required to comply with disclosure requirements by submitting a completed and signed Ethics Commission Form 55 and to amend the information in that form as specified by law. Any **CONTRACTOR** subject to Charter Section 470(c)(12) shall include the following notice in any contract with any Subcontractor expected to receive at least \$100,000 for performance under this Contract:

“Notice Regarding Restrictions on Campaign Contributions and Fundraising in City Elections

You are a subcontractor on City of Los Angeles Contract # _____ Pursuant to the City of Los Angeles Charter Section 470(c)(12) and related ordinances, you and your principals are prohibited from making campaign contributions to and fundraising for certain elected City of Los Angeles (“**CITY**”) officials and candidates for elected **CITY** office for twelve months after the **CITY** contract is signed. You are required to provide the names and contact information of your principals to the **CONTRACTOR** and to amend that information within ten business days if it changes during the twelve month time period. Failure to comply may result in termination of this Contract and any other available legal remedies. Information about the restrictions may be found online at ethics.lacity.org or by calling the Los Angeles City Ethics Commission at (213) 978-1960.”

PSC-38. Contractors’ Use of Criminal History for Consideration of Employment Applications

CONTRACTOR shall comply with the City Contractors’ Use of Criminal History for Consideration of Employment Applications Ordinance, LAAC Section 10.48 *et seq.*, as amended from time to time. Any subcontract entered into by **CONTRACTOR** for work to be performed under this Contract must include an identical provision.

PSC-39. Limitation of City’s Obligation to Make Payment to Contractor

Notwithstanding any other provision of this Contract, including any exhibits or attachments incorporated therein, and in order for **CITY** to comply with its governing legal requirements, **CITY** shall have no obligation to make any payments to **CONTRACTOR** unless **CITY** shall have first made an appropriation of funds equal to or in excess of its obligation to make any payments as provided in this Contract. **CONTRACTOR** agrees that any services provided by **CONTRACTOR**, purchases made by **CONTRACTOR** or expenses incurred by **CONTRACTOR** in excess of the appropriation(s) shall be free and without charge to **CITY** and **CITY** shall have no obligation to pay for the services, purchases or expenses. **CONTRACTOR** shall have no obligation to provide any services,

provide any equipment or incur any expenses in excess of the appropriated amount(s) until **CITY** appropriates additional funds for this Contract.

PSC-40. Compliance with Identity Theft Laws and Payment Card Data Security Standards

CONTRACTOR shall comply with all identity theft laws including without limitation, laws related to: (1) payment devices; (2) credit and debit card fraud; and (3) the Fair and Accurate Credit Transactions Act (“FACTA”), including its requirement relating to the content of transaction receipts provided to Customers. **CONTRACTOR** also shall comply with all requirements related to maintaining compliance with Payment Card Industry Data Security Standards (“PCI DSS”). During the performance of any service to install, program or update payment devices equipped to conduct credit or debit card transactions, including PCI DSS services, **CONTRACTOR** shall verify proper truncation of receipts in compliance with FACTA.

PSC-41. Compliance with California Public Resources Code Section 5164

California Public Resources Code Section 5164 prohibits a public agency from hiring a person for employment or as a volunteer to perform services at any park, playground, or community center used for recreational purposes in a position that has supervisory or disciplinary authority over any minor, if the person has been convicted of certain crimes as referenced in the Penal Code, and articulated in California Public Resources Code Section 5164(a)(2).

If applicable, **CONTRACTOR** shall comply with California Public Resources Code Section 5164, and shall additionally adhere to all rules and regulations that have been adopted or that may be adopted by **CITY**. **CONTRACTOR** is required to have all employees, volunteers and Subcontractors (including all employees and volunteers of any Subcontractor) of **CONTRACTOR** working on premises to pass a fingerprint and background check through the California Department of Justice at **CONTRACTOR’S** sole expense, indicating that such individuals have never been convicted of certain crimes as referenced in the Penal Code and articulated in California Public Resources Code Section 5164(a)(2), if the individual will have supervisory or disciplinary authority over any minor.

PSC-42. Possessory Interests Tax

Rights granted to **CONTRACTOR** by **CITY** may create a possessory interest. **CONTRACTOR** agrees that any possessory interest created may be subject to California Revenue and Taxation Code Section 107.6 and a property tax may be levied on that possessory interest. If applicable, **CONTRACTOR** shall pay the property tax. **CONTRACTOR** acknowledges that the notice required under California Revenue and Taxation Code Section 107.6 has been provided.

PSC-43. Confidentiality

All documents, information and materials provided to **CONTRACTOR** by **CITY** or developed by **CONTRACTOR** pursuant to this Contract (collectively “Confidential Information”) are confidential. **CONTRACTOR** shall not provide or disclose any Confidential Information or their contents or any information therein, either orally or in writing, to any person or entity, except as authorized by **CITY** or as required by law. **CONTRACTOR** shall immediately notify **CITY** of any attempt by a third party to obtain access to any Confidential Information. This provision will survive expiration or termination of this Contract.

PSC-44. COVID-19

Employees of Contractor and/or persons working on its behalf, including, but not limited to, subcontractors (collectively, “Contractor Personnel”), while performing services under this Agreement and prior to interacting in person with City employees, contractors, volunteers, or members of the public (collectively, “In-Person Services”) must be fully vaccinated against the novel coronavirus 2019 (“COVID-19”). “Fully vaccinated” means that 14 or more days have passed since Contractor Personnel have received the final dose of a two-dose COVID-19 vaccine series (Moderna or Pfizer-BioNTech) or a single dose of a one-dose COVID-19 vaccine (Johnson & Johnson/Janssen) and all booster doses recommended by the Centers for Disease Control and Prevention. Prior to assigning Contractor Personnel to perform In-Person Services, Contractor shall obtain proof that such Contractor Personnel have been fully vaccinated. Contractor shall retain such proof for the document retention period set forth in this Agreement. Contractor shall grant medical or religious exemptions (“Exemptions”) to Contractor Personnel as required by law. If Contractor wishes to assign Contractor Personnel with Exemptions to perform In-Person Services, Contractor shall require such Contractor Personnel to undergo weekly COVID-19 testing, with the full cost of testing to be borne by Contractor. If Contractor Personnel test positive, they shall not be assigned to perform In-Person Services or, to the extent they have already been performing In-Person Services, shall be immediately removed from those assignments. Furthermore, Contractor shall immediately notify City if Contractor Personnel performing In-Person Services (1) have tested positive for or have been diagnosed with COVID-19, (2) have been informed by a medical professional that they are likely to have COVID-19, or (3) meet the criteria for isolation under applicable government orders.

PSC-45. Contractor Data Reporting

If Contractor is a for-profit, privately owned business, Contractor shall, within 30 days of the effective date of the Contract and on an annual basis thereafter (i.e., within 30 days of the annual anniversary of the effective date of the Contract), report the following information to City via the Regional Alliance Marketplace for Procurement (“RAMP”) or via another method specified by City: Contractor’s and any Subcontractor’s annual revenue, number of employees, location, industry, race/ethnicity and gender of majority owner (“Contractor/Subcontractor Information”). Contractor shall further request, on an annual basis, that any Subcontractor input or update its business profile, including the Contractor/Subcontractor Information, on RAMP or via another method prescribed by City.

EXHIBIT 1

INSURANCE CONTRACTUAL REQUIREMENTS

CONTACT For additional information about compliance with City Insurance and Bond requirements, contact the Office of the City Administrative Officer, Risk Management at (213) 978-RISK (7475) or go online at www.lacity.org/cao/risk. The City approved Bond Assistance Program is available for those contractors who are unable to obtain the City-required performance bonds. A City approved insurance program may be available as a low cost alternative for contractors who are unable to obtain City-required insurance.

CONTRACTUAL REQUIREMENTS

CONTRACTOR AGREES THAT:

- 1. Additional Insured/Loss Payee.** The CITY must be included as an Additional Insured in applicable liability policies to cover the CITY'S liability arising out of the acts or omissions of the named insured. The CITY is to be named as an Additional Named Insured and a Loss Payee As Its Interests May Appear in property insurance in which the CITY has an interest, e.g., as a lien holder.
- 2. Notice of Cancellation.** All required insurance will be maintained in full force for the duration of its business with the CITY. By ordinance, all required insurance must provide at least thirty (30) days' prior written notice (ten (10) days for non-payment of premium) directly to the CITY if your insurance company elects to cancel or materially reduce coverage or limits prior to the policy expiration date, for any reason except impairment of an aggregate limit due to prior claims.
- 3. Primary Coverage.** CONTRACTOR will provide coverage that is primary with respect to any insurance or self-insurance of the CITY. The CITY'S program shall be excess of this insurance and non-contributing.
- 4. Modification of Coverage.** The CITY reserves the right at any time during the term of this Contract to change the amounts and types of insurance required hereunder by giving CONTRACTOR ninety (90) days' advance written notice of such change. If such change should result in substantial additional cost to CONTRACTOR, the CITY agrees to negotiate additional compensation proportional to the increased benefit to the CITY.
- 5. Failure to Procure Insurance.** All required insurance must be submitted and approved by the Office of the City Administrative Officer, Risk Management prior to the inception of any operations by CONTRACTOR.

CONTRACTOR'S failure to procure or maintain required insurance or a self-insurance program during the entire term of this Contract shall constitute a material breach of this Contract under which the CITY may immediately suspend or terminate this Contract or, at its discretion, procure or renew such insurance to protect the CITY'S interests and pay any and all premiums in connection therewith and recover all monies so paid from CONTRACTOR.

- 6. Workers' Compensation.** By signing this Contract, CONTRACTOR hereby certifies that it is aware of the provisions of Section 3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all time during the performance of the work pursuant to this Contract.

7. California Licensee. All insurance must be provided by an insurer admitted to do business in California or written through a California-licensed surplus lines broker or through an insurer otherwise acceptable to the CITY. Non-admitted coverage must contain a **Service of Suit** clause in which the underwriters agree to submit as necessary to the jurisdiction of a California court in the event of a coverage dispute. Service of process for this purpose must be allowed upon an agent in California designated by the insurer or upon the California Insurance Commissioner.

8. Aggregate Limits/Impairment. If any of the required insurance coverages contain annual aggregate limits, CONTRACTOR must give the CITY written notice of any pending claim or lawsuit which will materially diminish the aggregate within thirty (30) days of knowledge of same. You must take appropriate steps to restore the impaired aggregates or provide replacement insurance protection within thirty (30) days of knowledge of same. The CITY has the option to specify the minimum acceptable aggregate limit for each line of coverage required. No substantial reductions in scope of coverage which may affect the CITY'S protection are allowed without the CITY'S prior written consent.

9. Commencement of Work. For purposes of insurance coverage only, this Contract will be deemed to have been executed immediately upon any party hereto taking any steps that can be considered to be in furtherance of or towards performance of this Contract. The requirements in this Section supersede all other sections and provisions of this Contract, including, but not limited to, PSC-3, to the extent that any other section or provision conflicts with or impairs the provisions of this Section.