



Build HOPE: Investing in People and Place

October 3, 2024

SUBJECT: INVITATION FOR BIDS (IFB) NO. HA-2024-117-NF

PROJECT: Building Automation System Upgrade

The Housing Authority of the City of Los Angeles ("HACLA") invites contractors to submit firm fixed-price sealed bids for a Building Automation System Upgrade at HACLA's central business office at 2600 Wilshire Blvd., Los Angeles, California.

The bid package, including plans and specifications, may be viewed on and downloaded from the Regional Alliance Marketplace for Procurement ("RAMP"), a service provided by the City of Los Angeles and the Los Angeles Business Council at www.rampla.org. RAMP access requires registration, which is free. **If you do not register at www.rampla.org, you will not receive notification of any Addenda that may be issued for this solicitation.**

Sealed bids will be accepted at HACLA's central business office until October 28, 2024, at 11:00 a.m. (PT). See the IFB for other key dates and times, including the date and time of the mandatory site walk.

Please contact Hadi Otaky, Contract Administrator, for questions concerning this solicitation:

Housing Authority of the City of Los Angeles
General Services Department
Attn: Hadi Otaky, Contract Administrator
2600 Wilshire Boulevard, 4th floor
Los Angeles, California 90057
Phone: (213) 817-2319
Email: Hadi.Otaky@hacla.org

Your interest and participation are greatly appreciated.

Sincerely,

DocuSigned by:

008A22A0B71B4C5
Marlene Garza,
Contracting Officer



**HOUSING AUTHORITY
OF
THE CITY OF LOS ANGELES**

**2600 Wilshire Blvd.
Los Angeles, California 90057**

INVITATION FOR BID (IFB) NO. HA-2024-117-NF

BUILDING AUTOMATION SYSTEM UPGRADE

IMPORTANT DATES

ISSUE DATE:	October 3, 2024
MANDATORY SITE WALK:	October 10, 2024, at 10:00 a.m. (PT)
LAST DATE FOR WRITTEN QUESTIONS:	October 11, 2024, at 11:00 a.m. (PT)
BIDS DUE:	October 28, 2024, at 11:00 a.m. (PT)
BID OPENING:	October 28, 2024, at 11:30 a.m. (PT)

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INVITATION FOR BIDS

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HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
INVITATION FOR BIDS**I. INTRODUCTION****A. Profile**

Since it was established in 1938 by City of Los Angeles Resolution No. 1241, the Housing Authority of the City of Los Angeles (“HACLA”) as emerged as one of the nation’s leading public housing authorities and the largest provider of quality affordable housing in the City of Los Angeles. HACLA’s Public Housing and Section 8 departments provide affordable housing to more than 83,000 households and deliver a wide range of programs and services, including permanent supportive housing programs for homeless households.

HACLA’s funds are derived from five main sources: HUD’s annual operating subsidy, HUD’s annual public housing Capital Fund, Section 8 rental subsidies, rents from HACLA’s public housing units, and other public (federal and non-federal) and private sources. HACLA’s annual budget exceeds \$1 billion.

B. Project Summary

HACLA issues this Invitation for Bids (“IFB”) to secure bids from qualified contractors to furnish all labor, materials, supplies, and equipment necessary to perform building automation system (“BAS”) upgrade (the “Work”), which is described more thoroughly in the Scope of Work attached hereto at Exhibit A. The Work will be provided at 2600 Wilshire Boulevard, Los Angeles, CA. 90057. **Bidders must bid on all Work; partial bids may be rejected as non-responsive.**

HACLA is procuring the Work using the Sealed Bidding procedures authorized by HACLA’s Procurement Policy. The procured Work will be paid using other than federal funding (i.e., non-federal funds).

II. GENERAL INFORMATION**A. Contracts Administrator**

The Contracts Administrator for this Invitation for Bids (“IFB”) is Hadi Otaky. Questions concerning this IFB shall only be directed to the Contract Administrator identified here, via email, at: Hadi.Otaky@hacla.org. Perspective bidders shall not contact other HACLA staff concerning this IFB; any such contact may disqualify a business from further consideration. Questions and requests for clarification are permitted provided such requests are made through this IFB’s designated Contracts Administrator. See Deadline for Submission of Written Questions and Requests for Information below for instructions.

B. Key Dates and Times

1. Mandatory Site Walk. A mandatory Site Walk will be held at 2600 Wilshire Boulevard Los Angeles, CA 90057 on October 10, 2024 starting at 10:00 a.m. (PT). Bidder participation is mandatory. **Note:** Bidders are advised that parking may be difficult and should allow enough time to: 1) drive; 2) find a parking space; and 3) arrive at the designated meeting location prior to the start time.

2. Deadline for Submission of Written Questions and Requests for Information. Any prospective bidder seeking an explanation or interpretation of this IFB may submit, in writing, questions and requests for information to the Contracts Administrator identified herein. Written questions must be received on or before October 11, 2024, at 11:00 a.m.. If HACLA elects to respond to questions and requests for information, an Addendum will be posted to www.rampla.org (see Addenda paragraph in Part VI below). HACLA has the sole and absolute discretion to determine whether an addendum should be issued for this IFB.

3. Bid Submission Deadline. Sealed bids must be received on or before October 28, 2024, at 11:00 a.m. (PT). See Part VI, Instructions to Bidders, below for important details concerning the transmission of bid packets and the bid opening.

4. Projected Start Date; Time for Completion. The projected start date is within 60 days of successful bidder's contract execution and issuance of the related purchase order. The projected time for completion is 180 days.

5. Hours of Work. The project working hours are: ☒ Standard 8:00 AM to 4:30 PM, Monday through Friday ☐ Fridays after 5 p.m. and anytime on Saturdays and Sundays ☐ Other:

6. Minimum Acceptance Period. "Acceptance period" as used in this provision means the number of calendar days available to HACLA to award a contract, which is calculated commencing upon the day the IFB is due. HACLA requires a minimum acceptance period of a period of **120** days. Any bid allowing less than HACLA's minimum acceptance period will be rejected.

C. Pre-contractual Expenses

Pre-contractual expenses are defined as any expenses incurred by a business in: (i) preparing its bid in response to this IFB; (ii) submitting that bid to HACLA; (iii) negotiating with HACLA any matter related to this IFB, including a possible contract; or (iv) engaging in any other activity prior to the effective date of award, if any, of a contract resulting from this IFB. HACLA will not, under any circumstance, be liable for any pre-contractual expenses incurred by businesses, and businesses shall not include any such expenses as part of their bids.

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D. Other Procurement Opportunities

Bidders can obtain information about other procurement opportunities by visiting HACLA's website at www.hacla.org/en/contracts-and-procurement/open-solicitations, and by accessing the Regional Alliance Marketplace for Procurement ("RAMP"), a service provided by the City of Los Angeles and the Los Angeles Business Council at www.rampla.org. RAMP access requires registration, which is free.

E. Procurement Policy

All procurement activities of HACLA are conducted in accordance with HACLA's Procurement Policy, applicable state and federal laws and regulations, including 2 CFR at Part 200, particularly sections 200.318 through 200.326 (procurement standards), all as may be amended from time to time. HACLA's Procurement Policy may be viewed at HACLA's Forms, Documents and Policies page at www.hacla.org/forms.

F. Contractors with Organizational Conflicts Not Eligible

Any individual or business who provided services relating to studies or specifications prepared for this solicitation is not eligible to compete for this work. To learn more, see the Organizational Conflicts of Interest section of HACLA's Procurement Policy, which may be viewed at www.hacla.org/forms.

G. City Minimum Wage Ordinance

Contractors are advised that employees working at least 2 hours in a particular week within the City of Los Angeles are entitled to payment of the applicable minimum wage under the City of Los Angeles Minimum Wage Ordinance ("MWO"). As of July 1, 2024, the base minimum wage for all employers regardless of the number of employees is \$17.28 per hour. Some businesses are eligible for exemption or deferral. HACLA expects its Contractors to consider the cost of compliance in their proposed pricing. Contractors are responsible for determining the extent to which the MWO is applicable, and for remaining well-informed of any changes to the MWO that may affect employee compensation. For more information on the MWO, visit <https://wagesla.lacity.org/>.

III. BIDDER QUALIFICATIONS

Bidder qualifications will be established by examination of the bidder's ability to satisfactorily perform the required work by reasons of proper licensing, required registrations, demonstrated strength, stability and integrity as a business concern, and previous experience performing on projects that are substantially similar to the subject project.

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A. Licensing and Certifications

The following license/certification is required to perform this Work: C-20: Warm-Air Heating, Ventilating and Air-Conditioning Contractor.

B. Project Experience

Bidders must complete and submit a Project Experience Form (Exhibit G), which will be used to evaluate the bidder's relevant experience. HACLA requires that contractors have a minimum of three (3) years' experience performing building automation system upgrade. **Bidders must list at least four (4) relevant projects and at least two projects must be a project for which the contractor acted as the Prime Contractor.** Incomplete project descriptions will not be considered towards satisfying this requirement. Contact information must be current and project information verifiable.

C. Registration for Public Works

This project qualifies as a public works project as defined by Labor Code section 1720. Since the value of the Contract for this project will exceed \$25,000, this project will be registered with the DIR. Bidder and its public works subcontractors shall be registered with the Department of Industrial Relations to perform on public works projects. More information concerning the state's registration program is available at www.dir.ca.gov/Public-Works/PublicWorks.html.

D. Vendor Registration

Interested contractors submitting bids must complete vendor registration on HACLA's Oracle iSupplier site at www.hacla.org/becomeavendor. Bidders who are already registered Contractors with HACLA shall review and update their iSupplier accounts for accuracy. The contractor selected for award must be a registered vendor prior to contract award.

E. Bid Guarantee

Each bidder must submit with its bid a bid guarantee equivalent to 5% of the bid price.¹ The bid guarantee may be in the form of a certified check, bank draft, U.S. Government Bonds at par value, a bid bond secured by an acceptable surety company², or any other negotiable instrument acceptable to HACLA's Contracting Officer. If a surety bond is posted as Bid Security, the bond shall be issued by an admitted surety insurer that is listed on the most recently published U.S. Treasury Circular No.570, and the bond's expiration date shall not be less than 120 days after the scheduled date of bid opening. If the successful bidder refuses to sign the contract after award, the bid bond will be forfeited. Any bid submitted without the required bid guarantee may be rejected as non-responsive.

¹ This 5% bid guarantee requirement is imposed per HACLA's requirements and is consistent with 2 CFR 200.326.

² Surety's bond form is acceptable.

All checks accompanying rejected bids will be returned upon rejection. If the successful bidder deposited a certified or cashier's check and does not forfeit the bid guarantee, HACLA will return the deposited check.

F. Demonstrated Standing as a Responsible Business

HACLA awards contracts only to responsible prospective bidders who have all licenses required to perform the Work directly and/or with the assistance of a subcontractor as permitted under law, and are in good standing with HACLA. A responsible bidder is one who meets the following standards: (i) has a satisfactory record of business integrity and has demonstrated the attribute of trustworthiness; (ii) has adequate financial resources, or the ability to obtain such resources as required during performance of the contract; (iii) is able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing business commitments; (iv) has a satisfactory record of performance; (v) is otherwise qualified and eligible to receive an award under applicable laws and regulations; (vi) has the necessary organization, experience, operational controls, and technical skills, or the ability to obtain them; and (vii) has the necessary production, construction, and technical equipment and facilities, or the ability to obtain them.

All bidders are required to complete and submit the Contractor Responsibility Questionnaire, attached hereto as Exhibit C, which will be used to evaluate a bidder's strength, stability and integrity as a business concern, including its record of compliance with labor, health and safety regulations. Bidder responsibility will also be evaluated by examining a variety of resources, such as bidder registration documents, state and federal lists of debarred, suspended or ineligible businesses or individuals, commercial credit rating reports, business references, and documented past performance on contracts with HACLA.

The apparent lowest priced bidder may be required, before the award of any contract, to show, to the complete satisfaction of HACLA, that it has the necessary facilities, ability, experience, and financial resources to undertake the Work in a satisfactory manner. HACLA may make reasonable investigations deemed necessary and proper to determine the ability of a bidder to perform the Work, and the bidder shall furnish HACLA all information requested for this purpose.

G. Interest in More Than One Bid

Unless HACLA provides otherwise, no person shall be permitted to submit or have an economic interest in more than one bid for this project. A person may submit a price to more than one bidder as a subcontractor or materials supplier without violating this prohibition.

H. Diversity Outreach

It is HACLA's policy to contract with Minority Business Enterprises (MBEs), Women's Business Enterprises (WBEs) and Labor Surplus Area (LSAs) businesses for the delivery of goods and services to

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the extent possible and to require contractors, regardless of their business certification status, to undertake good faith efforts to ensure that MBESs, WBEs and LSAs are provided opportunities to contract with HACLA for the delivery of goods and services to the extent possible. This action is consistent with the mandates of Title VI of the 1964 Civil Rights Act, Executive Order 11625, Attachment 'O' of the Office of Management and Budget (OMB) Circular A-102, and in support of Executive Directive 2001-26, issued by the Office of the Mayor.

All bidders are required to complete and submit with their proposals the Statement of Vendor Diversity Outreach Efforts, attached hereto as Exhibit D, which documents bidder's good faith outreach to MBES, WBEs and LSAs for subcontract or supply opportunities related to this solicitation.

IV. CONTRACT CONDITIONS

A. Proposed Contract

The contractor selected for contract award will be required to enter into a written agreement with HACLA ("Contract"), the form of which is attached hereto as Exhibit J. Upon award, the Contract will be modified to incorporate the necessary elements of the successful contractor's bid and other pertinent terms and conditions. In all instances, HACLA's Contract terms and conditions are controlling unless HACLA expressly provides written consent to the contractor's exceptions and/or deviations prior contract award. HACLA does not guarantee a minimum value for the Contract.

B. Wage and Labor Requirements (General)

1. Public Works. This Project is a public works project, as defined in Labor Code section 1720, and must be performed in accordance with the requirements of Labor Code sections 1720 to 1815, inclusive, and sections 16000 to 17270 of Title 8 of the California Code of Regulations, which govern the payment of prevailing wage rates on public works projects. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (Labor Code section 1771.4).

2. Wages. The applicable prevailing wage determination is LOS-2024-2, General Prevailing Wage Determination and Apprentice Wages (including predetermined wage increases), which are viewable at www.dir.ca.gov/OPRL/dprevagedetermination.htm. The wage effective date is the IFB issue date. Apprentice wages and hiring requirements are triggered where the craft or trade requires the use of an apprentice. For additional apprentice information, refer to Labor Code section 1777.5.

3. Responsibilities. State Prevailing Wage Determinations for each craft may have predetermined increases. Contractor is responsible for obtaining and applying the correct wages during the course of the project and inserting the wages into subcontracts. HACLA will register this project with the DIR. Contractor and its subcontractors will be responsible for submitting their payroll information directly to the Labor Commissioner at www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html. HACLA will notify Contractor of the DIR Project number prior to the start of work. Contractor shall allow

HACLA staff to conduct on-site wage interviews and upon request, shall provide HACLA with copies of certified payroll records and subcontracts. Contractors and subcontractors employed on the project may address questions concerning applicable wage rates and payroll reporting to LaborCompliance@hacla.org.

C. Required Retention; Alternatives

HACLA will withhold five percent (5%) retention from Contractor's earned compensation. Such retention will be applied to all phases of the Work, including any Additional Work. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with HACLA or with a state or federally chartered bank in California as the escrow agent, in accordance with Section 22300 of the California Public Contract Code, which provides for the substitution of securities for any moneys withheld by a public agency to ensure performance under a contract. If such request is made by the Contractor, the escrow agreement shall be prepared by Contractor in compliance with the above-referenced statute and executed by HACLA's Contracting Officer.

D. Payment Bond³

The Contractor awarded the Contract will be required to post a Payment Bond to secure payment of all claims, demands, stop notices, mechanics liens, or charges of Material Suppliers, mechanics, or laborers employed by Contractor or by any subcontractor or any person, firm, or entity eligible to file a stop notice with respect to the Work. If the Contractor will perform Work on an as-needed, ongoing basis, the amount of the payment bond required to be posted is 100% of the value of the first year of the Contract, as determined by HACLA. If this is a design-build project, the amount of the payment bond required to be posted is 100% of the value of the construction portion of the Work. Otherwise, the payment bond amount will be 100% of the Contract award. Contractor is responsible for all related bond costs; Contractor will not be reimbursed for any bond costs. The bond shall be issued by an admitted surety insurer.

E. Performance Bond⁴

The Contractor awarded the Contract will be required to post a Performance bond as a guarantee of the faithful performance of the requirements of this Contract in the amount of not less than one-hundred percent (100%) of the contract award. Contractor is responsible for all related bond costs; Contractor will not be reimbursed for any bond costs. The bond shall be issued by an admitted surety insurer. Pursuant to California Public Contract Code section 22300, the Contractor may request that HACLA substitute a security in the amount of the performance retention.

³ Surety's bond form is acceptable.

⁴ Surety's bond form is acceptable.

F. Utilization of Subcontractors

The "Subletting and Subcontracting Fair Practices Act" (Public Contract Code Section 4100-4113, inclusive) shall be considered to apply to all subcontracts in excess of one-half of one percent (.5%) of the total amount of the bid. Said Act requires subcontractors, if used, to be listed in the Prime Contractor's bid, prohibits the substitution of subcontractors, except as therein authorized, and provides for penalties for violations of said Act. Contractors who do not specify a subcontractor for any portion of the Work to be performed under the proposed Contract in excess of one-half of one percent (.5%), shall be fully qualified to and shall agree to perform that portion of the work. (Pub. Cont. Code § 4109)

Contractor shall, with respect to any subcontractor performing any portion of the Work, complete and submit with its bid the List of Subcontractors, attached hereto as Exhibit H.

The purchase of sand, gravel, crushed rock, batched concrete, aggregates, ready-mixed concrete, and/or any other materials produced at and furnished from established and recognized commercial plants, together with the delivery of such materials to the site of the work by means of vehicles owned and operated by such plants or by recognized commercial hauling companies, shall not be considered as subcontracting for purposes of this IFB.

G. Insurance Requirements

The insurance coverages and amounts required for the Work are:

Workers' Compensation (statutory)/Employer's Liability (HACLA as a certificate holder and no exclusions for lead or asbestos)	\$2,000,000
Commercial General Liability (HACLA as an additional insured) (X) Premises and Operations (X) Contractual Liability, Oral and Written per form CG000-1 as an insured contract (X) Independent Contractors (X) Products/Completed Operations (X) Property Damage Incl. Completed Operations (X) Fire Legal Liability	\$1,000,000
Automobile Liability (Evidence of insurance in the form of ACORD listing HACLA as a certificate holder) (X) Owned Automobiles (X) Non-Owned/Hired Automobiles	\$500,000

Additional requirements concerning insurance coverages are set forth in the Contractual Requirements for Insurance, which may be viewed at www.hacla.org/forms. The Contractor awarded the Contract will be required to provide requisite certificates and endorsements prior to contract execution in the case of contracted work or the start of work in the case of purchase orders.

H. Trench Safety⁵

If the Scope of Work involves the construction of a pipeline, sewer, sewage disposal system, boring and jacking pits, or similar trenches or excavations that are five (5) feet or deeper, the Contractor shall include as a bid item, the cost of design and construction of adequate sheeting, shoring, and bracing, or equivalent method, for the protection of life or limb, which shall conform to applicable safety orders.

I. Reserved

V. HUD ACT OF 1968 (SECTION 3) APPLICABILITY AND COMPLIANCE

A. Section 3 Applicability

Section 3 of the Housing and Urban Development Act of 1968⁶ ("Section 3") provides that economic opportunities, most importantly employment, generated by certain U.S. Department of Housing and Urban Development ("HUD") financial assistance must be directed to low- and very low-income persons, particularly those who are either recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

The project that is the subject of this solicitation ("project") is subject to Section 3 compliance in accordance with HACLA's Section 3 Policy and Compliance Plan ("Plan"), which is available for viewing at www.hacla.org/section3. HACLA places particular importance on creating new job opportunities for Section 3 Workers and Targeted Section 3 Workers, including providing them sufficient labor hours on the project. The awarded Contractor will be required to meet or exceed the 25% and 5% labor hour benchmarks, 30% new hire benchmark and any other commitments made herein or as imposed in the contract.

B. Section 3 Documentation

Contractors and their subcontractors must complete the Section 3 forms provided at Exhibit F. (PDF fillable version available at www.hacla.org/forms. See Section 3 Exhibit – PH Funding). **Completed forms must be submitted with your quote. Failure to complete all information and/or submit all pages may result in a finding that your quote is non-responsive.**

Upon completion of work, Contractor must complete and submit the Labor Hours Benchmark Report Form to section3@hacla.org. The form and Contractor's attachments document Contractor's efforts to comply with the requirements of the Plan, including hiring Section 3 Workers/Targeted Section 3 Workers, satisfying qualitative efforts and meeting the labor hour benchmarks. A PDF fillable version

⁵ Labor Code §6705

⁶ Section 3 is codified at 12 U.S.C. 1701u, as amended, and implemented at 24 CFR Part 75.

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of the Labor Hour Report form is available at www.hacla.org/forms (see Section 3 Exhibit – PH Funding).

VI. INSTRUCTIONS TO BIDDERS

The following instructions set forth HACLA's rules, regulations, procedures and requirements governing this IFB. In the event of a conflict between these Instructions and state law, state law will control.

A. Examination of Plans, Specifications, etc.

Prior to submitting a bid, bidders shall carefully examine this IFB and all exhibits and attachments thereto, including plans, specifications, technical reports, etc. It will be assumed that the bidder has investigated and is satisfied as to the conditions to be encountered, and the character, quality, and quantities of work to be performed and materials to be furnished.

B. Bid Contents, Submission and Receipt

1. Bid Contents. Bidders shall furnish all the information required herein, including prices for all bid items on the attached Bid Form (Exhibit B). Failure to furnish all required information and documentation may result in rejection of the bid as non-responsive. Bids must be signed, and the bidder's name typed or printed on the bid sheet and each continuation sheet that requires the entry of information by the bidder. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent shall be accompanied by evidence of that agent's authority. Bidders are encouraged to retain a copy of their bid for their records.

2. Bid Submission. All bid documents shall be sealed in an opaque envelope, which shall bear the words "SEALED BID-DO NOT OPEN", followed by the project title and IFB number, and the date and hour of opening of bids. The envelope should be addressed as follows:

Housing Authority of the City of Los Angeles
General Services Department
Attn: Hadi Otaky, Contracts Administrator
2600 Wilshire Boulevard, 4th Floor
Los Angeles, CA 90057

The envelope shall be plainly marked in the upper left-hand corner with the name and address of the bidder.

3. Receipt of Bids. Bids will be accepted until the bid submission deadline identified in Part II above. Bid packets may be hand delivered 2600 Wilshire Blvd., by contacting the Contracts Administrator identified herein, who will coordinate receipt of the bid package with building security, which is located within the building's subterranean parking structure accessible from Rampart Blvd., just south of Wilshire Blvd. Please note HACLA does not provide parking. Limited street and private parking are available within a few minutes' walk of the parking structure entrance.

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Bid packets will also be accepted if addressed as indicated above and delivered by private express delivery service (UPS, FedEx, OnTrac, FastTrak or other commercial carrier with real time tracking and delivery) or U.S. Postal Service. To ensure bids are timely received, bidders are advised to consider delivery delays.

Bids received by mail will be stamped with the date and time when HACLA mail is generally opened. Bids that are hand delivered by bidders and couriers will be stamped with the date and time received by staff posted at the building security desk.

HACLA will not be responsible for, nor accept as a valid excuse for late bid delivery, any delay in mail service or other delivery method. **HACLA does not accept the submittal of bids through email or other electronic methods.**

4. Late Submissions. Any bid received after the precise time specified for receipt will not be considered. The only acceptable evidence to establish the time of receipt by HACLA is HACLA's time/date stamp on the bid wrapper or other documentary evidence of receipt maintained by HACLA.

C. Addenda

If HACLA elects to answer timely-submitted, relevant questions, and/or provide clarification or additional information concerning this solicitation after the posting of this IFB, an addendum will be posted to www.rampla.org. All addenda issued become part of this IFB. As previously indicated, access to RAMP requires registration, which is free. Bidders are responsible for checking all issued addenda RAMP posting(s) for this IFB.

Bidders shall acknowledge receipt of any and all posted written addendum(a) to this IFB on the Contractor Information and Bid Form (Exhibit B). Bids that fail to acknowledge the bidder's receipt of any written addendum may be rejected as non-responsive if the addendum contained material information such as changed requirements.

D. Opening of Sealed Bids

The sealed bids received in response to this solicitation will be: 1) publicly opened and read aloud and 2) will be broadcast virtually, in real-time, via **Zoom**, on October 28, 2024, **beginning promptly at 11:30 A.M. (Pacific Time)**.

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To view the virtual bid opening:

1. Click this URL to start or join:
<https://us02web.zoom.us/j/84113709387?pwd=WNKRL9kbKMU0OX2VJaRwkl0MoIVere.1>
2. Participants must enter their full name and company to join

To listen to the audio portion of the virtual bid opening:

1. Dial: 1-669-444-9171
2. Meeting ID: 841 1370 9387
3. Meeting Password: 871413

E. Posting of Bid Results

Bid results will be posted at www.hacla.org/contractingprocess following bid opening. The bid results (i.e., bid abstract) will reflect the total amount of each bidder's bid, and any other information HACLA deems appropriate.

F. Notice Regarding Disclosure of Bid Contents

All bids received by HACLA will become the property of HACLA and will be considered "public records" as defined by Government Code section 7920.530(a) of the California Public Records Act (Government Code section 7920 et. seq.). Following bid opening, bids will be available for public inspection in accordance with HACLA's Access to Records Policy.

G. Specifications; Substitutions

HACLA has identified the following BAS manufacturers and operating systems that satisfy the minimum requirements set forth in the Scope of Work at Exhibit A of this IFB:

Manufacturer	Operating System
Johnson Controls	Facility Explorer
SIEMENS	Building X Designo
Schneider	HVAC Control Solutions

In accordance with Public Contracts Code Section 3400, HACLA will accept alternate bids of a designated material, product, thing, service "or equal", and will determine if such alternate bids are satisfactory in meeting a mandatory requirement or specification and if the proposed alternate meets the intent of the original mandatory requirement. Any product that HACLA, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended will be accepted.

Bidders may request HACLA's acceptance of a substituted BAS manufacturer and operating system (i.e., a manufacturer and operating system not listed above) by submitting a written request for acceptance to the Contracts Administrator, which must be received prior to the deadline for submission of written questions identified at paragraph B (Key Dates and Times) in Part II above.

Bidders requesting acceptance of a substituted BAS manufacturer and operating system are responsible for clearly and specifically identifying the product being offered and for providing sufficient descriptive literature, catalog cuts and technical data to enable HACLA determine if the product offered satisfies the requirements specified in the Scope of Work. Failure to furnish adequate data for evaluation purposes may result in HACLA rejecting the substitution request.

Substitution Requests will be acknowledged by HACLA as "Approved" or "Disapproved" under an Addendum to the IFB.

H. Submittals Due with Sealed Bid

The following documents are required to be submitted with the sealed bid:

- Bid Security (bond or check)
- Contractor Information and Bid Form (Exhibit B)
- Contractor Responsibility Questionnaire (Exhibit C)
- Statement of Vendor Diversity Outreach Efforts (and proof of advertisement if applicable) (Exhibit D)
- Workforce Profile (Exhibit E)
- Section 3 Documentation (Exhibit F)
- Project Experience Form (Exhibit G)
- List of Subcontractors (Exhibit H)
- Non-Collusion Declaration (Exhibit I)

I. Correction or Withdrawal of Bid

A bidder may correct or withdraw its bid upon written request to the Contracts Administrator by delivering the request by courier or by email any time prior to the deadline for the submission of bids. It is bidder's responsibility to ensure the correction or withdrawal has been received by the Contracts Administrator prior to the bid submission deadline.

J. Tie Bids

In the case of tie low bids, award shall be made in accordance with HACLA's written policy and procedures.

VII. CONTRACT AWARD AND PROTESTS**A. Evaluation of Bids**

HACLA may reject any or all bids and waive any informalities, minor irregularities or inconsequential deviations in the bids. HACLA also reserves the right, in its discretion, to reject any or all bids and to re-bid the project. HACLA reserves the right to reject any or all non-conforming, non-responsive, unbalanced or conditional bids, and to reject the bid of any bidder if HACLA believes that it would not be in the best interest of HACLA to make an award to that bidder, whether because the bid is not responsive or the bidder is unqualified or of doubtful financial ability or fails to meet any other pertinent standard or criteria established by HACLA. For purposes of this paragraph, an "unbalanced bid" is one having nominal prices for some work items and enhanced prices for other work items.

In the case of a discrepancy between a written amount and the corresponding figures, the written amount shall govern. In the case of a discrepancy between an item price and the corresponding unit price multiplied by the corresponding estimated quantity, the unit price multiplied by the estimated quantity shall govern. In the case of discrepancy between the actual arithmetic total of all items and the total stated by the bidder, the actual arithmetic total shall govern.

B. Recommendation and Award of Contract

If HACLA determines to award a contract under this IFB, Staff will recommend to HACLA's Board of Commissioners award of the contract to the responsive and responsible bidder that submits the bid whose dollar value is lowest priced overall and meets all specified requirements of this IFB. HACLA reserves the right to award all or a portion of the Work.

After contract approval is granted by HACLA's Board of Commissioners, HACLA will issue a written notice of contract award to the successful bidder. For purposes of these Instructions, HACLA's decision to award is made on the date the Board of Commissioners approves the Contract award.

C. Annulment; Forfeiture of Bid Security

Failure or refusal to enter into the Contract as herein provided, timely provide required documents or to conform to any of the stipulated requirements in connection therewith, shall be just cause for an annulment of the award and forfeiture of the Bid Security. If the lowest priced responsive and responsible bidder refuses or fails to execute the Contract, HACLA may award the Contract to the second lowest priced responsive, responsible bidder. If the second lowest priced responsive, responsible bidder refuses or fails to execute the Agreement, HACLA may award the Contract to the third lowest priced responsive, responsible bidder. On the failure or refusal of such second or third lowest priced bidder to execute the Agreement, each such bidder's Bid Securities shall be likewise forfeited to HACLA.

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D. Bid Protests

Protests must be in writing and delivered electronically (i.e., via email) or by mail to the attention of the Contracts Administrator in accordance with HACLA's Procedures for Competitive Solicitation Protests ("Protest Procedures"). The Protest Procedures may be reviewed at www.hacla.org/forms.

VII. EXHIBIT LIST

Exhibit A:	Scope of Work
Exhibit B:	Contractor Information and Bid Form
Exhibit C:	Contractor Responsibility Questionnaire
Exhibit D:	Statement of Vendor Diversity Outreach Efforts
Exhibit E:	Workforce Profile
Exhibit F:	Section 3 Documentation
Exhibit G:	Project Experience Form
Exhibit H:	List of Subcontractors
Exhibit I:	Non-Collusion Declaration
Exhibit J:	Proposed Contract

Exhibit A
SCOPE OF WORK**GENERAL/BACKGROUND**

The current BAS system is Johnson controls Metasys 7.0 and it's characterized by a sequence that provides for 2 position airflow control with a hot deck and cold deck. The six (6) air handling units serving this system are 50% outside air, requiring considerable heating energy. The current operation has a control sequence and schedule for all system further described below:

- 278Ton DAIKIN Water Cooled Centrifugal Chiller model number WMC048DDDNA
- 80 Ton Carrier Water-Cooled Chiller model number 30HXC-8SB
- 350 Ton MARLEY SPX Cooling Tower Model# AV6807RAN1CBF
- Two 50-ton Baltimore Air Coil model number FXV-L422
- ABB Variable speed drive for all Cooling Towers/Fans/Pumps
- Two (2) Carrier four-ton split system model 38RRQ48-3 with expansion valve
- Mezzanine; AHU-C, capacity 22 ton and feeds 15 VAVs
- 1st floor; AHU-1, capacity 54 ton and feeds 17 VAVs
- 2nd floor; AHU-S-1, capacity 54 ton and feeds 27 VAVs
- 3rd floor; AHU-S-2, capacity 37 ton and feeds 26 VAVs
- 4th floor; AHU-S-3, capacity 37 ton and feeds 24 VAVs
- 5th floor; AHU-S-4, capacity 49 ton and feeds 25 VAVs
- 20 total Fan-Coils and 2 4ton split systems
- Raypak Boiler Model H9-2002
- Two (2) Liebert chillers Model XDC160AA-1S251, Nine (9) FC each nineteen (19) Total FC.

The existing building automation system must be replaced with current technology digital controls, and they must function as a complete system. The upgrade must: 1) result in considerable energy savings; 2) better environmental control; and 3) improved facility maintenance.

OBJECTIVES/GOALS

- To reduce energy consumption and utilize outside air being brought into the building and exhaust only the necessary amount.
- To remove all wireless controls and install new hardwire controls for better communication.
- To control the entire HVAC building system through the two (2) following front end stations: 1) the penthouse machine room; and 2) the station located in the engineering suite. The new BAS must have remote access capability.

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ACCEPTABLE BAS MANUFACTURERS AND OPERATING SYSTEMS

HACLA has identified the following BAS manufacturers and operating systems that satisfy the minimum requirements set forth in the Scope of Work at Exhibit A of this IFB:

Manufacturer	Operating System
Johnson Controls	Facility Explorer
SIEMENS	Building X Desigo
Schneider	HVAC Control Solutions

Bidders may request substitutions following the process set forth at Part VI, Paragraph G (Specifications/Substitutions) of the IFB. Any product that HACLA, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended will be accepted.

Required Specifications/Work**1) Mechanical**

- a) All variable speed drives shall be tied to the BAS.
- b) Replace all existing nonoperational controller actuators.
- c) Replace all existing air handler fresh air louvers and actuators.
- d) Replace all existing air handle cold and hot valves actuators.
- e) Replace controllers and actuators on supply VAV boxes and Fan coils. (Note All hot water valves to be reused.)
- f) Add automated vales to exiting chilled water valves and Hot water valves.

2) Controls

- a) Control systems must be provided; The building automation system providers will be required to participate in assisting with the integration of the systems. The BAS installed must be capable of integration with the owners existing Johnson Controls Metasys 7.0 System.
- b) Existing system drawings must be provided to the control contractor.
- c) The fresh air system must include new fume monitors for each fresh air louvers. Each AHU room must be provided with a controller to maintain temperature and pressure relationships, capable of integrating by BACnet to the BAS system.
- d) Must replace the JCI Metasys controllers on all AHU's, VAV boxes and FC units that integrate with the floor controllers. The new BAS must control the supply and return flows to maintain appropriate room pressure and maintain space temperature set points via variable air volume control and reheat and shall include a fast-acting actuator.
- e) The new BAS system must replace all existing JCI controllers in the building, including but not limited to the controls on AHUs, exhaust fans, fan coils, chillers, cooling towers and all equipment related to the HVAC plant. It is the intent to replace all controls and actuators that are not interchangeable.

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- f) The new BAS must include an operator workstations, web-based interface, and graphics for all systems.
 - g) Must replace all existing sensors.

3) Electrical

- a) Must provide power to all new controllers as required.
- b) Existing VFDs must be reused.

4) Structural

- a) Not applicable.

5) Architectural

- a) Not applicable.

6) Acoustical

- a) Not applicable.

7) Specialty

- a) Air balance shall be required on the entire airside of the building. This shall include room airflow and pressure testing, velocity testing and airflow measurement on the supply and return fans.

8) Commissioning

- a) Upon installation a complete commissioning report of the system must be provided.
- b) The manufacturer start up is required for the BAS and must be coordinated with the HACLA's Engineering team.

9) Demolition and Removal

- a) Must remove all JCI noninterchangeable and wireless equipment.

10) Design

- a) Must provide design drawings.

11) Measurement and Verification (M&V)

- a) Must provide a measurement and verification report.

12) Training

- a) The new BAS system must be include and will require 12 hours of owner training, including 4 hours reoccurring training every 6 months.

Exhibit B

CONTRACTOR INFORMATION AND BID FORM

Contractor Name: _____
(Enter legal name for contracting purposes)

Business Address: _____

Point of Contact: _____ Title: _____

Phone: (_____) _____ Email: _____

Contractor’s Labor Compliance Officer: _____ (name) ☐ n/a

Phone: (_____) _____ Email: _____

☐ Labor compliance officer has prior experience with state wage/labor compliance, including submission of prevailing wages directly to the DIR using the eCPR system.

Classifications of Workers to be employed on this Project:

<input type="checkbox"/> Asbestos	<input type="checkbox"/> Boilermaker	<input type="checkbox"/> Bricklayers	<input type="checkbox"/> Carpenters
<input type="checkbox"/> Carpet/Linoleum	<input type="checkbox"/> Cement Masons	<input type="checkbox"/> Drywall Finishers	<input type="checkbox"/> Drywall/Lathers
<input type="checkbox"/> Electricians	<input type="checkbox"/> Elevator Mechanic	<input type="checkbox"/> Glaziers	<input type="checkbox"/> Iron Workers
<input type="checkbox"/> Laborers	<input type="checkbox"/> Millwrights	<input type="checkbox"/> Operating Eng	<input type="checkbox"/> Painters
<input type="checkbox"/> Pile Drivers	<input type="checkbox"/> Pipe Trades	<input type="checkbox"/> Plasterers	<input type="checkbox"/> Roofers
<input type="checkbox"/> Sheet Metal	<input type="checkbox"/> Sound/Comm	<input type="checkbox"/> Surveyors	<input type="checkbox"/> Teamster
<input type="checkbox"/> Tile Workers			

Contractor License Number: _____ Classification(s): _____

☐ Per the solicitation, a license is not required for this project

DIR Registration No. _____ Expiration: June 30, _____

Subcontractors:

- ☐ No subcontractors will be employed on the project.
- ☐ All subcontractors proposed for the project are identified on the attached List of Subcontractors; all public works subcontractors have been confirmed as being licensed and registered per the solicitation requirements.

Insurance. ☐ The undersigned acknowledges the business carries the insurance coverages identified in the solicitation.

Bonding Capacity. ☐ The undersigned acknowledges the business has sufficient bonding capacity to post payment and performance bonds equal to the 100% of value of the bid.

Vendor Registration. ☐ The company is a registered HACLA vendor ☐ The company is not currently a registered HACLA vendor; the undersigned agrees to immediately complete vendor registration at <http://www.hacla.org/becomeavendor> if requested to do so.

Los Angeles Business Tax Registration Certificate:

☐ The business has a valid Los Angeles Business Tax Registration Certificate No. _____.

☐ The business does not currently hold a valid Los Angeles Business Tax Registration Certificate. If awarded the contract, the undersigned certifies the business will immediately register for a Business Tax Registration Certificate, if said Certificate is required to perform the Work. (Contractors are encouraged to contact the City of Los Angeles, Office of Finance, to determine whether a Business Tax Registration Certificate is required.)

Addenda:

☐ The undersigned has confirmed no addenda were posted on RAMP (www.rampla.org) for this IFB

☐ Acknowledgement of receipt of Addendum No. _____ issued _____

☐ Acknowledgement of receipt of Addendum No. _____ issued _____

Identify BAS Manufacturer and Operating System:

Selection	Manufacturer	Operating System
<input type="checkbox"/>	Johnson Controls	Facility Explorer
<input type="checkbox"/>	SIEMENS	Building X Desigo
<input type="checkbox"/>	Schneider	HVAC Control Solutions
<input type="checkbox"/> Other (must be HACLA-Approved)	Identify:	Identify:

Name of Business: _____

(continued next page)

BID PRICE

All prices are fully burdened, which means that all general conditions, taxes, insurance, and bonds are included. If not specifically called out in this bid form, the Total Bid Sum shall also include permits (if required).

Total Fully Burdened Price: \$_____ (Dollars only. If you include cents, HACLA will round up to the nearest whole number.)

CHECKLIST TO BE COMPLETED AND SUBMITTED WITH SEALED BID

#	Exhibit Title	Your Initials
	Bid Security (bond or check)	
B	Signed Contractor Information and Bid Form	
C	Contractor Responsibility Questionnaire	
D	Statement of Vendor Diversity Outreach Efforts (and proof of advertisement if applicable)	
E	Workforce Profile	
F	Section 3 Documentation for Prime Contractor	
G	Project Experience Form	
H	List of Subcontractors	
I	Non-Collusion Declaration	

SIGNATURE

The undersigned, being familiar with local conditions affecting the cost of the work described in the Scope of Work for the above-entitled project, hereby proposes and agrees to furnish all labor, materials and services necessary to complete the work as described in the Scope of Work at the price(s) listed herein.

This bid is valid for the Minimum Acceptance Period set forth in the IFB. If selected, the undersigned agrees to timely furnish all documents required for contract execution.

By: _____ Title _____
Must be signed by an individual authorized to bind the business

Exhibit C**CONTRACTOR RESPONSIBILITY QUESTIONNAIRE**

Name of Business: _____

Use: This Contractor Responsibility Questionnaire form will be used to evaluate Contractor strength, stability and integrity as a business concern, including its record of compliance with labor, health and safety regulations. HACLA reserves the right to request additional information as needed to determine whether the business qualifies as a responsible bidder.

Instructions: Complete all questions, sign and return this Questionnaire and any requested supplemental information with your bid.

Confidential: HACLA's General Counsel has identified completed Responsibility Questionnaires as records containing official information acquired in confidence for the limited purpose of determining vendor eligibility and responsibility, and has determined the public interest in withholding completed Questionnaires from disclosure clearly outweighs the public interest in their disclosure per Evidence Code section 1040 and Government Code section 7922.000.

1. How many years have you been in business in California as a licensed contractor under your present business name and license number?

_____ Years

2. At any time in the last five years, has your business or any of your business's owners, officers or partners been in bankruptcy?

☐ No ☐ Yes – Identify who filed bankruptcy, and provide details, including year filed and case status.

3. Is your business currently a debtor in a bankruptcy case?

☐ No ☐ Yes - Indicate the year filed and the case status.

4. At any time in the last five years, has any CSLB license held by your business or its Responsible Managing Employee (RME) or Responsible Managing Officer (RMO) been revoked or suspended?

☐ No ☐ Yes – Identify whose license was revoked/suspended and provide details, including when the action was taken and current license status.

5. At any time in the last five years, has any surety completed a contract on behalf of your business, or paid for completion of a project because your business was default terminated by the project owner?

☐ No ☐ Yes – Provide details concerning the project and default/termination.

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6. At any time during the last five years, has any surety made any payments on your business's behalf to satisfy any claim made against a performance or payment bond issued on your business's behalf in connection with your business's default on a project?

☐ No ☐ Yes - Provide details concerning the project and the surety's action.

7. At any time in the last five years, has your business been assessed liquidated damages under a contract with either a public or private owner?

☐ No ☐ Yes – Identify the public agency / private owner and describe the underlying facts.

8. At any time in the last five years, has your business, or any business with which any of your business's owners, officers or partners was associated as an owner, partner or officer, been debarred, disqualified, removed or otherwise prevented from bidding on, or competing for, any government agency contract or public works project for any reason?

☐ No ☐ Yes – Indicate who was subject to the action, and provide details concerning the action, including the current status.

9. At any time in the last five years, has your business been denied a contract award by a public agency based on a finding that your business was not a responsible bidder?

☐ No ☐ Yes – Identify the public agency and describe the underlying facts.

10. Has your business, or any of its owners, officers, or partners ever been found liable in a civil suit, or found guilty in a criminal action, for making any false claim or material misrepresentation to any public agency or entity?

☐ No ☐ Yes – Identify the person subject to the action and describe the underlying facts.

11. Has your business, or any of its owners, officers or partners ever been convicted of a crime involving any federal, state, or local law related to construction activities?

☐ No ☐ Yes – Identify the person subject to the action and describe the underlying facts.

12. At any time during the last five years, has your business, or any of its owners or officers been convicted of a state or federal crime involving the awarding of a contract of a government construction project, or the bidding or performance of a government contract?

☐ No ☐ Yes – Identify the person subject to the action and describe the underlying facts.

13. Has your business or any of its owners, officers or partners ever been convicted of a state or federal crime of fraud, theft, or any other act of dishonesty?

☐ No ☐ Yes – Identify the person subject to the action and describe the underlying facts.

14. Has the California Department of Industrial Relations' Division of Occupational Safety and Health (Cal

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OSHA), cited and assessed penalties against your business for any “serious,” “willful” or “repeat” violations of its safety or health regulations in the past five years? [NOTE: You do not need to include such information if you have filed an appeal of a citation and Cal OSHA’s Appeals Board has not yet ruled on the appeal.]

☐ No ☐ Yes – Provide details concerning the violation, penalties paid and corrective actions the business took to avoid future violations, if applicable.

15. At any time during the last five years, has the U.S. Department of Labor’s Occupational Safety and Health Administration (OSHA) cited and assessed penalties against your business? [NOTE: You do not need to include such information if you have filed an appeal of a citation and the Federal OSHA Appeals Board has not yet ruled on your appeal, or if there is a court appeal pending.]

☐ No ☐ Yes – Provide details concerning the violation, penalties paid and corrective actions the business took to avoid future violations, if applicable.

16. At any time during the last five years, has the EPA or any Air Quality Management District or any Regional Water Quality Control Board cited and assessed penalties against either your business or the owner of a project on which your business was the prime contractor? [NOTE: You do not need to include such information if you have filed an appeal of a citation and the appeals board has not yet ruled on your appeal, or if there is a court appeal pending.]

☐ No ☐ Yes – Provide details concerning the violation, penalties paid and corrective actions the business took to avoid future violations, if applicable.

17. At any time during the last five years, has there been more than one occasion in which the Department of Industrial Relations has penalized your business or required your business to pay back wages for failure to comply with the state’s prevailing wage laws or federal Davis-Bacon prevailing wage requirements? [NOTE: This question refers only to your own business’s violation of prevailing wage laws, not to subcontractor violations of the prevailing wage laws.]

☐ No ☐ Yes – Provide details concerning each violation, including penalties paid and corrective actions the business took to avoid future violations, if applicable.

18. At any time during the last five years, has the Department of Industrial Relations found that your business violated California apprenticeship laws or regulations, or the laws pertaining to use of apprentices on public works?

☐ No ☐ Yes – Provide details concerning each violation, including penalties paid and corrective actions the business took to avoid future violations, if applicable.

By: _____ Title: _____
(print/type name)

Signature: _____

This Contractor Responsibility Questionnaire must be signed by the same person who signed the Bid Form

Exhibit D**STATEMENT OF VENDOR DIVERSITY OUTREACH EFFORTS**

In compliance with applicable laws, executive orders, rules and regulations, HACLA requires vendors/contractors/proposers, regardless of their business certification status, undertake good faith efforts to ensure that Minority Business Enterprises, Woman Business Enterprises and Labor Surplus Area Businesses are provided opportunities to contract with HACLA for the delivery of goods and services to the extent possible.

"Minority Business Enterprise" (MBE) means a certified business that is at least 51% owned and controlled by one or more minority group members. Minority group members include, but are not limited to, African/Black Americans, Hispanic/Latino Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans and Hasidic Jewish Americans.

"Women Business Enterprise" (WBE) means a certified business that is at least 51% owned and controlled by one or more women.

"Labor Surplus Area Business" (LSA) means a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment. For more information on labor surplus areas, including a listing of local labor surplus areas, please see HACLA's page at www.hacla.org/mbewbe.

Please complete the following section concerning your business's good faith efforts to provide contracting opportunities to MBE/WBE/LSA businesses. **HACLA reserves the right to request evidence of the efforts described herein.**

1. Identified Bid/Proposal Items

☐ We identified specific items in the bid/proposal to be performed or procured from MBE/WBE/LSA businesses.

☐ We **did not** identify such items.

2. Advertisement

☐ We advertised for bids/proposals from interested MBE/WBE/LSA businesses in more than one daily or weekly newspaper, trade association publications, minority or trade oriented publications, trade journals, internet, social media and/or other media. **[Attach proof of advertisement to receive points if applicable to the solicitation]**

☐ We **did not** advertise for bids from MBE/WBE/LSA businesses.

3. Written Notice

- ☐ We provided written notice of our interest in bidding and requested assistance from organizations that provide assistance in the recruitment and placement of MBE/WBE/LSA and other business enterprises.
- ☐ We **did not** provide such written notice.

4. Participation

- ☐ We directly solicited MBE/WBE/LSA businesses that have agreed to participate in this contract if awarded (complete the table below).

MBE/WBE/LSA Business Name	Business Classifications	Trade	Subcontract Amount

- ☐ We **did not** obtain participation by MBE/WBE/LSA businesses.

5. Negotiations

- ☐ We negotiated in good-faith with interested MBE/WBE/LSA businesses and did not unjustifiably reject bids prepared by any such business.
- ☐ We **did not** engage in such negotiations.

Company Name

Contact Name

Title

Signature

Date

Exhibit E
CONTRACTOR WORKFORCE PROFILE

Please insert the information requested below for each permanent, full-time (eight hours or more per day) employee employed by the business.

OCCUPATION	MALE EMPLOYEES							FEMALE EMPLOYEES						
	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	Amer. Indian or Alaska Native	Two or More Races/Race unknown	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	Amer. Indian or Alaska Native	Two or More Races/Race unknown
Exec/Senior Mgrs														
First/Mid-Lvl Mrgs														
Professionals														
Technicians														
Sales Workers														
Admin Support														
Craft Workers														
Operatives														
Laborers & Helpers														
Service Workers														
Totals														

Race and ethnic designations are those used by the Equal Employment Opportunity Commission, and do not denote scientific definitions of anthropological origins. Definitions of the race and ethnicity categories are as follows:

Hispanic or Latino - A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

White (Not Hispanic or Latino) - A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

Black or African American (Not Hispanic or Latino) - A person having origins in any of the black racial groups of Africa.

Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - A person having origins in any of the peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

Asian (Not Hispanic or Latino) - A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

American Indian or Alaska Native (Not Hispanic or Latino) - A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.

Two or More Races (Not Hispanic or Latino) - All persons who identify with more than one of the above six races.

Name of Business: _____ Total All Employees: _____

Total Male Employees: _____ Total Female Employees: _____

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Exhibit F

SECTION 3 DOCUMENTATION

(Complete and submit if marked applicable)

For a fillable PDF version, see Section 3 Exhibit – PH Funding at www.hacla.org/forms

Attached:

Form 1: SECTION 3 ECONOMIC OPPORTUNITY PLAN

Form 2: SECTION 3 BUSINESS CONCERN SELF-CERTIFICATION

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
SECTION 3 ECONOMIC OPPORTUNITY PLAN

Economic Opportunities for Low- and Very-Low Income Persons:
Section 3 Regulation (24 CFR Part 75)

Section 3 of the Housing and Urban Development Act of 1968¹ ("Section 3") provides that economic opportunities, most importantly employment, generated by certain U.S. Department of Housing and Urban Development ("HUD") financial assistance must be directed to low- and very low-income persons, particularly those who are either recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.

The project that is the subject of this solicitation ("project") will be funded using federal financial assistance (operating and capital funds), and thus qualifies as **Public Housing Financial Assistance** for purposes of Section 3 regulations or is otherwise subject to Section 3 compliance in accordance with HACLA's Section 3 Policy and Compliance Plan. As such, this solicitation and the resulting contract award is subject to compliance with Section 3 regulations and the Section 3 Policy and Compliance Plan, which is available for viewing at www.hacla.org/section3. **HACLA places a particular importance on creating new job opportunities for Section 3 Workers and Targeted Section 3 Workers, including, providing them sufficient labor hours on the project. Awarded vendor will be required to meet or exceed the 25% and 5% labor hour benchmark, 30% new hire benchmark and any other commitments made herein or as imposed in the contract.**

As a participating Bidder/Proposer, please answer the questions and provide the requested information on the pages that follow and sign where indicated. ***Subcontractors employed on the project must also complete these Section 3 forms, if feasible. Include your completed Section 3 forms, and the completed forms for each of your subcontractors with your bid/proposal. Failure to complete all information and/or submit all pages may result in a finding that your bid/proposal is non-responsive.***

If awarded a contract, you will be required to provide reports documenting your efforts to comply with the requirements of Section 3 and HACLA's Section 3 Policy and Compliance Plan, including hiring Section 3 Workers/Targeted Section 3 Workers and meeting the labor hour benchmarks (regardless of your hiring commitment or achievements). A copy of your completed Section 3 package will be included in the contract.

General questions and assistance in completing Section 3 forms can be directed to section3@hacla.org.

Refer to the end of this document for definitions and guidance in completing this form.

HACLA IFB /RFP #: _____ Bid Amount: \$_____

PROJECT TITLE: _____

Name of Contractor/Service Provider

Contact Name and Title

Services Provided

Business Certifications²

Address

City/State/Zip Code

Phone

Email

¹ Section 3 is codified at 12 U.S.C. 1701u, as amended, and implemented at 24 CFR Part 75.

² Business certifications include Section 3, MBE/WBE/SBE

Bidder/Proposer Name: _____

1. Does your Business qualify as a Section 3 Business Concern? YES ☐ NO ☐

If you answered YES, complete the Section 3 Business Certification Form attached to this exhibit. If you answered NO, you do not need to submit the Section 3 Business Certification with your bid/proposal/quote.

A **Section 3 Business Concern** means a business concern that satisfies **at least one** of the following criteria within the last six-month period:

- a. The business is at least 51 percent owned and controlled by low- or very low-income persons;
- b. Over 75 percent of the labor hours performed for the business over the prior three-month period has been performed by Section 3 workers; or
- c. The business is at least 51 percent owned and controlled by residents who currently live in public housing or Section 8-assisted housing.

2. Will you be using any subcontractors on this project? YES ☐ NO ☐

If you answered YES, complete below. *Remember to provide each listed subcontractor with a copy of these Section 3 forms, and include them with your bid/proposal.*

Subcontractor Name	Trade	Subcontract Dollar Value	Business Certification

3. If awarded a contract, how many people/workforce are needed to complete the job?

Please list the job classifications and number of workers needed for each classification.

Job Title	Current Workforce	Additional Needed

4. If awarded a contract, how many new employment positions do you expect to have available that you can commit to filling by hiring Section 3 Workers and/or Targeted Section 3 Workers? (30% new hire benchmark requirement)

Job Classification/ Position	Number of Expected New Positions you commit to hire Section 3 Worker/Targeted Section 3 Worker	Notes

Bidder/Proposer Name: _____

5. Please indicate the qualitative efforts you can engage in to provide Section 3 Workers and/or Targeted Section 3 Workers other economic opportunities, especially if you are not able to meet new hire requirements and/or HUD labor hour benchmarks:

☐ Provide training or apprenticeship opportunities (24 CFR Part 75.15 (b) (2)). Specify:

☐ Provide assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training (24 CFR Part 75.15 (b) (7)). Specify:

☐ Provide Section 3 Workers financial literacy training and/or coaching (24 CFR Part 75.15 (b)(8)). Specify:

☐ Provide other qualitative efforts consistent with 24 CFR Part 75.15 (b) (1-14) as noted below. Specify:

6. Labor Hour Benchmarks and Good Faith Efforts

Regardless of hiring or other economic opportunity commitments noted in Parts 4 and 5 of this document, the bidder/proposer understands that it also needs to make good faith efforts to achieve the labor hour benchmarks established by HUD pursuant to 24 CFR Part 75.13 and report such labor hours pursuant to 24 CFR Part 75.15.

For purposes of Section 3, good faith efforts include, but are not limited to:

1. Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
2. Provided training or apprenticeship opportunities.
3. Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
4. Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
5. Held one or more job fairs.
6. Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, child care).
7. Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
8. Assisted Section 3 workers to obtain financial literacy training and/or coaching.
9. Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
10. Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
11. Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
12. Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
13. Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
14. Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

Bidder/Proposer Name: _____

Additional Notes/Comments

- Please sign below to acknowledge the following:*
- *You have read and understood the Section 3 requirements set forth herein.*
 - *If awarded a contract, you intend to comply with all applicable requirements and satisfy Section 3 benchmarks and your expressed commitments.*
 - *You understand that if awarded a contract you may be held in material default of the contract if you fail to comply with your expressed commitments.*
 - ***You understand that if awarded a contract, your business is required to submit compliance reports, worker certification forms, payroll or time and attendance records and documentation evidencing your efforts to satisfy Section 3 labor hour benchmarks and your expressed new hire or other commitments.***

Name: _____

Signature: _____

Title: _____

Date: _____

Bidder/Proposer Name: _____

DEFINITIONS

A **Section 3 Worker** means any worker who currently qualifies or when hired within the last five years qualified in **at least one** of the following categories:

- a. The worker’s income for the previous or annualized calendar year is below the income limit established by HUD (includes residents of public housing);
- b. The worker is employed by a Section 3 business concern; or
- c. The worker is a YouthBuild participant.

For **Public Housing Financial Assistance** projects like this, a **Targeted Section 3 worker** means a **Section 3 worker** who is:

- a. A worker employed by a Section 3 business concern; or
- b. A worker who currently qualifies or when hired within the last five years qualified in **at least one** of the following categories:
 - (i) The worker is a resident of public housing or Section 8-assisted housing;
 - (ii) The worker is a resident of another project managed by HACLA; or
 - (iii) A YouthBuild participant.

HUD INCOME LIMITS

Federal low- and very low-income limits are determined annually by HUD and are published at <https://www.huduser.gov/Portal/datasets/il.html#year2024> Please see below 2024 income limits and refer to the link above for annual updates as needed.

Income Eligibility Guideline*
(FY 2024 Los Angeles County HUD Income Limits)

Los Angeles-Long Beach-Glendale, CA HUD Metro FMR Area

Very Low (50%) Income Limit	No more than \$48,550, or
Low (80%) Income Limit	No more than \$77,700

*Note: A **Section 3 worker** can be either a very low or low-income individual.

Bidder/Proposer Name: _____

HIRING PRIORITIES

Employment and training opportunities created for this project shall be given to Section 3 Workers in the following order of priority:

- P1: To residents of HACLA's public housing project where the work is performed;
- P2: To residents of other projects managed by HACLA;
- P3: To participants in YouthBuild programs; and
- P4: To low- and very low-income persons residing within the Los Angeles metropolitan area.

LABOR HOUR BENCHMARK GOALS

- **25 percent** or more of the total number of labor hours worked by all workers on the project are **Section 3 Workers**; and
- **5 percent** or more of the total number of labor hours worked by all workers on the project are **Targeted Section 3 Workers**.

SECTION 3 COMPLIANCE BENCHMARKS:

If awarded a contract, you will be required to demonstrate good faith efforts and provide evidence that you followed the hiring priorities and met or exceeded the following Section 3 Benchmarks:

1. **25 percent** or more of the total number of labor hours worked by all workers on the project are **Section 3 Workers**; and
2. **5 percent** or more of the total number of labor hours worked by all workers on the project are **Targeted Section 3 Workers**; and
3. **30 percent** of all New Hires are **Section 3 Workers**
4. **Section 3 Business contracting** goal of 10% for construction contracts and 3% for non-construction contracts.

Awardees will be required to engage in good faith efforts to satisfy their Section 3 Compliance Benchmarks, commitments made herein and report that data to HACLA as requested using Labor Hours Compliance Report Form.

See <https://www.hacla.org/en/contracts-and-procurement/section-3-and-mbewbe> for more information and graphics explaining the benchmarks.

Questions about the program and assistance completing the form can be submitted to section3@hacla.org

Bidder/Proposer Name: _____

SECTION 3 BUSINESS CONCERN SELF-CERTIFICATION FORM (24 CFR PART 75)

Business Name	Address / City / State / Zip Code	Services Provided / Trade
Point of Contact / Title	Telephone	E-mail

Does your business qualify as a “Section 3 Business” as that term is defined in 24 CFR Part 75.5?

☐ **YES**

☐ **NO**

If yes, check the boxes below under which subcategory you qualify.

Your business qualifies as a **Section 3 Business Concern** if you can document that the business satisfied at least one of the following criteria within the last six-month period:

- i. ☐ The business is at least 51 percent owned and controlled by low- or very low-income persons (qualifying income of maximum \$77,700 for FY 2024);
- ii. ☐ More than 75 percent of the labor hours performed for the business over the prior three-month period was performed by Section 3 Workers (see page 2 for definition of “Section 3 Worker” or refer to www.hacla.org/section3); or
- iii. ☐ The business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Does your business qualify as one of the following?

☐ Minority Owned Business: ☐ Black American ☐ Hispanic American ☐ Native American
(If checked this box, specify) ☐ Asian/Pacific Americans ☐ Other: _____

☐ Small Business Enterprise ☐ Women Owned Business ☐ Labor Surplus Area

By submitting this form, I certify to the truthfulness of the statements and information contained herein. I understand that providing false information is grounds for termination of Section 3 certification. I further understand that qualifying as a Section 3 Business Concern or being listed on HACLA’s Section 3 Business Registry database does not entitle the business to preference for contract award.

Signature

Name and Title

Date

Exhibit G

PROJECT EXPERIENCE FORM

Bidder’s Name: _____

HACLA requires that contractors have a minimum number of years’ experience performing on similar projects. Requirements for this solicitation are included at the Project Experience portion of the IFB.

Use this space to identify your oldest listed project, which should date back October 2021 or earlier to demonstrate at least 3 years’ experience.

Start Date: _____ Completion Date: _____

¹Agency/Company Name: _____

Contact Person: _____ Title: _____

Business Address: _____

Phone: _____ Email: _____

Contract Amount \$ _____ ☐ Prime Contractor ☐ Subcontractor

Describe project, providing details that demonstrate how the listed project is similar in character and scope to the subject project. Include Scope and trades used.

Check applicable box for wage compliance: ☐ State Prevailing Wages ☐ Davis-Bacon Wages ☐ not applicable

List at least four (4) relevant projects; at least two projects must be a project for which the contractor acted as the Prime Contractor. Incomplete project descriptions will not be considered towards satisfying this requirement. Contact information must be current and project information verifiable.

Start Date: _____ Completion Date: _____

²Agency/Company Name: _____

Contact Person: _____ Title: _____

Business Address: _____

Phone: _____ Email: _____

Contract Amount \$ _____ ☐ Prime Contractor ☐ Subcontractor

Describe project, providing details that demonstrate how the listed project is similar in character and scope to the subject project. Include Scope and trades used.

Check applicable box for wage compliance: ☐ State Prevailing Wages ☐ Davis-Bacon Wages ☐ not applicable

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
Building Automation System Upgrade

IFB HA-2024-117-NF

Start Date: _____ Completion Date: _____ ³ Agency/Company Name: _____ Contact Person: _____ Title: _____ Business Address: _____ Phone: _____ Email: _____ Contract Amount \$ _____ <input type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor Describe project, providing details that demonstrate how the listed project is similar in character and scope to the subject project. Include Scope and trades used. _____ _____ Check applicable box for wage compliance: <input type="checkbox"/> State Prevailing Wages <input type="checkbox"/> Davis-Bacon Wages <input type="checkbox"/> not applicable
Start Date: _____ Completion Date: _____ ⁴ Agency/Company Name: _____ Contact Person: _____ Title: _____ Business Address: _____ Phone: _____ Email: _____ Contract Amount \$ _____ <input type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor Describe project, providing details that demonstrate how the listed project is similar in character and scope to the subject project. Include Scope and trades used. _____ _____ Check applicable box for wage compliance: <input type="checkbox"/> State Prevailing Wages <input type="checkbox"/> Davis-Bacon Wages <input type="checkbox"/> not applicable
Start Date: _____ Completion Date: _____ ⁵ Agency/Company Name: _____ Contact Person: _____ Title: _____ Business Address: _____ Phone: _____ Email: _____ Contract Amount \$ _____ <input type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor Describe project, providing details that demonstrate how the listed project is similar in character and scope to the subject project. Include Scope and trades used. _____ _____ Check applicable box for wage compliance: <input type="checkbox"/> State Prevailing Wages <input type="checkbox"/> Davis-Bacon Wages <input type="checkbox"/> not applicable

Exhibit H

LIST OF SUBCONTRACTORS

Please provide the requested information concerning each subcontractor selected to perform Work on the project. State law prohibits the listing of more than one subcontractor for the same item of work. The substitution of subcontractors on this public works project will be governed by the Subletting and Subcontracting Fair Practices Act (Public Contract Code §§4100 et seq.). Contractor certifies that it has investigated the eligibility of each subcontractor listed below and has determined that none is (1) debarred, suspended or otherwise ineligible to be awarded contracts by any agency of the United States Government or to participate in programs of the U.S. Department of Housing and Urban Development, or (2) ineligible to perform work on a public works project pursuant to California Labor Code Section 1777.1 (i.e., state debarment).

As the value of the Contract exceeds \$25,000, public works subcontractors must be registered with the Department of Industrial Relations (DIR) in order to be listed on this bid and to perform work on this project (see Labor Code §§ 1725.5, 1771.1).

Bidder: _____

Company Name: _____	
Contact Person: _____	Title: _____
Business Address: _____	
Phone: _____	Email: _____
Trade performed on the Project: _____	Contract Sum: _____
License/Certification Type (for Project Work, i.e., C-10, C-21): _____	
License/Certification No(s): _____	
Public Works Registration No: _____	Expires 6/30/20_____

Company Name: _____	
Contact Person: _____	Title: _____
Business Address: _____	
Phone: _____	Email: _____
Trade performed on the Project: _____	Contract Sum: _____
License/Certification Type (for Project Work, i.e., C-10, C-21): _____	
License/Certification No(s): _____	
Public Works Registration No: _____	Expires 6/30/20_____

(Submit additional forms as needed)

Exhibit I

NON-COLLUSION DECLARATION⁷
(Bid for Public Works Project)

[The terms “bid” and “bidder” as used herein shall refer to the Bid submitted to HACLA and the business submitting the Bid, respectively.]

The undersigned declares:

I am the _____ of _____, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed

on _____ [date],

at _____ [city], _____ [state].

(Signature)

⁷ Public Contract Code §7106 (effective as of January 2012)

Exhibit J**CONTRACT FOR CONSTRUCTION
BETWEEN
HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
AND
Insert Contractor name****(NON-FEDERAL FUNDS)**

THIS CONTRACT ("Contract") is made and entered into this insert 1st or 15th of the month, year ("Effective Date") by and between the Housing Authority of the City of Los Angeles, a public body, corporate and politic ("HACLA"), and insert contractor name, ("Contractor"), referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS following Sealed Bid procedures, HACLA issued Invitation for Bids ("IFB") No. insert number for the project identified as insert project title (the "Work") on insert date ("Issue Date");

WHEREAS on insert date, HACLA opened the sealed bids for the project and thereafter determined that Contractor has the qualifications, background, knowledge, experience and expertise to perform the obligations set forth in this Contract and that the Contractor's bid was the lowest priced responsive, responsible bid;

WHEREAS by resolution adopted on insert Board meeting date ("Contract Award Date) the Board of Commissioners authorized HACLA to contract with Contractor for said Work; and

WHEREAS HACLA and Contractor desire to enter into this Contract for the Work upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and promises herein stated, the parties hereto agree as follows:

Section 1. SCOPE OF WORK AND ADDITIONAL WORK

A. Scope of Work. Contractor shall, in a manner satisfactory to HACLA, completely perform the work described in the Scope of Work attached hereto as Exhibit 1.

B. Additional Work. If during the course of the project Work that is not included in the Scope of Work is identified as necessary for the proper completion of the project, such Work, if approved by HACLA, shall be considered "Additional Work." In the event Additional Work is necessary, Contractor shall submit a Change Order, as defined and described in the General Conditions attached

hereto. The Change Order shall describe the Work to be performed and the associated costs thereof, and shall include a payment schedule if appropriate. No Additional Work shall be performed in advance of a purchase order that evidences HACLA's written acceptance and approval of the Change Order. Any Additional Work performed under the Change Order shall be subject to the General Conditions.

Section 2. CONTRACTOR'S REPRESENTATIONS AND RESPONSIBILITIES

A. Contractor represents that it has specialized expertise to perform the Work and that the Work shall be completed in a manner consistent with standards practiced among Contractors doing the same or similar work under the same or similar circumstances.

B. Contractor agrees to provide, furnish, and supply all things necessary and incidental for the Work, including, but not limited to, provision of all necessary labor, materials, equipment and transportation, unless otherwise specified in this Contract. Contractor represents that it has reviewed the Scope of Work and that it has determined the Work can be performed for the amounts set forth in Contractor's Bid.

C. Contractor represents that it is free to enter into this Contract and is not subject to any obligation or disability which will or might prevent or interfere in fully keeping and performing all of the conditions to be kept and performed under this Contract. Contractor further represents that it has not paid anyone for the purpose of entering into this Contract, and that entering into this Contract and performing the Work hereunder will not constitute a conflict of interest. Contractor further represents that neither it, nor its agents or representatives, has offered or given gratuities in the form of entertainment, gifts, favors or other items or Work of value to any officer or employee of HACLA with a view toward securing: (i) award of this Contract, (ii) amendment of the Contract after award, (iii) favorable treatment of Contractor by HACLA in the administration of the Contract or in the making of any determination with respect to Contractor's performance of its obligations under the Contract.

D. Contractor's agrees that its receipt of payments from HACLA or any inspection, review, approval or oral statement by any representative of HACLA or any other governmental entity, shall in no way waive or limit the obligations in this Contractor's Representations and Responsibilities section or lessen the liability of Contractor to re-perform or replace unsatisfactory Work to the extent required herein, including but not limited to cases where the defective or below standard Work may not have been apparent or detected at the time of such payment, inspection, review or approval.

Section 3. FEES, RETENTION, INVOICES AND PAYMENTS

A. Contract Fees. TBD

B. Maximum Cumulative Payment Obligation. Notwithstanding any other provision of this Contract to the contrary, HACLA's maximum cumulative payment obligation to Contractor under this Contract shall be insert sum (\$insert dollar value) (Base Fee plus any Contingency and Allowance sums).

C. Automated Deposit of Payments. Contractor shall be paid by Automated Deposit with a Financial Institution that is a member of the Automated Clearing House. The Automated Deposit Form must be completed and submitted to HACLA prior to the start of Work under this Contract.

D. Retention. HACLA is entitled to and shall withhold five percent (5%) retention from Contractor's earned compensation. Such retention shall be applied to all phases of the Work, including any Additional Work. At the request and expense of the Contractor, securities equivalent to the amount withheld shall be deposited with HACLA or with a state or federally chartered bank in California as the escrow agent, in accordance with Section 22300 of the California Public Contract Code, which provides for the substitution of securities for any moneys withheld by a public agency to ensure performance under a contract. If such request is made by the Contractor, the escrow agreement shall be prepared by Contractor in compliance with the above-referenced statute and executed by HACLA's Contracting Officer. HACLA will release to Contractor undisputed retained earnings in accordance with Article 8 (Payments and Retention) of the General Conditions. The Contractor shall provide its certification and unconditional lien release acceptable to HACLA that all subcontractors have received full payment for the Work.

E. Remittance, Invoices and Payment Terms.

(1) Contractor shall submit invoices to HACLA for payment in arrears of work being performed but no more frequently than once per calendar month. Contractor shall invoice HACLA within 30 days of completion of Work; requests for progress payments shall include the applicable percentage(s) of completion. Invoices submitted more than 90 days after performance of services may be declined for payment. The Contractor name on the invoice must be the same as on the purchase order.

(2) Invoices shall identify the Contract Number and related purchase order number, and shall include the location, dates, and a description of the work performed during the billing period. Contractor invoices must include the correct purchase order and contract numbers, and an invoice number. Invoices shall specify the total amount due and payable as indicated on the purchase order; invoices that do not align with the related purchase order will be rejected for payment until corrected. The invoice must be signed by Contractor's authorized representative and submitted to HACLA's Project Manager for review and approval.

(3) HACLA will pay all properly invoiced amounts due to Contractor within 30 days after receipt of such invoice, except for any amounts withheld for retention or timely disputed by HACLA.⁸ The parties shall seek to resolve all such disputes expeditiously and in good faith. Contractor shall continue performing its obligations under this Contract notwithstanding any such dispute. Without prejudice to any other right or remedy, HACLA reserves the right to set off any amount owing to it by Contractor against any amount payable by HACLA to Contractor. Payment of an invoice is not evidence

⁸ Public Contract Code §20104.50(b)

or admission that the Work meets the requirements of this Contract.

Section 4. CONTRACT TERM; TIME FOR COMPLETION

A. This Contract shall commence as of the Effective Date and continue in full force and effect through insert initial end date ("Contract Term") unless earlier terminated as provided elsewhere in this Contract or extended by written amendment to this Contract. Work shall not commence prior to issuance of this Contract's purchase order.

B. The Time for Completion shall be as specified in the Notice to Proceed, or as otherwise agreed to by the Parties.

C. Option Term. HACLA, at its sole discretion, may elect to extend the Contract Term for the period through insert date ("Option Term") by giving notice to the Contractor prior to the expiration of the initial Contract Term.

Section 5. PAYMENT AND PERFORMANCE BONDS

A. Payment Bond Requirement. Contractor is required to post a Payment Bond to secure payment of all claims, demands, stop notices, mechanics liens, or charges of Material Suppliers, mechanics, or laborers employed by Contractor or by any subcontractor or any person, firm, or entity eligible to file a stop notice with respect to the Work. The amount of the Payment Bond shall be insert amount (\$insert dollar value). Contractor shall promptly furnish such additional security as may be required by HACLA to protect its interests and those interests of persons or firms supplying labor or materials to the Work.

B. Performance Bond Requirement. Contractor is required to post a Performance Bond as a guarantee of the faithful performance of the requirements of the Contract as it may be amended from time to time including, but not limited to, liability for delays, including liquidated damages, all warranties and guarantees and indemnity obligations. The amount of the Performance Bond shall be insert amount (\$insert dollar value). Contractor shall promptly furnish such additional security as may be required by HACLA to protect its interests and those interests of persons or firms supplying labor or materials to the Work.

C. Surety companies used by Contractor shall be, as of the issue date and at all times while the bonds are in effect, admitted surety insurers as defined in Code of Civil Procedure section 995.120.

D. Change Orders, or other modifications or changes in the Work and adjustments in the Scope of Work or Contract Fees shall in no way release or exonerate Contractor or its sureties from their obligations and notice thereof shall be waived by such sureties.

E. HACLA shall have the right to communicate with Contractor's sureties with respect

to matters that are related to Contractor's performance of its obligations under this Contract. Contractor will be provided with a copy of all such written communications. Such communications shall not create or be interpreted as creating any contractual relationship between HACLA and any such surety.

Section 6. INSURANCE

A. During the term of this Contract, Contractor shall, at its own cost and expense, procure and maintain the insurance required by the solicitation:

(1) Workers' Compensation (statutory)/Employer's Liability (HACLA as a certificate holder and no exclusions for lead or asbestos): \$1,000,000.

(2) Commercial General Liability (HACLA as an additional insured): \$1,000,000.

(3) Automobile Liability (Evidence of insurance in the form of ACORD listing HACLA as a certificate holder): \$500,000.

(4) Errors and Omissions (Professional Liability) (HACLA as a certificate holder): \$1,000,000 (if imposed).

(5) Pollution Legal Liability (HACLA as an additional insured): \$1,000,000 (if imposed).

B. Copies of Contractor's insurance certificates and endorsements in effect as of the date of Contract execution are attached hereto as Exhibit 6. Contractor is responsible for providing updated insurance records during the term of this Contract evidencing compliance with the above that shall supersede and replace those certificates and endorsements previously provided and which upon receipt by HACLA shall become a part of the Contract by this reference without further action required on the part of either party.

C. Wherever Contractor is required to name HACLA as an additional insured and/or certificate holder, the following information shall be included on the policy:

Housing Authority of the City of Los Angeles
Attn: Risk Management
2600 Wilshire Blvd.,
Los Angeles, CA 90057

D. Contractor shall be responsible for requiring appropriate indemnification and insurance from its consultants, agents and subcontractors, if any, to protect the interest of Contractor and HACLA. Contractor shall provide HACLA with proof of compliance with this provision upon demand.

E. Except by agreement or instruction of HACLA in writing, Contractor shall not

commence Work prior to the effective date of the insurance referenced above.

Section 7. COMPLIANCE WITH STATE LABOR LAWS (GENERAL)

A. This is a public works project, as defined in Labor Code section 1720, and must be performed in accordance with the requirements of Labor Code sections 1720 to 1815, inclusive, and sections 16000 to 17270 of Title 8 of the California Code of Regulations, which govern the payment of prevailing wage rates on public works projects. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations (Labor Code section 1771.4).

B. The applicable prevailing wage determination is LOS-2024-2, General Prevailing Wage Determination and Apprentice Wages (including predetermined wage increases) viewable at www.dir.ca.gov/OPRL/dprevwagedetermination.htm. State Prevailing Wage Determinations for each craft may have predetermined increases. Contractor is responsible for obtaining and applying the correct wages during the course of the project and inserting the wages into subcontracts. The wage effective date is the IFB Issue Date written above. Apprentice wages and hiring requirements are triggered where the craft or trade requires the use of an apprentice. (Labor Code section 1777.5)

C. HACLA will register this project with the DIR. Contractor and its subcontractors are responsible for submitting their payroll information directly to the Labor Commissioner at www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html. HACLA will notify Contractor of the DIR Project number prior to the start of work.

D. The Contractor shall allow HACLA staff to conduct on-site wage interviews and shall post labor-related information as requested by HACLA. Contractors shall provide HACLA staff with copies of certified payrolls and subcontracts for auditing purposes within 10 days after receipt of HACLA's written request. Contractors and subcontractors employed on the project may address questions concerning applicable wage rates and payroll reporting to LaborCompliance@hacla.org.

Section 8. SUBCONTRACTING

A. The substitution of subcontractors on this public works project is governed by the Subletting and Subcontracting Fair Practices Act (Public Contract Code §§4100 et seq.) Nothing herein shall be deemed to entitle Contractor, without the written approval of HACLA, to substitute other Subcontractors for those named in Contractor's List of Subcontractors, attached hereto as Exhibit 4, and, except with such approval, no such substitution shall be made.

B. Contractor shall not perform any Work on the Project with any subcontractor who is debarred from bidding on, accepting or performing on a public works contract, either as a contractor or subcontractor, by the State of California's Department of Industrial Relations, Division of Labor Standards Enforcement (DLSE), or any subcontractor who is suspended or debarred from participation in federal programs or if under a HUD-imposed Limited Denial of Participation. A current list of individuals and entities debarred by the DLSE is available at www.dir.ca.gov/dlse/debar.html; a current

list of individuals and entities debarred by the federal government is available at www.sam.gov/SAM/.

C. Contractor certifies that it has investigated the eligibility of each subcontractor and has determined that none is ineligible to perform Work pursuant to the foregoing code provisions. Contractor shall insert appropriate sections in all subcontracts to bind subcontractors to the terms and conditions of the Contract insofar as such terms are applicable to the work of subcontractors. Nothing contained in the Contract shall create any contractual relationship between any subcontractor and HACLA. Contractor shall be fully responsible and accountable to HACLA for the acts and omissions of his/her subcontractors.

Section 9. NOTICES

A. Any notices to be given pursuant to this Contract shall be in writing, and all such notices and any other document to be delivered shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, and addressed to the party for whom it is intended as follows:

For HACLA:

Contracting Officer: Housing Authority of the City of Los Angeles
Attn: Marlene Garza, Chief Administrative Officer
2600 Wilshire Boulevard, 3rd Floor
Los Angeles, CA 90057

Contracts Dept.: Housing Authority of the City of Los Angeles
Attn: identify Contract Administrator
2600 Wilshire Boulevard, 4th Floor
Los Angeles, CA 90057

Project Manager: Housing Authority of the City of Los Angeles
Attn: identify
2600 Wilshire Boulevard, 4th Floor
Los Angeles, CA 90057

For Contractor:

Contractor: this should be same individual who signed bid form

Representative: identify

B. Either party may, from time to time, by written notice to the other, designate a different address which shall be substituted for the one above specified. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or upon deposit in the United

States mail.

Section 10. HACLA'S RIGHTS AND REMEDIES IN GENERAL

A. All of HACLA's rights and remedies under this Contract are cumulative, and shall be in addition to those rights and remedies available in law or in equity. Designation in this Contract of certain breaches as material shall not waive HACLA's authority to designate other breaches as material nor limit HACLA's right to terminate the Contract, or prevent HACLA from terminating this Contract for breaches that are not material. HACLA's determination of whether there has been noncompliance with this Contract so as to warrant exercise by HACLA of its rights and remedies for default under the Contract, shall be binding on all parties. No termination or action taken by HACLA after such termination shall prejudice any other rights or remedies of HACLA provided by law or equity or by this Contract upon such termination, and HACLA may proceed against Contractor to recover all losses suffered by HACLA.

B. No action or failure to act by HACLA will constitute a waiver of a right afforded it under this Contract, nor will such action or failure to act constitute approval of or acquiescence in a condition or breach thereunder, except as may be specifically agreed in writing. No waiver by HACLA of any condition, breach or default will constitute a waiver of any other condition, breach or default; nor will any such waiver constitute a continuing waiver. No provision contained in this Contract shall create or give to third parties any claim or right of action against HACLA or Contractor.

Section 11. SECTION 3 COMPLIANCE

A. Contractor shall comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, and 24 CFR Part 75, as well as HACLA's Section 3 Policy and Compliance Plan. Additionally, Contractor shall satisfy its obligations set forth in its most recent Economic Opportunity Plan ("EOP") and supporting documents, which identify Contractor's Section 3 commitments, including, without limitation, hiring and/or training of Section 3 Workers or other Section 3 economic opportunities. Contractor's Section 3 documentation is attached hereto as Exhibit 5 and incorporated herein by this reference.

B. Contractor shall also ensure that its subcontractors comply with Section 3 requirements applicable to this Contract and that they satisfy their obligations set forth in their respective EOPs, to the extent feasible. A sample Section 3 Clause is available at <https://www.hacla.org/en/contracts-and-procurement/forms-documents-and-policies>. Contractors must include the Clause in all subcontracts, revised as appropriate, but substantively the same, for each contract.

C. Contractor shall submit periodic reports to HACLA (including reports from its subcontractors), demonstrating its efforts to hire Section 3 Workers, commitment achievements, and report labor hours consistent with HUD Section 3 Benchmarks, as set forth in its EOP.

D. Contractor's failure to comply HUD Section 3 Requirements, HACLA's Section 3

Policy and Compliance Plan and/or failure to satisfy its EOP commitments may subject Contractor to the penalties for default under the Section 3 Policy and Compliance Plan, including monetary fines and debarment.

Section 12. LIQUIDATED DAMAGES ☐ Applicable ☐ Not Applicable

If this section is marked applicable, time is of the essence in completing the Work required by the Contract. If Contractor fails or refuses to complete the Work or any part thereof within the time fixed by the terms of this Contract, or any approved extension thereof, the actual damage to HACLA due to the delay will be difficult or impossible to determine. In lieu thereof, Contractor shall pay to HACLA, as fixed and agreed, liquidated damages for each calendar day of delay in completion, the sum of insert amount from Procurement Request Form or indicate n/a . Contractor shall be liable for the amount thereof. HACLA reserves the right, however, to terminate the Contractor's completion of the Work, charging against Contractor and its sureties any excess cost occasioned HACLA thereby, together with liquidated damages accruing until such time as HACLA or surety may reasonably complete the Work. Permitting Contractor or surety to continue and complete the Work, or any portion thereof, after the time fixed herein for completion, or after the expiration of any extensions of said time, shall in no way operate as a waiver on the part of HACLA of any of its rights under this Contract.

Section 13. MISCELLANEOUS PROVISIONS

A. **Assignment.** Neither Contractor nor HACLA shall, without the written consent of the other, assign, transfer or sublet any portion or part of the Work or the obligations required by this Contract. Any attempted assignment, transfer or sublet without such written consent shall be void and confer no rights upon any third person and shall constitute a default under the this Contract.

B. **Successorship.** Contractor and HACLA acknowledge that the provisions of this Contract are binding upon the Parties, their employees, agents, heirs, successors and assigns.

C. **Governing Law.** This Contract shall be enforced and interpreted under the laws of the State of California without regard to conflict of law principles. In any action arising out of this 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

D. **Severability.** If any provision or any part of a provision of this Contract shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable legal requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of this Contract, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

E. **No Waiver.** No waiver of any provision of this Contract shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding unless executed in

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writing by the party making the waiver. Further, the failure of either Contractor or HACLA to insist, in any one or more instances, on the performance of any of the obligations required by the other under this Contract shall not be construed as a waiver or relinquishment of such obligation or right with respect to future performance.

F. **Amendments.** This Contract may not be changed, altered, or amended in any way except in writing signed by a duly authorized representative of each party.

G. **No Attorney Fees.** In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of, any right or obligation pursuant to the Contract or as a result of any alleged breach of any provision of the Contract, each party shall bear its own costs and expenses, including attorney fees, and any judgment or decree rendered in such a proceeding shall not include an award thereof.

H. **Exhibits.** All exhibits referred to in this Contract are incorporated herein by this reference.

I. **Entire Agreement.** The Contract, including all exhibits and other documents incorporated herein or made applicable by reference, constitutes the entire agreement of the parties concerning the subject matter hereof and supersedes all prior agreements, understandings and commitments, whether oral or written.

J. **Binding Authority to Sign and Authorization.** Each of the Parties to this Contract hereby represents that all necessary and appropriate actions of their governing bodies, as applicable, have been taken to make this Contract a binding obligation of each of the Parties hereto. The persons executing this Contract warrant that they are duly authorized to execute this Contract on behalf of and bind the Parties each purport to represent.

K. **Survival.** The provisions of this Contract which by their nature survive termination of this Contract or final completion, including all warranties, indemnities, payment obligations, and HACLA's right to audit Contractor's books and records, shall remain in full force and effect after final completion or any termination of the Contract.

L. **Counterparts.** This Contract may be executed in counterparts, each of which shall be deemed to be an original.

M. **Working Papers.** All statements, records, schedules, working papers and memoranda made by Contractor incident to, or in the course of, rendering Work to HACLA pursuant to this Contract, except for the deliverables submitted by Contractor to HACLA and except for records which held by HACLA and are part of HACLA's records, shall be and remain the property of Contractor in the absence of an express agreement between Contractor and HACLA to the contrary. No such statements, records, schedules, working papers, or memoranda shall be sold, transferred, or bequeathed, without the consent of HACLA, to anyone other than HACLA's licensee, successor's, or assigns, or any combined

or merged firm or successor in interest to Contractor.

N. **Legal Requirements.** Contractor agrees to comply with all applicable federal and state laws, regulations and policies, as amended, including those regarding discrimination, unfair labor practices, anti-kick-back, collusion, and the provisions of the Americans with Disability Act (ADA), the Fair Labor Standards Act (FLSA), the Family and Medical Leave Act (FMLA), and all Occupational Safety and Health Administration (OSHA) regulations applicable to the work.

O. **Performance Evaluation.** All multi-year contracts are subject to annual performance reviews; contracts of one year or less may be subject to performance reviews. Performance evaluations are performed in accordance with the applicable Contractor Evaluation Form, copies of which are available at www.hacla.org/forms. Contractor understands and agrees that HACLA may rely upon completed Contractor Evaluation Forms in assessing Contractor's qualifications, responsibility and ability to perform on future contracting opportunities with HACLA and that an over-all assessment of "Unsatisfactory" may result in Contractor's disqualification or debarment from future contracting opportunities with HACLA.

P. **Interpretation.** Should interpretation of this Contract or any portion thereof, be necessary, it is deemed that this Contract was prepared by the parties jointly and equally, and shall not be interpreted against either party on the grounds that the party prepared this Contract or caused it to be prepared. The captions and headings of the various articles and paragraphs of this Contract are for convenience and identification only and shall not be deemed to limit or define the content of the respective articles and paragraphs hereof.

[THIS PORTION INTENTIONALLY BLANK]

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In executing this Contract, HACLA and the Contractor each individually represents that it has the necessary financial resources to fulfill its obligations under this Contract, and each has the necessary corporate approvals to execute this Contract, and to perform the work described herein.

IN WITNESS WHEREOF, HACLA and the Contractor have executed this Contract on the day and year first above written.

Approved as to form

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
LEGAL COUNSEL

By: _____
MARLENE GARZA
Chief Administrative Officer

Name: _____

CONTRACTOR NAME
License No.: insert
Public Works Registration: insert

By: _____
(Signature of Person Authorized To Sign)

(Printed Name of Person Authorized To Sign)

Title: _____

Exhibit 1

SCOPE OF WORK

(to be attached)

DRAFT

Exhibit 2

CONTRACT FEES

(to be attached)

DRAFT

Exhibit 3**HACLA'S GENERAL CONDITIONS FOR
NON-FEDERAL CONSTRUCTION CONTRACTS**

Contractor is subject to the following standard General Conditions for the delivery of construction services ("Work") for projects valued in excess of HACLA's small purchase procurement threshold.

ARTICLE 1. GENERAL PROVISIONS

1.1 Definitions. (a) "Acceleration Proposal Request" means HACLA's written request to Contractor to submit an itemized proposal for Extraordinary Measures to achieve early completion of all or a portion of the Work when not due to the fault of the Contractor.

(b) "Acceptance" in terms of project completion, means the act of an authorized representative of HACLA by which HACLA approves and assumes ownership of the work performed under contract. Acceptance may be partial or complete.

(c) "Allowance" means an amount included in the Bid for Work that may or may not be included in the project, or for portions of Work where the amount or scope of the Work cannot be ascertained at the time of Bid submissions. Allowances are not payable to the Contractor unless approved by the Project Manager via a Change Order. The Allowances for this project, if any, are identified in the IFB.

(d) "Application for Payment" means an itemized application for payment prepared and submitted by Contractor for review and approval by HACLA, which is prepared, submitted and accompanied by supporting documentation in accordance with the requirements of the Contract.

(e) "Architect", if employed on the Project, is the person or other entity engaged by HACLA to perform architectural, engineering, design, and other services related to the work as provided for in the contract. When HACLA uses an engineer to act in this capacity, the terms "architect" and "engineer" shall be synonymous. The Architect will serve as a technical representative of HACLA's Contracting Officer. The Architect's authority is as set forth elsewhere in this contract. If an Architect is not employed on the project, any responsibilities assigned to the Architect herein shall instead be the responsibilities of the Project Manager.

(f) "As-Built Drawings" means drawings submitted by Contractor or subcontractor at any tier to show the construction of a particular structure or Work as actually completed under the Contract. "As-built drawings" shall be synonymous with "Record drawings."

(g) "Beneficial Occupancy" means HACLA's right, at its option and convenience, to occupy or otherwise make use of all or any part of the Work, at any time prior to Substantial Completion, upon 7 days' notice to Contractor.

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(h) "Change Order" means the written instrument issued after the execution of the Contract signed by HACLA and Contractor stating their agreement upon the scope of the change in the Work and the adjustment in the Contract Fees and/or Time for Completion, if any.

(i) "Compensable Delay" means any Excusable Delay to the path of activities that is critical to Contractor's Substantial Completion of the Work within the Time for Completion, which Delay is all of the following: (i) solely due to acts or omissions within HACLA's control, including but not limited to Changes requested by HACLA that involve Extra Work; (ii) not due, in whole or in part, to the fault or negligence or breach of Contractor or any subcontractor; and (iii) not concurrent with another Excusable Delay or any Unexcused Delay.

(j) "Contract" means the contract entered into between HACLA and the Contractor. "Contract" additionally means HACLA's Invitation for Bids (IFB) issued for the Work and all exhibits and attachments thereto, Contractor's bid submitted in response to the IFB and all exhibits and attachments thereto, these General Conditions for Non-federal Construction Contract, the applicable wage rate determinations, Contractor's Insurance Endorsements, Contractor's Economic Opportunity Plan, Contractor's Bonds, Change Orders (if any), and Contract Modifications (if any).

(k) "Contract Fees" means the amount HACLA will pay Contractor for the performance of the Contract, subject to adjustments, which is set forth in the Contract.

(l) "Contracting Officer" means the person delegated HACLA by HACLA to enter into, administer, and/or terminate the Contract and designated as such in writing to the Contractor, including his/her designee. The term includes any successor Contracting Officer and any duly authorized representative of the Contracting Officer also designated in writing.

(m) "Contractor" means the person or other entity entering into the Contract with HACLA to perform all of the Work required under the Contract.

(n) "Defective Work" means Work that is unsatisfactory, faulty, omitted, incomplete, deficient, or does not conform to the requirements of the Contract, directives of the Project Manager, or the requirement of any inspection, reference standard, test, or approval specified in the Contract.

(o) "Drawings" means the drawings enumerated in the schedule of drawings contained in the Specifications.

(p) "Excusable Delay" means a delay for which Contractor may be entitled under the Contract to an extension of time, but not compensation.

(q) "Extraordinary Measures" means measures implemented by Contractor at HACLA's direction to expedite the progress of construction of all or a portion of the Work, including, without limitation, (i) working additional shifts or overtime, (ii) supplying additional manpower, equipment, and facilities, and (iii) submitting a recovery schedule for resequencing performance of the Work or other similar measures.

(r) "Final Completion" means full completion of all Work required by the Contract, including all punch list items and submission of Record Documents, all to HACLA's satisfaction.

(s) "General Conditions" or "General Conditions of Contract" means these General Conditions for Non-federal Construction Contract, including any exhibits and attachments attached hereto, which are specifically made a part of the Contract by this reference.

(t) "Hazardous Materials" are any materials, wastes, substances and chemicals deemed to be hazardous under applicable legal requirements, or the handling, storage, remediation, or disposal of which are regulated by applicable legal requirements.

(u) "Inspection" means examining and testing the Work performed under the Contract (including, when appropriate, raw materials, equipment, components, and intermediate assemblies) to determine whether it conforms to Contract requirements.

(v) "Project" means the entire project, whether construction or rehabilitation, the Work for which is provided for in whole or in part under the Contract.

(w) "Notice of Completion" means and refers to Contractor's notification to HACLA that the Work is fully complete and ready for Acceptance.

(x) "Parties" mean, collectively, HACLA and Contractor.

(y) "Plans" means the drawings, profiles, cross sections, working drawings, and supplemental drawings, or reproductions thereof, issued or approved by the Project Manager, which show the location, character, dimensions or details of the Work.

(z) "Project Manager" means the person identified as the Project Manager in the Contract Notices section, who is charged with the responsibilities described in these General Conditions and elsewhere in the Contract.

(aa) "Record Documents" means the As-Built Drawings, warranties, guarantees and other documents required to be submitted by Contractor as a condition of Final Completion.

(bb) "Request for Information" means a written instrument, prepared by Contractor, which requests an interpretation or clarification in the Work or a response to a question concerning the Work. A Request for Information does not entitle Contractor to an adjustment in the Contract Fees unless it requires Extra Work and Contractor requests and is entitled to such an adjustment in accordance with the provisions of the Contract.

(cc) "Request for Information Response" means a written instrument that sets forth an interpretation or clarification in the Work or a response to a Contractor question concerning the Work.

(dd) "Specifications" means the written description of the technical requirements for construction and includes the criteria and tests for determining whether the requirements are met.

(ee) "Shop drawings" means drawings, submitted to HACLA by Contractor, subcontractor, or any lower tier subcontractor, showing in detail the proposed fabrication and assembly of structural elements and the installation (i.e., form, fit, and attachment details) of materials of equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by Contractor to explain in detail specific portions of the Work required by the Contract.

(ff) "Site" means the land or premises on which the Project is located.

(gg) "Substantial Completion" or "Substantially Complete" means the point at which the Work is sufficiently complete to be occupied and utilized by HACLA for its intended purpose, and Contractor has fulfilled its obligations under the Contract, except for minor punch list items that do not impair HACLA's ability to so occupy and utilize the Project.

(hh) "Superintendent" means the person appointed by Contractor, subject to approval by HACLA, to supervise and coordinate Contractor's own forces and subcontractors in all aspects of the Work.

(ii) "Testing" means that element of inspection that determines the properties or elements, including functional operation of materials, equipment, or their components, by the application of established scientific principles and procedures.

(jj) "Time for Completion" means the date indicated on the Notice to Proceed as the date upon which the Contractor shall complete performance of the Contract. Time for Completion is subject to adjustment as set forth herein.

(kk) "Unexcused Delay" means any delay in the path of activities that is critical to Substantial Completion of the Work and which delay is not attributable to HACLA. An Unexcused Delay shall not entitle Contractor to either an extension of the Time for Completion or an adjustment of the Contract Fees. To the extent an Unexcused Delay is concurrent with an Excusable Delay, the Excusable Delay shall be conclusively deemed an Unexcused Delay.

(ll) "Work" means materials, workmanship, and manufacture and fabrication of components.

1.2 Ownership and Use of Architect's Documents. The Drawings, Specifications and other documents, including those in electronic form, prepared by the Architect and the Architect's consultants are Instruments of Service through which the Work to be executed by the Contractor is described. The Contractor may retain one record set. Neither the Contractor nor any subcontractor, sub-subcontractor or material or equipment supplier shall own or claim a copyright in the Drawings, Specifications and other documents prepared by the Architect or the Architect's consultants, and unless otherwise

indicated the Architect and the Architect's consultants shall be deemed the authors of them. All copies of Instruments of Service, except the Contractor's record set, shall be returned or suitably accounted for to the Owner or the Architect, on request, upon completion of the Work. The Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants, and copies thereof furnished to the Contractor, are for use solely with respect to this Project. They are not to be used by the Contractor or any subcontractor, sub-subcontractor or material or equipment supplier on other Projects or for additions to this Project outside the scope of the Work without the specific, written consent of the Owner. The Contractor, subcontractors, sub-subcontractors and material or equipment suppliers are authorized to use and reproduce applicable portions of the Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants appropriate to and for use in the execution of their Work under the Contract. All copies made under this authorization shall bear the statutory copyright notice, if any, shown on the Drawings, Specifications and other documents prepared by the Architect and the Architect's consultants. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of any copyrights or other intellectual property rights.

1.3 Ownership of Results and Work for Hire. (a) Any interest (including, but not limited to, property interests and copyright interests) of Contractor or its subcontractors, in drawings, plans, specifications, studies, reports, memoranda, computational sheets or other documents (including but not limited to, electronic media) prepared by Contractor or its subcontractors in connection with the Work shall become the property of and shall be transmitted to HACLA at the conclusion of this Contract. Contractor may, however, retain one copy for its files. Notwithstanding the foregoing, in the normal course of the Contractor's activities, Contractor shall have an unrestricted right to reuse its standard construction drawings, details, specifications and other related documents, including the right to retain electronic data or other reproducible copies thereof, and the right to reuse portions or the information contained in them which is incidental to the overall design of the project.

(b) Any and all artworks, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes or any original works of authorship created by Contractor or its subcontractors in connection with the Work shall be Works for Hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of HACLA. In the event that it is ever determined that any works created by Contractor or its subcontractors under this Contract are not Works for Hire under U.S. law, Contractor hereby assigns all copyrights to such works to HACLA. With the prior written approval of HACLA, Contractor may retain and use copies of such works for reference and as documentation of its experience and capabilities.

(c) After the completion of the project, Contractor shall not permit any reproductions to be made of any HACLA-owned documents without the written approval of HACLA and shall refer to HACLA all such requests for such documents.

1.4 Order of Provisions; Interpretation. (a) In the event of a conflict between these General Conditions and the Specifications, the General Conditions shall prevail. In the event of a conflict between the Contract and any applicable state or federal law or regulation, the state or federal law or regulation shall

prevail.

(b) With respect to the Contract, Addenda shall govern over other portions of the Contract to the extent specifically noted; subsequent Addenda shall govern over prior Addenda only to the extent specifically noted. With respect to the Drawings, figured dimensions shall control over scaled measurements and specific details shall control over typical or standard details.

(c) Organization of the Specifications into various subdivisions and the arrangement of the Drawings shall not control Contractor in dividing the Work among subcontractors or in establishing the extent of Work to be performed by any trade.

(d) Unless otherwise stated in the Contract, technical words and abbreviations contained in the Contract are used in accordance with commonly understood construction industry meanings; and non-technical words and abbreviations are used in accordance with their commonly understood meanings.

(e) The Contract may omit modifying words such as "all" and "any," and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement. The use of the word "including," when following any general statement, shall not be construed to limit such statement to specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation," "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement.

(f) Whenever the context so requires, the use of the singular number shall be deemed to include the plural and vice versa. Each gender shall be deemed to include any other gender, and each shall include corporation, partnership, trust, or other legal entity whenever the context so requires. The captions and headings of the various subdivisions of the Contract are intended only for reference and convenience and in no way define, limit, or prescribe the scope or intent of the Contract or any subdivision thereof.

(g) If a claimed inconsistency cannot be resolved through the order of precedence, HACLA shall have the sole power to decide which document or provision shall govern as may be in the best interests of HACLA.

1.5 Force Majeure. In the event that performance on the part of any Party hereto shall be delayed or suspended as a result of circumstances beyond the reasonable control and without the fault or negligence of said Party, none of the Parties shall incur any liability to the other Parties as a result of such delay or suspension. Circumstances deemed to be beyond the control of the Parties hereunder shall include, but not be limited to, acts of God or of the public enemy; insurrection; acts of the federal government or any unit of state or local government in either sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes, freight embargoes or delays in transportation, to the extent that they are not caused by the Party's willful or negligent acts or omissions, and to the extent that they are beyond the Party's reasonable control.

1.5 Pre-construction Conference and Notice to Proceed. (a) Within 10 calendar days of Contract execution, and prior to the commencement of work, the Contractor shall attend a preconstruction conference with representatives of HACLA and other interested Parties convened by HACLA. The conference will serve to acquaint the participants with the general plan of the construction operation and all other requirements of the Contract. HACLA will provide the Contractor with the date, time, and place of the conference.

(b) The contractor shall begin Work upon receipt of a written Notice to Proceed from the Project Manager or designee. The Contractor shall not begin Work prior to receiving such notice.

ARTICLE 2. HACLA'S RIGHTS AND RESPONSIBILITIES

2.1 Furnishing of Services and Information. (a) Requests for Information Responses, approvals and decisions required of HACLA, Architect or Project Manager shall be provided by the Project Manager or Architect to Contractor upon request in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Work. Notwithstanding the foregoing, failure by HACLA, Architect, Project Manager or HACLA's other consultants to provide Request for Information Responses, approvals or decisions shall not be considered as a basis for Contractor to seek adjustment in the Time for Completion until 10 working days after Contractor has delivered written notice to HACLA and to the person from whom such information, approval or decision is requested, including the following:

(1) The notice must include the following statement: "You are hereby notified that certain information, approval or decision described herein has not been provided in accordance with the General Conditions and if not provided within 10 working days from this notice may result in additional cost or a request for time extension due to delay."

(2) A detailed description of the information, approval or decision required, accompanied by copies of Contractor's prior written request(s).

(3) The date by which the information, approval or decision must be received so as to not result in delay to the Project, which shall be no sooner than 10 working days after HACLA's receipt of such notice.

(b) The Architect's or Project Manager's failure to provide the requested information, approval or decision within 10 working days following receipt of the above notification will not entitle Contractor to an increase in the Contract Fees or Time for Completion unless Contractor requests an increase in the Contract Fees and/or Time for Completion by submitting a Change Order in compliance with these General Conditions.

2.2 Access to Project Site. HACLA will make available, no later than the commencement date designated in the current construction schedule accepted by HACLA, the lands and facilities upon which the Work is to be performed, including such access and other lands and facilities designated in the Contract, for use by Contractor.

2.3 HACLA's Right to Order Extraordinary Measures. (a) In the event HACLA determines that the performance of the Work, or any portion thereof, has not progressed or reached the level of completion required by the construction schedule in effect at the time (referred to in this clause as the "Effective

Construction Schedule”) due to causes within the control of Contractor, HACLA will have the right to serve upon Contractor an Acceleration Proposal Request, ordering Contractor to take corrective Extraordinary Measures necessary to expedite the progress of construction, including, without limitation: (i) working additional shifts or overtime; (ii) supplying additional manpower, equipment, and facilities; and (iii) submitting a recovery schedule for re-sequencing performance of the Work or other similar measures.

(b) Such Extraordinary Measures shall continue until the progress of the Work complies with the stage of completion as required by the Effective Construction Schedule. The Contractor shall not be entitled to an adjustment in the Contract Fees in connection with the Extraordinary Measures required by HACLA under or pursuant to this clause. HACLA may exercise the rights furnished HACLA under or pursuant to this clause as frequently as HACLA deems necessary to ensure that the Contractor’s performance of the Work will comply with the Time for Completion or interim completion dates set forth in the Effective Construction Schedule.

(c) If Contractor or its subcontractors fail to implement or commence Extraordinary Measures within 2 days, excluding Saturdays, Sundays and legal holidays, of HACLA’s written demand, HACLA may, without prejudice to other remedies, take corrective action at the expense of the Contractor and may reduce the Contract Fees.

(d) In the event HACLA determines that the performance of the Work, or any portion thereof, has not progressed or reached the level of completion required by the Effective Construction Schedule due to causes not within the control of Contractor, in order to achieve early completion of all or a portion of the Work, HACLA may serve upon Contractor an Acceleration Proposal Request, asking Contractor to submit an itemized proposal for Extraordinary Measures, in a form acceptable to HACLA.

2.4 HACLA's Right to Stop the Work. If Contractor fails to correct Defective Work as required herein or fails to perform the Work in accordance with the Contract, HACLA may direct Contractor to stop the Work, or any portion thereof, until the cause for such stop order has been eliminated by Contractor. Contractor shall not be entitled to any adjustment of Time for Completion or Contract Fees as a result of any such order. HACLA has no duty or responsibility to Contractor or any other party to exercise the right to stop the Work.

2.5 HACLA’s Right to Supervise on a Temporary Basis. Without limitation upon any of the rights or remedies of HACLA under the Contract or under law arising from a default by Contractor, in the event that Contractor fails to have personnel on Site to supervise the Work, HACLA will have the right, in its sole discretion, but not the responsibility, upon 24 hours’ telephonic notice to Contractor, to provide such supervision on a temporary basis. Contractor shall, notwithstanding HACLA’s providing such temporary supervision, remain solely responsible for all actions of its personnel and subcontractors and shall defend and indemnify HACLA in accordance with the Contract against any losses arising therefrom. HACLA shall have the right, in its discretion, to deduct from the sums owing to Contractor the reasonable cost of such temporary supervision.

2.6 Rights to Data. HACLA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of the Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of the Contract.

ARTICLE 3. CONTRACTOR'S RIGHTS AND RESPONSIBILITIES

3.1 Contractor Responsibility for Work. (a) The Contractor shall furnish all labor, materials, tools, equipment, and transportation necessary for performance of the Work. The Contractor shall also furnish all necessary water, heat, light, and power not made available to the Contractor by HACLA pursuant to the Availability and Use of Utility Services clause herein.

(b) The Contractor shall perform on the Site, and with its own organization, work equivalent to at least 12 percent of the total amount of Work to be performed under the Contract. This percentage may be reduced by a supplemental agreement to the Contract if, during performing the Work, the Contractor requests a reduction and HACLA determines that the reduction would be to its advantage.

(c) At all times during performance of the Contract and until the Work is completed and accepted, the Contractor shall directly superintend the Work or assign and have on the Site a competent Superintendent who is satisfactory to HACLA and has authority to act for the Contractor.

(d) The Contractor shall take proper safety and health precautions to protect the Work, the workers, the public, and the property of others. The Contractor shall also be responsible for all materials delivered and Work performed until Final Completion and Acceptance of the entire Work, except for any completed unit of Work which may have been accepted under the Contract prior to Final Completion.

(e) The Contractor shall lay out the Work from base lines and bench marks indicated on the Drawings and be responsible for all lines, levels, and measurements of all Work executed under the Contract. The Contractor shall verify the figures before laying out the Work and will be held responsible for any error resulting from its failure to do so.

(f) The Contractor shall confine all operations (including storage of materials) on the Site to areas authorized or approved by the Project Manager.

(g) After completing the Work and before final Inspection, the Contractor shall (i) remove from the Site all scaffolding, equipment, tools, and materials (including rejected materials) that are not the property of HACLA and all rubbish caused by its Work; (ii) leave the work area in a clean, neat, and orderly condition satisfactory to the Project Manager; (iii) perform all specified tests; and, (iv) deliver the installation in complete and operating condition.

(h) Contractor shall at all times maintain good discipline and order among its employees and subcontractors. Contractor shall provide competent, fully qualified personnel to perform the Work.

3.2 Site Investigation and Conditions Affecting the Work. (a) Contractor warrants and represents that it carefully reviewed the Bid and Contract prior to submitting its Bid and executing the Contract. The Contractor shall not be entitled, and conclusively waives any right, to an adjustment in the Contract Fees or Time for Completion for any additional or unforeseen costs or delay in the performance of Work due to conditions in the Contract constituting errors, omissions, conflicts, ambiguities, lack of coordination or noncompliance with applicable legal requirements, if such conditions were either discovered by Contractor or could have been reasonably discovered by Contractor or its subcontractors in the exercise of care and diligence in the review of the Contract, subject to the limitations of Public Contract Code Section 1104.

(b) The Contractor acknowledges that it has taken steps reasonably necessary to ascertain the nature and location of the Work, and that it has investigated and satisfied itself as to the general and local conditions which can affect the Work or its cost, including but not limited to, (i) conditions bearing upon transportation, disposal, handling, and storage of materials; (ii) the availability of labor, water, electric power, and roads; (iii) uncertainties of weather, river stages, tides, or similar physical conditions at the Site; (iv) the conformation and conditions of the ground; and (v) the character of equipment and facilities needed preliminary to and during Work performance. The Contractor also acknowledges that it has satisfied itself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the Site, including all exploratory work done by HACL A, as well as from the Drawings and Specifications made a part of the Contract. Any failure of the Contractor to take the actions described and acknowledged in this paragraph will not relieve the Contractor from responsibility for estimating properly the difficulty and cost of successfully performing the Work, or for proceeding to successfully perform the Work without additional expense to HACL A.

(c) HACL A assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available by HACL A. Nor does HACL A assume responsibility for any understanding reached or representation made concerning conditions which can affect the Work by any of its officers or agents before the execution of the Contract, unless that understanding or representation is expressly stated in the Contract.

(d) If Contractor discovers what it perceives to be errors, omissions, conflicts, ambiguities, lack of coordination or noncompliance with applicable legal requirements, then Contractor shall, within two 2 days of discovery, provide the Project Manager with written notification of the conditions discovered. Failure by Contractor to provide written notice within the period of time required shall result in Contractor waiving any right to adjustment in the Contract Fees or Time for Completion on account thereof.

(e) The Contractor shall take field measurements of the existing field conditions verified. Contractor shall carefully compare the field conditions with the Contract and other information known to Contractor before commencing the Work. Contractor shall promptly report in writing to the Project Manager any errors, inconsistencies, or omissions the Contractor discovers.

(f) If Contractor performs any portion of the Work which it knows, or in the exercise of care and diligence should have known, involves an error, omission, conflict, ambiguity, lack of coordination or noncompliance with applicable legal requirements, without notifying and obtaining the written approval of HACLA or before obtaining a written clarification, interpretation, instruction or decision from Project Manager, then any Work that is performed that is not in conformance with the clarifications, interpretation, instruction or decision of HACLA or Project Manager shall be removed or replaced and Contractor shall be responsible for the resultant losses with no adjustment in the Contract Fees or Time for Completion.

(g) Existing improvements at the Site, for which no specific description is made on the Drawings, but which could be reasonably assumed to interfere with the satisfactory completion of the Work, shall be removed and disposed of by Contractor, but only upon the specific direction and control of HACLA. Without limitation to the foregoing, and notwithstanding any information provided by HACLA pertaining to groundwater elevations and/or geological and soils conditions encountered, it is understood that it is Contractor's responsibility to determine and allow for the elevation of groundwater, and the geological and soils conditions at the date of performance of the Work.

3.3 Supervision and Construction Procedures. (a) Contractor shall supervise, coordinate and direct the Work using Contractor's best skill and attention and shall provide supervision sufficient to assure proper coordination and timely completion of the Work. Contractor shall be solely responsible for and have control over construction means, methods, techniques, safety, sequences, procedures and the coordination of all portions of the Work.

(b) Contractor shall be responsible for the accurate layout of all portions of the Work and shall verify all dimensions on the Drawings and shall report to HACLA any discrepancies before proceeding with related Work.

(c) Contractor may be assigned working space adjacent to the Site, and all field offices, materials and equipment shall be kept within this area. Contractor shall be responsible for leaving the space in as good condition as Contractor found it, or restoring it to the condition it was in prior to Contractor commencing the Work.

(d) Contractor shall be responsible to HACLA for acts and omissions of Contractor's agents, employees, and of Contractor's subcontractors, and their respective agents and employees. Unless otherwise stated in or a contrary intention is reasonably inferable from the Contract, references to Contractor, when used in reference to an obligation bearing upon performance of the Work, shall be deemed to include Contractor's subcontractors.

(e) Contractor shall not be relieved of its obligation to perform the Work in accordance with the Contract by the act(s) or omission(s) by HACLA in the administration of the Contract, or by tests, inspections or approvals required or performed by persons or firms other than Contractor.

3.4 Material and Workmanship. (a) All equipment, material, and articles furnished under the Contract

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shall be new and of the most suitable grade for the purpose intended, unless otherwise specifically provided in the Contract. References in the Contract to equipment, material, articles, or patented processes by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition. The Contractor may, at its option, use any equipment, material, article, or process that, in the judgment of, and as approved by the Project Manager, is equal to that named in the Specifications, unless otherwise specifically provided in the Contract.

(b) Approval of equipment and materials. (1) The Contractor shall obtain the Project Manager's approval of the machinery and mechanical and other equipment to be incorporated into the Work. When requesting approval, the Contractor shall furnish to the Project Manager the name of the manufacturer, the model number, and other information concerning the performance, capacity, nature, and rating of the machinery and mechanical and other equipment. When required by the Contract or by the Project Manager, the Contractor shall also obtain the Project Manager's approval of the material or articles which the Contractor contemplates incorporating into the Work. When requesting approval, the Contractor shall provide full information concerning the material or articles. Machinery, equipment, material, and articles that do not have the required approval shall be installed or used at the risk of subsequent rejection.

(2) When required by the Specifications or the Project Manager, the Contractor shall submit appropriately marked shipping samples (and certificates related to them) for approval at the Contractor's expense, with all shipping charges prepaid. The Contractor shall label, or otherwise properly mark on the container, the material or product represented, its place of origin, the name of the producer, the Contractor's name, and the identification of the construction project for which the material or product is intended to be used.

(3) Certificates shall be submitted in triplicate, describing each sample submitted for approval and certifying that the material, equipment or accessory complies with Contract requirements. The certificates shall include the name and brand of the product, name of manufacturer, and the location where produced.

(4) Approval of a sample shall not constitute a waiver of HACLA right to demand full compliance with Contract requirements. Materials, equipment and accessories may be rejected for cause even though samples have been approved.

(5) Wherever materials are required to comply with recognized standards or Specifications, such Specifications shall be accepted as establishing the technical qualities and testing methods, but shall not govern the number of tests required to be made nor modify other Contract requirements. The Project Manager may require laboratory test reports on items submitted for approval or may approve materials on the basis of data submitted in certificates with samples. Check tests will be made on materials delivered for use only as frequently as the Project Manager determines necessary to insure compliance of materials with the Specifications. The Contractor will assume all costs of retesting materials which fail to meet Contract requirements and/or testing materials offered in substitution for those found deficient.

(6) After approval, samples will be kept in the Project office until Final Completion. They may be built into the Work after a substantial quantity of the materials they represent has been built in and accepted.

3.5 Lead-Based Paint Rule. Notwithstanding the foregoing clause, Material and Workmanship at

paragraph (c), federal law requires that all Contractors performing renovation, repair and painting Projects that disturb paint in any housing units constructed prior to 1978 or a child-occupied facility, defined as any building, or a portion of a building, constructed prior to 1978, visited regularly by the same child, under 6 years of age, on at least 2 different days within any week (Sunday through Saturday period), provided that each day's visit lasts at least 3 hours and the combined weekly visits last at least 6 hours, and the combined annual visits last at least 60 hours, must be certified in the Environmental Protection Agency ("EPA") Renovation, Repair and Painting Rule, and must follow specific work practices to reduce human exposures to lead, as outlined in 40 CFR Part 745. By executing a Contract for a renovation, repair and/or painting Project subject to this clause, the Contractor hereby verifies that it has been certified by the EPA and conforms with all EPA standards and practices as it relates to the renovation, repair and painting of such projects.

3.6 Responsibility for HACLA-Furnished Materials. Contractor is held responsible for all materials furnished by HACLA after such materials have been delivered to the Site and until such materials are incorporated in the Work and accepted by HACLA. Deductions will be made from any monies due, or to become due, the Contractor to make good any loss, damage, shortage, or deficiency from Contractor's failure to protect such materials including, but not limited to, demurrage charges due to delinquency in unloading. In case of suspension of the Work for any cause whatever, the Contractor shall be responsible for protection of all materials, whether furnished by Contractor or by HACLA, and shall properly store such, if necessary.

3.7 Accounting Records; Audit. Contractor shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under the Contract in accordance with generally accepted accounting principles and practices.

3.8 Examination and Retention of Contractor's Records. (a) Contractor shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under the Contract in accordance with generally accepted accounting principles and practices.

(b) HACLA or any of its duly authorized representatives shall, until 3 years after final payment under the Contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to the Contract for the purpose of making audit, examination, excerpts, and transcriptions.

(c) The Contractor agrees to include in first-tier subcontracts under the Contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.

(d) The periods of access and examination in paragraphs (a) and (b) above for records relating to (i) appeals under the Disputes clause herein, (ii) litigation or settlement of claims arising from the performance of the Contract, or (iii) costs and expenses of the Contract to which HACLA or any of its duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

3.9 Construction Methods and Procedures. (a) The methods and procedures adopted by Contractor shall be such as to secure a quality of Work satisfactory to HACLA and to enable completion of the Work in the time agreed upon. If at any time such methods and procedures appear inadequate, HACLA may order Contractor to improve the character or increase efficiency, and Contractor shall conform to such order; but the failure of HACLA to order such improvement of methods or increase of efficiency will not relieve Contractor from its obligation to perform the Work in accordance with the Contract or within the Time for Completion.

(b) If the Contract give specific instructions concerning construction means, methods, techniques, sequences or procedures, Contractor shall be fully and solely responsible for the Site safety for implementing such means, methods, techniques, sequences or procedures. If Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, Contractor shall give written notice to the Project Manager and shall not proceed with that portion of the Work without further written instruction by the Project Manager.

3.10 Taxes. Contractor and subcontractors are responsible for paying all sales, consumer, business license, use, income and payroll, and similar taxes for the Work or portions thereof provided by Contractor and subcontractors.

3.11 Permits and Codes. The Contractor shall give all notices and comply with all applicable laws, ordinances, codes, rules and regulations. Notwithstanding the requirement of the Contractor to comply with the drawings and specifications in the contract, all work installed shall comply with all applicable codes and regulations. Before installing the work, the Contractor shall examine the drawings and the specifications for compliance with applicable codes and regulations bearing on the work and shall immediately report any discrepancy it may discover to the Contracting Officer. Where the requirements of the drawings and specifications fail to comply with the applicable code or regulation, the Contracting Officer shall modify the contract by change order pursuant to the clause entitled Changes herein to conform to the code or regulation. The Contractor shall secure and pay for all permits, fees, and licenses necessary for the proper execution and completion of the work.

3.12 Project Staff. (a) Contractor shall employ a complete and competent Project staff for the duration of the Work, which shall include separate individuals designated to act as Superintendent, Construction or Project Manager, Project engineer(s) and administrative assistant(s), plus such other persons necessary to diligently prosecute the Work. Contractor shall not replace the designated Superintendent or Project Manager without a minimum 7 day written notice. Any Project staff member and any replacement member shall be subject to the approval of HACLA, which may be granted or withheld in its sole discretion.

(b) Upon notice from HACLA requesting replacement of any Project staff member who is unsatisfactory to HACLA, Contractor shall in a timely manner, but in no event longer than 3 days after notification, replace such member with a competent member satisfactory to HACLA. Failure by Contractor to comply with the provisions of this paragraph shall entitle HACLA, at its option exercised in its sole discretion, to

terminate the Contract or suspend the Work until Contractor complies with this paragraph. All costs or damages associated with such termination or suspension shall be borne by Contractor, without adjustment in the Contract Fees or Time for Completion.

(c) The Superintendent shall be at the Site at all times during the performance of the Work. The Superintendent shall represent Contractor and communications given to and acknowledged by the Superintendent shall be binding on Contractor. Further, communications issued by or received from the Superintendent shall be deemed as binding on Contractor. The Superintendent must be able to read, write and communicate fluently in English.

3.13 Specifications and Drawings for Construction. (a) The Contractor shall keep on the Site a copy of the Drawings and Specifications and shall at all times give the Project Manager access thereto. Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy in the figures, in the Drawings, or in the Specifications, the matter shall be promptly submitted to the Project Manager, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination shall be at its own risk and expense. The Project Manager will furnish from time to time such detailed Drawings and other information as considered necessary, unless otherwise provided.

(b) Wherever in the Specifications or upon the Drawings the words “directed”, “required”, “ordered”, “designated”, “prescribed”, or words of like import are used, it shall be understood that the “direction”, “requirement”, “order”, “designation”, or “prescription”, of the Project Manager is intended and similarly the words “approved”, “acceptable”, “satisfactory”, or words of like import shall mean “approved by”, or “acceptable to”, or “satisfactory to” the Project Manager, unless otherwise expressly stated.

(c) Where “as shown”, “as indicated”, “as detailed”, or words of similar import are used, it shall be understood that the reference is made to the Drawings accompanying the Contract unless stated otherwise. The word “provided” as used herein shall be understood to mean “provide complete in place” that is “furnished and installed”.

(d) “Shop drawings” means drawings, submitted to HACLA by the Contractor, subcontractor, or any lower tier subcontractor, showing in detail (i) the proposed fabrication and assembly of structural elements and (ii) the installation (i.e., form, fit, and attachment details) of materials of equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by the Contractor to explain in detail specific portions of the Work required by the Contract. HACLA may duplicate, use, and disclose in any manner and for any purpose Shop Drawings delivered under the Contract.

(e) If the Contract requires Shop Drawings, the Contractor shall coordinate all such drawings, and review them for accuracy, completeness, and compliance with other Contract requirements and shall indicate

its approval thereon as evidence of such coordination and review. Shop Drawings submitted to the Project Manager without evidence of the Contractor's approval may be returned for resubmission. The Project Manager will indicate an approval or disapproval of the Shop Drawings and if not approved as submitted shall indicate HACLA's reasons therefore. Any Work done before such approval shall be at the Contractor's risk. Approval by the Project Manager shall not relieve the Contractor from responsibility for any errors or omissions in such drawings, nor from responsibility for complying with the requirements of the Contract, except with respect to variations described and approved in accordance with (f) below.

(f) If Shop Drawings show variations from the Contract requirements, the Contractor shall describe such variations in writing, separate from the drawings, at the time of submission. If HACLA approves any such variation, the Project Manager will issue an appropriate modification to the Contract, except that, if the variation is minor or does not involve a change in Time for Completion or Contract Fees, a modification need not be issued.

(g) It shall be the responsibility of the Contractor to make timely requests of HACLA for such large scale and full size drawings, color schemes, and other additional information, not already in his possession, which shall be required in the planning and production of the Work. Such requests may be submitted as the need arises, but each such request shall be filed in ample time to permit appropriate action to be taken by all Parties involved so as to avoid delay.

(h) The Contractor shall submit to the Project Manager for approval four copies (unless otherwise indicated) of all Shop Drawings as called for under the various headings of these Specifications. Three sets (unless otherwise indicated) of all Shop Drawings, will be retained by HACLA and one set will be returned to the Contractor. As required by the Project Manager, the Contractor, upon completing the Work, shall furnish a complete set of all Shop Drawings as finally approved. These drawings shall show all changes and revisions made up to the time the Work is completed and accepted.

(i) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all Shop Drawings prepared by subcontractors are submitted to the Project Manager.

3.14 As-Built Drawings. (a) As required by the Project Manager, the Contractor shall provide the Project Manager accurate information to be used in the preparation of permanent As-Built drawings. For this purpose, Contractor shall record on one set of Contract Drawings all changes from the installations originally indicated, and record final locations of underground lines by depth from finish grade and by accurate horizontal offset distances to permanent surface improvements such as buildings, curbs, or edges of walks. If the As-Built Drawings are prepared on a computer, then the revised computer files shall also be provided to HACLA in the file format specified by HACLA.

(b) Contractor, in concert with the Project Manager, shall review Contractor's As-Built Drawings for conformance with all current Changes prior to presenting its monthly Application for Payment and at Final Completion, the Contractor shall provide the fully As-Built Drawings to HACLA. The monthly progress payment statement will not be accepted or processed by HACLA unless the As-Built Drawings

are current and complete, and approved by HACLA. No final payment will be made to Contractor until the Project Manager has received accurate information to be used in the preparation of permanent As-Built Drawings.

(c) It shall be the responsibility of Contractor to ensure that all As-Built Drawings prepared by Subcontractors are submitted to the Project Manager.

(d) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all As-Built drawings prepared by subcontractors are submitted to the Project Manager.

3.15 Documents and Samples at Project Site. (a) Contractor shall maintain one set of As-Built Drawings at the Site, which shall be kept up to date on a daily basis during the performance of the Work. All performed changes, deletions or additions in the Work from that shown in the Contract shall be recorded accurately and completely in the Record Documents. Upon Final Completion and as a condition to final payment, each sheet of the As-Built Drawings and other Record Documents shall be signed and attested to by the Contractor's Superintendent as being complete and accurate.

(b) Contractor shall, at all times during performance of the Work, also maintain the following at the Site: (i) the latest updated construction schedule approved by HACLA; (ii) Shop Drawings, product data, and samples; and (iii) all other required submittals. At all times during the course of the Project, these documents shall be available to HACLA and the Project Manager to audit, excerpt, or copy as they see fit. Upon Final Completion or termination of the Contract, these documents shall be delivered to HACLA in the format requested by HACLA.

(c) It shall be the responsibility of Contractor to maintain a current and complete record of all Changes

3.16 Submittals. (a) Submittals are intended to demonstrate, for those portions of the Work for which submittals are required, how Contractor proposes to conform to the information given and the design concept expressed in the Contract. Prior to starting Work, Contractor shall provide to the Project Manager an initial schedule for submission of the submittals for which Shop Drawings are required by the Contract. For each required Shop Drawing, Contractor shall provide to the Project Manager the date for the Drawing's intended submittal to the Architect for review. The date required for its return to avoid delay in any activity beyond the scheduled start date shall also be given.

(b) All Shop Drawings and other submittals shall be provided at Contractor's expense, and at the time required by the construction schedule or requested by the Project Manager or Architect.

(c) Contractor shall review, approve, and submit to the Project Manager (or to Architect if so directed), all submittals required by the Contract to be submitted and reviewed by the Architect. Submittals to the Project Manager or Architect without evidence thereon of Contractor's approval shall be returned, without review, for resubmission in accordance with these requirements.

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(d) Submittals shall be provided within the time frame specified in the Specifications in accordance with the construction schedule, and in such sequence as to cause no delay in the Work or in the activities of HACLA or of separate contractors. Submittals made by Contractor that are not required by the Contract may be returned without action by the Project Manager or Architect. Submittal to the Project Manager and Architect must include a statement, in writing, identifying any deviations from the Contract required due to manufacturing or installation limitations contained in the submittal.

(e) No Work requiring a submittal shall be performed by Contractor until the submittal has been reviewed and approved by the Project Manager or Architect, as appropriate, and the Architect has documented the exceptions noted on the submittal. Once the submittal is returned to Contractor by the Project Manager with a statement that it has been reviewed and no exceptions are taken or further action requested, such Work shall be performed in accordance with the submittal and the Contract.

(f) Contractor's submittals represent that Contractor has determined or verified materials and field measurements and conditions related thereto and that it has checked and coordinated the information contained within such submittals with the requirements of the Contract and submittals for related Work.

(g) If Contractor discovers any conflicts, omissions or errors in submittals, Contractor shall notify the Project Manager (or Architect if so directed) and receive instruction before proceeding with the affected Work.

(h) Contractor shall remain solely responsible, notwithstanding the Project Manager's or Architect's review or approval of submittals, for deviations (including, without limitation, those arising from standard shop practice) from the Contract, unless Contractor has specifically informed the Project Manager or Architect in writing of such deviation at the time of transmitting the submittal and the Project Manager or Architect has given written approval of such deviation. No adjustment in the Contract Fees or Time for Completion shall be permitted with respect to any such deviations that are noted in writing by Contractor and as to which the Project Manager or Architect takes no exception or approves.

(i) After review of Contractor's submittals by the Project Manager or Architect, as appropriate, the Project Manager or Architect will transmit to Contractor one set of submittals. If the submittals are found to be incomplete or incorrect, Contractor shall resubmit after corrective action has been taken. Contractor shall reimburse HACLA, or HACLA may withhold from payments due Contractor, sums owing by HACLA for any fees charged by the Project Manager or Architect or HACLA's other consultants for more than 2 reviews of a submittal, or for accelerated review in a shorter time than set forth in the approved construction schedule, if requested by Contractor or caused by late submittals by Contractor. The return of a submittal due to failure to comply with the Contract or for correction or additional information shall be considered a review.

(j) Review of submittals by the Project Manager or Architect will be general and for conformance with design intent, and shall not relieve Contractor from the responsibility for proper fitting and construction of the Work, nor from furnished materials and Work required by the Contract which may not be indicated on the reviewed submittals.

(k) Submittals shall be in English, be of good quality, and be of a size and scale to clearly show all necessary details. Submittals shall show in detail the size, sections and dimensions of all members; the arrangement and construction of all connections, joints and other pertinent details; and all holes, straps and other fittings required by other separate contractors for attaching their Work. When required by the Project Manager or Architect, engineering computations shall be submitted. Contractor shall be responsible for delivering duplicates of submittals to all other persons whose Work is dependent thereon.

(l) Contractor shall, at all times, maintain at the Site a complete file of all Project Manager or Architect-reviewed submittals.

3.17 Trade Names, Substitutions. (a) Any request for substitution of "or equal" items by the Contractor shall be made within 35 days of award of the Contract, unless otherwise specified in these Contract, and shall be governed by Public Contract Code Section 3400.

(b) If HACLA accepts for use in the Project a substitute material or process which in the opinion of the Project Manager is not the equal of that specified, a Change Order shall be issued issuing a credit to HACLA for the difference in value.

(c) Substitutions by Contractor that are incorporated into the Work without the prior review and approval by the Project Manager in accordance with the requirements of the Contract shall be deemed to be Defective Work.

(d) The Time for Completion shall not be affected by any circumstance developing from the substitution provisions of this clause.

3.18 Cutting, Fitting and Patching. (a) Contractor shall do all cutting, fitting, or patching of the Work required to make all parts of the Work join properly and to allow the Work to join the work of separate contractors shown in, or reasonably implied by, the Contract.

(b) Contractor shall not endanger the Work, the Project, existing improvements, or adjacent property by cutting, digging, or otherwise. Contractor shall not cut or alter the work of any separate contractor without the prior written consent of HACLA.

(c) In all cases, cutting shall be performed under the supervision of competent workers skilled in the applicable trade and shall cause the openings to be cut as small as possible to minimize unnecessary damage.

3.19 Access to the Work. (a) HACLA and its employees, consultants and other persons authorized by HACLA shall at all times have access to the Work wherever it is in preparation or progress. Contractor shall provide safe and proper facilities for such access and for Inspection.

(b) HACLA may, at any time, and from time to time during the performance of the Work, enter the Project for the purpose of installing any necessary other work by HACLA labor or other contracts or for any other purpose. Contractor shall cooperate with HACLA and not interfere with other work being done by or on behalf of HACLA.

3.20 Hazardous Materials. (a) If Contractor encounters Hazardous Material that may cause foreseeable injury or damage, Contractor shall immediately: (i) secure or otherwise isolate such condition; (ii) stop all Work in connection with such material or substance (except in an emergency situation); and (iii) notify HACLA and promptly thereafter confirm such notice in writing. Contractor's written notice shall indicate whether the Hazardous Material was shown or indicated in Contract to be within the Scope of Work, and whether the Hazardous Material was brought to the Site by Contractor, its subcontractors, sub-subcontractors, suppliers, or anyone else for whom Contractor is responsible.

(b) If Contractor introduces and/or discharges a Hazardous Material onto the Site in a manner not specified by the Contract, and/or disturbs a Hazardous Material identified in the Contract, Contractor shall hire a qualified remediation Contractor at Contractor's sole cost to eliminate the condition as soon as possible. Under no circumstance shall Contractor perform Work for which it is not qualified. HACLA, in its sole discretion, may require Contractor to retain an independent testing laboratory at Contractor's cost.

(c) Except as otherwise provided in Contract or as provided by applicable law, Contractor shall not be required to give any notice for the disturbance or observation of Hazardous Materials where such matter is disturbed or observed as part of the Scope of Work under Contract (such as hazardous waste or hazardous material investigation, remediation or disposal activities that are identified as the subject of Work under Contract), where Contractor complies with all requirements in Contract and applicable law respecting such materials.

(d) Contractor shall not be entitled to any adjustment in the Contract Fees or Time for Completion regarding claimed Hazardous Material if: (i) Contractor knew of the existence of such Hazardous Material at the time Contractor submitted its Bid; (ii) Contractor should have known of the existence of such Hazardous Material as a result of its having the responsibility to obtain additional or supplementary examinations, investigation, explorations, tests, studies and data concerning the conditions at or contiguous to the Site prior to submitting its Bid; or (iii) Contractor failed to give timely written notice of the Hazardous Material as required above.

(e) If HACLA determines that conditions do not involve Hazardous Material or other materials not previously disclosed or that no change in Contract Document terms is justified, HACLA will notify Contractor in writing, stating the reasons for its determination. If HACLA and Contractor cannot agree on an adjustment in Contract Fees or Time for Completion, Contractor shall proceed with the Work and as directed by HACLA and may file a claim as provided herein.

(f) If Contractor does not agree to resume work based on a reasonable belief that it is unsafe, or does not agree to resume work under special conditions, HACLA may order the disputed portion of work

deleted from the Work, or performed by others, or HACLA may invoke its right to terminate the Contract. If Contractor does not agree with HACLA's determination of any adjustment in the Contract Fees or Time for Completion as a result, Contractor may make a claim as provided herein.

(g) Contractor is required to ensure that material safety data sheets are available in a readily accessible place at the Site, or any material requiring a material safety data sheet per the federal "hazard communication" standard, or employees' right-to-know law. Contractor is also required to ensure proper labeling on any substance brought into the Site, and that any person working with the material, or within the general area of the material, is informed of the hazards of the substance and follows proper handling and protection procedures.

(h) Contractor is required to comply with the provisions of California Health and Safety Code section 25249, *et seq.* (the Safe Drinking Water and Toxic Enforcement Act, also known as Prop 65), which requires the posting and giving of notice to persons who may be exposed to any chemical known to the State of California to cause cancer.

3.21 Differing Site Conditions. (a) The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Project Manager of (i) subsurface or latent physical conditions at the Site which differ materially from those indicated in the Contract, or (ii) unknown physical conditions at the Site(s), of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the Contract.

(b) The Project Manager will investigate the Site conditions promptly after receiving the notice. Work shall not proceed at the affected site, except at the Contractor's risk, until the Project Manager has provided written instructions to the Contractor. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the Work, whether or not changed as a result of the conditions, the Contractor shall file a claim in writing to HACLA within 10 days after receipt of such instructions and, in any event, before proceeding with the work. An equitable adjustment in the Contract Fees, the Time for Completion, or both will be made under this clause and the Contract modified in writing accordingly.

(c) No request by the Contractor for an equitable adjustment to the Contract under this clause shall be allowed, unless the Contractor has given the written notice required; provided, that the time prescribed in (a) above for giving written notice may be extended by the Project Manager.

(d) No request by the Contractor for an equitable adjustment to the Contract for Differing Site Conditions shall be allowed if made after final payment under the Contract.

(e) Save and except as permitted for Differing Site Conditions, Contractor agrees to solely bear the risk and the additional cost and delay of all concealed or unknown conditions at the Site or in existing improvements, without adjustment to the Contract Fees or Time for Completion.

3.22 Contractor to Bear Risk and Cost. Save and except as permitted for Differing Site Conditions,

Contractor agrees to solely bear the risk and the additional cost and delay of all concealed or unknown conditions at the Site or in existing improvements, without adjustment to the Contract Fees or Time for Completion.

3.23 Parking. Contractor shall provide and maintain suitable parking areas, for use by all construction workers and others performing Work or furnishing services in connection with the Project, as required to avoid any need for parking personal vehicles where they may interfere with public traffic, construction activities or public parking.

3.24 Use of the Project Site and Clean Up. (a) Contractor shall confine operations at the Site to areas permitted by applicable legal requirements and the Contract. Contractor shall not encumber the Site with materials or equipment so that separate contractors' work is hindered or impeded due to such encumbrances.

(b) Contractor shall, during performance of the Work, keep the Site and surrounding area free from the accumulation of excess dirt, dust, waste materials, water and rubbish caused by Contractor or any Subcontractors. Contractor shall continuously and daily remove all excess dirt, waste material, water and rubbish caused by Contractor and all tools, equipment, machinery and surplus materials from the Site and surrounding area at end of each day. Adequate cleanup will be a condition for progress payments.

(c) Personnel of Contractor shall not occupy, live upon, or otherwise make use of the Site during any time that Work is not being performed at the Site, except as otherwise provided in the Contract.

(d) Upon Final Completion, Contractor shall remove all construction facilities, appurtenances, tools, material and other articles from the Site. The entire area, including all fixed equipment, floors, surfaces and hardware shall be cleaned and restored to their original condition in accordance with these General Conditions and Specifications.

(e) In addition to water sprinkling, temporary enclosures and anti-dust sweeping compounds should be used to limit dust and dirt rising and to keep the Site clean.

(f) Construction materials shall be neatly stacked by Contractor when not in use. Loose materials, whether on the Site or in transit, shall be covered to prevent dust. Contractor shall promptly remove splattered concrete, asphalt, oil, paint, corrosive liquids and cleaning solutions from the affected surfaces to prevent marring or other damage to the Work.

(g) Volatile wastes shall be properly stored in covered metal containers and removed daily. All other trash receptacles shall be promptly emptied when full.

(h) Contractor shall promptly and legally transport and dispose of removed and demolished items and waste materials not identified to be recycled or reused in compliance with local ordinances and anti-pollution laws. No rubbish or waste materials shall be burned, buried, or otherwise disposed of on the Site.

3.25 Care of Existing Utilities. (a) Prior to the start of any grinding or any excavation, Contractor shall be responsible for notifying Underground Services Alert (USA) 800-642-2444 at least 5 days prior to beginning underground work so that existing utilities can be marked in the field. Contractor is responsible for the location of all utilities, both public and private. Contractor shall give specific address for grinding or excavation location. Each location shall be marked by Contractor in the field with white paint. Contractor shall take all necessary precautions to avoid damaging these utilities.

(b) All Underground Services Alert marking shall be removed by Contractor. Any utilities damaged or altered in any way during the performance of the Work shall be promptly reported to the Project Manager and shall be restored to their original condition at Contractor's expense.

(c) If Contractor comes into contact with any existing utilities during his/her operations, Contractor shall notify the Project Manager before proceeding with the work involved.

(d) Pursuant to Government Code Section 4215, if, during the performance of the Work, Contractor discovers utility facilities not identified by HACLA in the Contract, Contractor shall immediately provide written notice to HACLA and the utility. HACLA assumes responsibility for the timely removal, relocation, or protection of existing main or trunkline utility facilities located on the Site, if such utilities are not identified in the Contract. Contractor shall be compensated in accordance with the provisions of the Contract for the costs of locating, repairing damage not due to Contractor's failure to exercise reasonable care, and removing or relocating such utility facilities not indicated in the Plans or Specifications with reasonable accuracy and for equipment on the Project necessarily idled during such work. Contractor shall not be assessed liquidated damages for delay in completion of the Work, to the extent such delay was caused by HACLA's failure to provide for removal or relocation of such utility facilities.

(e) In the event it should become necessary to remove the property of any owner of public utilities or franchise or any pipe, pipeline, conduit, tunnel, hole, cable, vault, crack, manhole, appliance, attachment, and appurtenances for which a permit has been granted for the installation thereof by the City of Los Angeles, Contractor shall notify the Project Manager of such fact, and HACLA will remove, or cause to be removed such property. The right is reserved to owners of public utilities, tenants and franchises to enter upon the Site for the purpose of making repairs or changes to their property that may be made necessary by the Work. The City of Los Angeles shall also have the right to enter upon the Site for the purpose of repairing sewers, water pipes, gas pipes, or other pipes or conduits, or making house connections thereto, or repairing existing culverts or storm drains.

3.26 Availability and Use of Utility Services. (a) HACLA shall make all reasonably required amounts of utilities available to the Contractor from existing outlets and supplies, as specified in the Contract. Unless otherwise provided in the Contract, the amount of each utility service consumed shall be charged to or paid for by the Contractor at prevailing rates charged to HACLA or, where the utility is produced by HACLA, at reasonable rates determined by HACLA. The Contractor shall carefully conserve any utilities furnished without charge.

(b) The Contractor, at its expense and in a manner satisfactory to the Project Manager, shall install and maintain all necessary temporary connections and distribution lines, and all meters required to measure the amount of each utility used for the purpose of determining charges. Before Acceptance of the Work by HACLA, the Contractor shall remove all the temporary connections, distribution lines, meters, and associated paraphernalia.

3.27 Temporary Buildings and Transportation of Materials. (a) Temporary buildings (e.g., storage sheds, shops, offices, sanitary facilities) and utilities may be erected by the Contractor only with the approval of the Project Manager and shall be built with labor and materials furnished by the Contractor without expense to HACLA. The temporary buildings and utilities shall remain the property of the Contractor and shall be removed by the Contractor at its expense upon Final Completion. With the written consent of the Project Manager, the buildings and utilities may be abandoned and need not be removed.

(b) The Contractor shall, as directed by the Project Manager, use only established roadways, or use temporary roadways constructed by the Contractor when and as authorized by the Project Manager. When materials are transported in prosecuting the work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any federal, state, or local law or regulation. When it is necessary to cross curbs or sidewalks, the Contractor shall protect them from damage. The Contractor shall repair or pay for the repair of any damaged curbs, sidewalks, or roads.

3.28 Subcontracts. (a) Definitions. As used in this contract - (1) "Subcontract" means any contract, purchase order, or other purchase agreement, including modifications and change orders to the foregoing, entered into by a subcontractor to furnish supplies, materials, equipment, and services for the performance of the prime contract or a subcontract.

(2) "Subcontractor" means any supplier, vendor, or firm that furnishes supplies, materials, equipment, or services to or for the Contractor or another subcontractor.

(b) The Contractor shall not enter into any subcontract with any subcontractor who has been suspended or debarred from participating in contracting programs by any agency of the State or the United States Government.

(c) The Contractor shall be as fully responsible for the acts or omissions of its subcontractors, and of persons either directly or indirectly employed by them as for the acts or omissions of persons directly employed by the Contractor.

(d) The Contractor shall insert appropriate clauses in all subcontracts to bind subcontractors to the terms and conditions of this contract insofar as they are applicable to the work of subcontractors.

(e) Nothing contained in this contract shall create any contractual relationship between any subcontractor and the PHA or between the subcontractor and HUD.

3.29 Reserved.

3.30 Emergencies Affecting Safety. In an emergency affecting the safety of persons or property, Contractor shall immediately act to prevent or minimize damage, injury or loss. If practicable, Contractor shall immediately communicate with the Project Manager and shall be guided by the directions and advice of the Project Manager or HACLA, as the case may be. Within twenty-four (24) hours after occurrence of the incident, Contractor shall provide the Project Manager written notice of the occurrence of the emergency, which shall include a report of Contractor's response to the incident.

3.31 Warranty of Title. The Contractor warrants good title to all materials, supplies, and equipment incorporated in the Work and agrees to deliver the Site together with all improvements thereon free from any claims, liens or charges, and agrees further that neither it nor any other person, firm or corporation shall have any right to a lien upon the Site or anything appurtenant thereto.

3.32 Warranty of Construction. (a) In addition to any other warranties in the Contract, the Contractor warrants, except as provided in paragraph (g) of this clause, that Work performed under the Contract conforms to the Contract requirements and is free of any defect in equipment, material, or workmanship performed by the Contractor or any subcontractor or supplier at any tier. This warranty shall continue for a period of one year from the date of Final Acceptance. If HACLA takes possession of any part of the Work before Final Acceptance, this warranty shall continue for a period of (one year unless otherwise indicated) from the date that HACLA takes possession.

(b) The Project Manager will notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect or damage.

(c) With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for Work performed and materials furnished under the Contract, the Contractor shall: (i) obtain all warranties that would be given in normal commercial practice; (ii) require all warranties to be executed in writing, for the benefit of HACLA; and, (iii) enforce all warranties for the benefit of HACLA.

(d) In the event the Contractor's warranty under paragraph (a) of this clause has expired, HACLA may bring suit at its own expense to enforce a subcontractor's, manufacturer's or supplier's warranty.

(e) The Contractor shall not be liable for the repair of any defect of material or design furnished by HACLA nor for the repair of any damage that results from any defect in HACLA furnished material or design, unless the defect is caused by the negligence of the Contractor or subcontractor or supplier at any tier.

(f) Notwithstanding any provisions herein to the contrary, the establishment of the time period in paragraph (a) above relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which its obligation to comply with the Contract may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to its obligation other than specifically to correct the Work.

(g) This warranty shall not limit HACLA's rights under the Inspection and Acceptance of Construction clause herein with respect to latent defects, gross mistakes or fraud.

3.33 Prohibition against Liens. The Contractor is prohibited from placing a lien on HACLA's property. This prohibition shall apply to all subcontractors at any tier and all materials suppliers.

3.34 Independent Contractor. (a) Contractor shall, during the performance of the Contract, act as a wholly independent contractor. Neither HACLA nor any of its officers, employees, servants or agents shall have control over the conduct of Contractor or its employees or agents, except to advise or provide Project direction as required. Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner employees of HACLA.

(b) Nothing contained in the Contract shall be deemed, construed or represented by HACLA or Contractor or by any third person to create the relationship of principal or agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between HACLA and Contractor.

(c) HACLA shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to any person employed by Contractor performing services hereunder for HACLA.

3.35 General Indemnification. (a) The Contractor shall hold harmless, indemnify and defend HACLA and its officers, employees, commissioners, servants, agents, successors, assigns, instrumentality entities, subsidiaries and related non-profit corporations, as well as the directors, officers, employees, commissioners, servants, agents, successors, and assigns of HACLA's instrumentality entities, subsidiaries, and related non-profit corporations (collectively, "Indemnified Parties") from and against all claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses (including without limitation reasonable attorney fees and costs), whether or not involving a third party claim, which arise out of, relate to, or result from (i) any breach of any representation or warranty of Contractor contained in the Contract; (ii) any breach of any covenant or other obligation or duty of the Contractor under the Contract or under applicable law; and/or (iii) any acts or omissions by Contractor or subcontractor of any tier, in each case whether or not caused by the negligence of HACLA or any other Indemnified Party, and whether or not the relevant claim has merit. This indemnification provision shall not apply to any claims resulting solely from the gross negligence or willful misconduct of HACLA, HACLA's officers, employees, commissioners, servants, agents, successors, assigns, instrumentality entities, subsidiaries, and related non-profit corporations, or the directors, officers, employees, commissioners, servants, agents, successors, and assigns of HACLA's instrumentality entities, subsidiaries, and related non-profit corporations. The Contractor's obligations set forth above shall survive the expiration or termination of the Term of the Contract, including any Option Term.

(b) HACLA does not, and shall not waive any rights that it may have against the Contractor by reason of the acceptance by HACLA, or the deposit with HACLA, of any insurance policies or endorsements required pursuant to the Contract. This indemnification provision shall apply regardless of whether or not said insurance policies or endorsements are determined to be applicable to any claims, actions, lawsuits, complaints, demands, damages, liabilities, losses, obligations, taxes, settlements, judgments, costs or expenses described above.

3.36 License Fees and Royalties. Contractor shall identify, obtain, and pay for all necessary license fees and royalties related to or necessary for any invention, design, process, product, or device that is the subject of patent rights or copyrights held by others. Contractor shall deliver to HACL A all documents evidencing Contractor's satisfaction of such requirements prior to submission of the final Application for Payment, or upon termination of the Contract, whichever is earlier.

3.37 Indemnification for Copyright and Patent Infringement. (a) Contractor shall defend any action or proceeding brought against HACL A based on any claim that the Work, or any part thereof, or the operation or use of the Work or any part thereof, constitutes infringement of any United States patent or copyright, now or hereafter issued. HACL A will give prompt written notice to Contractor of any such action or proceeding and will reasonably provide authority, information and assistance in the defense of same. Contractor shall indemnify and hold harmless HACL A from and against all damages and costs, including but not limited to attorney fees and expenses awarded against HACL A or Contractor in any such action or proceeding. Contractor shall keep HACL A informed of all developments in the defense of such actions.

(b) If HACL A is enjoined from the operation or use of the Work, or any part thereof, as the result of any copyright or patent suit, claim, or proceeding, Contractor shall at its sole expense take reasonable steps to procure the right to operate or use the Work. If Contractor cannot so procure such right within a reasonable time, Contractor shall promptly, at Contractor's option and at Contractor's expense, (i) modify the Work so as to avoid infringement of any such copyright or patent or (ii) replace said Work with Work that does not infringe or violate any such copyright or patent.

(c) Above paragraphs (a) and (b) hereof shall not be applicable to any suit, claim or proceeding based on infringement or violation of a copyright or patent (i) relating solely to a particular process or product of a particular manufacturer specified by HACL A and not offered or recommended by Contractor to HACL A or (ii) arising from modifications to the Work by HACL A or its agents after Acceptance of the Work.

(d) The obligations set forth in this clause shall constitute the sole agreement between the parties relating to liability for infringement or violation of any patent or copyright.

3.38 Unfair Business Practices Claims.⁹ Contractor offers and agrees to assign to HACL A all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15), or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time HACL A tenders final payment to Contractor, without further acknowledgment by the Parties. Contractor shall incorporate this provision in all Subcontractor contracts.

3.39 Reporting Requirements. Contractor, at such times and in such forms as HACL A may require, shall

⁹ Public Contract Code §7103.5

promptly and timely provide to HACLA such periodic reports as it may request pertaining to the Work, the costs and obligations incurred or to be incurred in connection herewith, and any other matters covered by the Contract.

ARTICLE 4. ADMINISTRATION OF THE CONTRACT

4.1 Architect's Duties, Responsibilities and Authority. (a) The Architect shall serve as the Contracting Officer's technical representative with respect to architectural, engineering, and design matters related to the work performed under the contract. The Architect may provide direction on contract performance. Such direction shall be within the scope of the contract and may not be of a nature which: (1) institutes additional work outside the scope of the contract; (2) constitutes a change as defined in the Changes clause herein; (3) causes an increase or decrease in the cost of the contract; (4) alters the Construction Progress Schedule; or (5) changes any of the other express terms or conditions of the contract.

(b) The Architect's duties and responsibilities may include but shall not be limited to:

- (1) Making periodic visits to the work site, and on the basis of his/her on-site inspections, issuing written reports to HACLA that shall include all observed deficiencies. The Architect shall file a copy of the report with the Contractor's designated representative at the site;
- (2) Making modifications in drawings and technical specifications and assisting the Contracting Officer in the preparation of change orders and other contract modifications for issuance by the Contracting Officer;
- (3) Reviewing and making recommendations with respect to - (i) the Contractor's construction progress schedules; (ii) the Contractor's shop and detailed drawings; (iii) the machinery, mechanical and other equipment and materials or other articles proposed for use by the Contractor; and, (iv) the Contractor's price breakdown and progress payment estimates; and
- (4) Assisting in inspections, signing Certificates of Completion, and making recommendations with respect to acceptance of work completed under the contract.

4.2 Contract Administration by HACLA and Project Manager. Notwithstanding the foregoing clause, Architect's Duties, Responsibilities and Authority: (a) HACLA and the Project Manager will provide administration of the Contract as provided in the Contract.

(b) The Project Manager will be present on the Site during the performance of the Work primarily for the purposes of providing administration, inspection and expediting communications between HACLA and Contractor.

(c) HACLA and its employees and consultants will not have control over, be in charge of, or be responsible for construction means, methods, techniques, safety, sequences or procedures or for safety precautions and programs in connection with the Work, all of which are the sole responsibility of Contractor.

(d) Unless otherwise provided in the Contract or when direct communications have been specifically authorized, communications between Contractor and HACLA shall be in writing through Project

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Manager. Communications by Contractor or subcontractors and with separate contractors shall be through the Project Manager. Contractor shall not rely on oral or other non-written communications.

(e) Based on the Project Manager's Site visits and evaluations of Contractor's Applications for Payment, the Project Manager will review and recommend to HACLA for HACLA approval the amounts, if any, due Contractor.

(f) HACLA alone shall have HACLA to stop the Work or any portion thereof. Whenever HACLA considers it necessary or advisable, HACLA will have HACLA to require additional Inspection or Testing of the Work in accordance with the Contract, whether or not such Work is fabricated, installed or completed.

(g) Project Manager's authority includes, but is not limited to the following:

- (1) Conducting or directing Inspections to determine suitability of the Project or portion thereof for Beneficial Occupancy;
- (2) Assisting HACLA in determining the dates of Substantial Completion and Final Completion;
- (3) Reviewing any records, written warranties and related documents required by the Contract and assembled by Contractor; and
- (4) Making recommendations to HACLA for issuance of final payment upon Contractor's compliance with the requirements of the Contract.

(h) HACLA, with the assistance of and recommendations from the Architect and Project Manager, shall be the ultimate interpreter of the requirements of the Contract and the judge of performance thereunder by Contractor. Such decisions by HACLA will be final and binding upon Contractor.

4.2 Changes. (a) The Contracting Officer may, at any time, without notice to the sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract including changes:

- (1) In the specifications (including drawings and designs);
- (2) In the method or manner of performance of the work;
- (3) HACLA-furnished facilities, equipment, materials, services, or site; or,
- (4) Directing the acceleration in the performance of the work.

(b) Any other written order or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this clause; provided, that the Contractor gives the Contracting Officer written notice stating (1) the date, circumstances and source of the order and (2) that the Contractor regards the order as a change order.

(c) Except as provided in this clause, no order, statement or conduct of the Contracting Officer shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.

(d) If any change under this clause causes an increase or decrease in the Contractor's cost of, or the time required for the performance of any part of the work under this contract, whether or not changed by

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any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing. However, except for an adjustment based on defective specifications, no proposal for any change under paragraph (b) above shall be allowed for any costs incurred more than 20 days (5 days for oral orders) before the Contractor gives written notice as required. In the case of defective specifications for which the HACLA is responsible, the equitable adjustment shall include any increased cost reasonably incurred by the Contractor in attempting to comply with the defective specifications.

(e) The Contractor must assert its right to an adjustment under this clause within 30 days after (1) receipt of a written change order under paragraph (a) of this clause, or (2) the furnishing of a written notice under paragraph (b) of this clause, by submitting a written statement describing the general nature and the amount of the proposal. If the facts justify it, the Contracting Officer may extend the period for submission. The proposal may be included in the notice required under paragraph (b) above. No proposal by the Contractor for an equitable adjustment shall be allowed if asserted after final payment under this contract.

(f) The Contractor's written proposal for equitable adjustment shall be submitted in the form of a lump sum proposal supported with an itemized breakdown of all increases and decreases in the contract. Profit and overhead will be paid at ten percent (10%) of the direct allocable, allowable and reasonable costs. If the Work is subcontracted, five percent (5%) of the direct costs, regardless of the number of lower-tier Subcontractors involved in any and all changed Work, for a total maximum markup of fifteen percent (15%) is allowable. This amount shall fully compensate Contractor (and any Subcontractors) for administration, general superintendence, overhead, profit and all other expenses not otherwise directly recoverable with respect to a Change Order. The foregoing ten percent (10%) markup shall be allocated to the entity (Contractor or any Subcontractor) that actually performs the Work. In the case of Work that is subcontracted, the foregoing five percent (5%) markup shall be allocated to Contractor, regardless of the number of lower-tier Subcontractors involved. By way of example, where Contractor performs the Work directly (without the assistance of one or more Subcontractors), Contractor shall be entitled to profit and overhead of ten percent (10%) of the direct allocable, allowable and reasonable costs of the Work. In those instances where the Work is performed by one or more Subcontractors, the ten percent (10%) shall be allocated between the Subcontractor(s) that actually performs the Work and Contractor shall be entitled to an additional five percent (5%), for a total of fifteen percent (15%).

(g) The Contractor shall include in the proposal its request for time extension (if any), and shall include sufficient information and dates to demonstrate whether and to what extent the change will delay the completion of the contract in its entirety.

(h) The Contracting Officer shall act on proposals within 30 days after their receipt, or notify the Contractor of the date when such action will be taken.

(i) Failure to reach an agreement on any proposal shall be a dispute under the clause entitled Disputes herein. Nothing in this clause, however, shall excuse the Contractor from proceeding with the contract as changed.

(j) Except in an emergency endangering life or property, no change shall be made by the Contractor without a prior order from the Contracting Officer.

4.3 Disputes.¹⁰ (a) Except for wage and labor-related disputes which shall be resolved according to the Labor Code, disputes arising under or relating to this contract, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause in accordance with Public Contract Code section 9204.

(b) All claims by the Contractor shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the HACLA against the Contractor shall be subject to a written decision by the Contracting Officer. The Contracting Officer shall, within 30 days after receipt of the request, decide the claim or notify the Contractor of the date by which the decision will be made. The Contracting Officer's decision shall be final unless the Contractor (1) appeals in writing to a higher level in HACLA in accordance with HACLA's policy and procedures, or (2) files suit in a court of competent jurisdiction. Such appeal must be made within 30 days after receipt of the Contracting Officer's decision. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under or relating to the contract, and comply with any decision of the Contracting Officer.

(c) Written claims not subject to the requirements of Public Contract Code section 9204 shall be given within a reasonable time after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later. Such notice shall include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of such request. If disputes or disagreements arise, Contractor and HACLA each commit to resolving such disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

4.4 Allowances. (a) Use of Allowances, if specified in the Contract Fees, is only as directed by the Project Manager for HACLA's purposes. Contractors shall provide distinct break-out of Allowances on the Schedule of Values and shall list Allowance amounts separately in Applications for Payment. Contractor shall submit invoices or delivery slips to show actual quantities of materials delivered to the Site or services provided for use in fulfillment of each Allowance.

(b) Contractor's percentage markup for all costs, overhead, profit and other expenses contemplated for stated Allowance amounts shall be expressly stated in the Contract Fees; otherwise Allowance items shall be delivered at Contractor's actual cost, less applicable trade discounts.

(c) This subsection is applicable when an Allowance pertains to products and/or services to be selected after award of the Contract but prior to the start of construction. At the earliest practical date after award of the Contract, Contractor shall advise the Project Manager of the date when final selection and

¹⁰ Public Contract Code §9204

purchase of each product or service described by an Allowance must be completed to avoid delaying the Work. Materials and equipment under an Allowance will be selected by HACLA with reasonable promptness. At the request of the Project Manager or Architect, Contractor shall obtain proposals for each Allowance for use in making final selections, which shall include recommendations that are relevant to performing the Work.

ARTICLE 5. CONSTRUCTION BY HACLA OR SEPARATE CONTRACTORS

5.1 HACLA's Right to Perform Construction and Award Separate Contracts. (a) HACLA reserves the right to award separate contracts for, or to perform with its own forces, construction or operations related to the Work or other construction or operations at or affecting the Site, including portions of the Work that have been deleted by modification. Contractor shall fully cooperate with the other contractors and with HACLA employees and shall carefully adapt scheduling and performing the Work to accommodate the additional work, heeding any direction that may be provided by the Project Manager. Contractor shall be responsible for affording separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities. Contractor shall ensure that each subcontractor and sub-subcontractor engaged on the Site arranges the storage of materials and equipment and performance of its Work so as to interfere as little as possible with separate contractors or other persons engaged in work for HACLA on the Site.

(b) HACLA will provide coordination of the activities of HACLA forces and of each separate contractor with the Work of Contractor. Contractor shall participate with HACLA and separate contractors in joint review of construction schedules and Project requirements when directed to do so. Contractor shall make necessary revisions to the construction schedule after such joint review.

5.2 Mutual Responsibility. (a) If a portion of the Work is dependent upon the proper execution or results of other construction or operations by separate contractors, Contractor shall inspect such other construction or operations before proceeding with its portion of the Work. Contractor shall promptly report to HACLA apparent discrepancies or defects which render the other construction or operations unsuitable to receive the Contractor's Work. Unless otherwise directed by the Project Manager, Contractor shall not proceed with the portion of the Work affected until apparent discrepancies or defects have been corrected. Failure of Contractor to so report within a reasonable time after discovering such discrepancies or defects shall constitute an acknowledgment that the other construction or operations by HACLA or separate contractors is suitable to receive the Work, except as to defects not then reasonably discoverable.

(b) In the event of delays, improperly timed activities or Defective Work by the Contractor or the separate contractors, the costs of such occurrences shall be borne by the party responsible therefor.

(c) If Contractor wrongfully causes damage to completed or partially completed construction or to property of HACLA or separate contractors, Contractor shall promptly remedy damage as provided in these General Conditions.

(d) If a dispute or other matters in question arise between Contractor and a separate contractor, such occurrences shall be subject to the resolution of claims provisions of these General Conditions, to the extent practicable. Contractor shall immediately notify the Project Manager in writing of such occurrences.

5.3 HACLA's Right to Clean Up. If a dispute arises between Contractor and separate contractors as to the responsibility under their respective contracts for maintaining the Site and surrounding areas free from waste materials and rubbish, HACLA may clean up and allocate the cost between those firms it deems, in its sole discretion, to be responsible.

ARTICLE 6. WORK SCHEDULING AND PROGRESS

6.1 Construction Progress Schedule. (a) The Contractor shall, within 5 days after the Work commences on the Contract or another period of time determined by the Project Manager, prepare and submit to the Project Manager for approval three copies of a practicable construction schedule showing the order in which the Contractor proposes to perform the Work, and the dates on which the Contractor contemplates starting and completing the several salient features of the Work (including acquiring labor, materials, and equipment). The construction schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of Work scheduled for completion by any given date during the period.

(b) The Contractor shall regularly update the construction schedule to reflect the actual progress on the Work and shall timely submit to the Project Manager for approval three copies of each updated construction schedule.

(c) The approved construction schedule may reflect a period of performance that is shorter than the Time for Completion; provided however, that the difference shall be deemed as float and nothing in this paragraph or in any other provision of the Contract shall be construed as creating any contractual right, express or implied, on the part of Contractor to finish the Project earlier than the Time for Completion. Under no circumstances shall HACLA be liable to Contractor for any costs, damages or compensation due to the inability of Contractor to complete the Work earlier than the Time for Completion, regardless of the cause, including, without limitation, acts or omissions (intentional or negligent) of HACLA.

(d) HACLA's review, comments, requests for revisions, or acceptance of any schedule or scheduling data: (i) shall not relieve Contractor from its sole responsibility for the feasibility of the schedule and to plan for, perform, and complete the Work within the Time for Completion; (ii) shall not transfer responsibility for any schedule from Contractor to HACLA; and (iii) shall not imply HACLA's agreement with any assumption upon which such schedule is based or any matter underlying or contained in such schedule.

(e) Contractor shall cooperate with and coordinate its construction schedule with work of HACLA and HACLA's separate contractors.

6.2 Progress of Work. (a) Contractor shall plan, develop, supervise, control and coordinate the

performance of the Work so the progress, sequence and timing of the Work conforms to the current approved construction schedule and Substantial Completion of the Work is achieved within the Time for Completion. Contractor shall continuously obtain from subcontractors information and data about the planning for and progress of the Work, the ordering and fabrication of materials, required submittals, and the delivery of equipment, shall coordinate and integrate such information and data in updated construction schedules, and shall monitor the progress of the Work and the delivery of equipment. Contractor shall act as the expeditor of potential and actual delays, interruptions, hindrances or disruptions for its own forces and those forces of subcontractors, regardless of tier. Contractor shall cooperate with HACLA in the development of the construction schedule and updated construction schedules.

(b) The Project Manager will schedule and hold progress meetings at regular intervals. Contractor and/or Contractor's designee shall be present at each progress meeting. In addition to Contractor and/or Contractor's designee, each subcontractor, supplier, or other entity concerned with current progress or involved in planning, coordination or performance of the work shall, if requested by the Project Manager, be represented at these meetings. All participants at the progress meetings shall be familiar with the Project. Failure of the Contractor to be represented at any progress meeting that is held at a mutually agreed time or for which a written notice is given, shall not relieve Contractor from abiding by any and all HACLA determinations or directives issued at such meeting. Contractor shall revise the construction schedule after each progress meeting where revisions to the schedule have been made or recognized, and shall issue the revised schedule at the next regularly scheduled progress meeting, or such other earlier time as may be directed by the Project Manager.

(c) If HACLA determines and notifies Contractor that Contractor's progress is such that Contractor will not achieve Substantial Completion within the Time for Completion due to Contractor's Unexcused Delay, Contractor shall, immediately take all measures necessary to complete the Work within the Time for Completion, including increasing the number of shifts, overtime operations, days of work, and/or the amount of construction plant. Upon receipt of such notice from HACLA, Contractor shall immediately respond in writing setting forth a detailed plan for accelerating the Work in a manner acceptable to HACLA, which may include the submittal for approval of supplementary construction schedules or such other schedules as the Project Manager deems necessary to demonstrate how the approved rate of progress will be regained. Contractor shall not be entitled to any reimbursement or payment of costs, expenses or damages incurred as a result of any acceleration of the Work performed pursuant to this clause. Additionally, HACLA may take all necessary measures to prevent the need for subsequent accelerations of the Work and the Contractor shall reimburse HACLA, or HACLA may withhold from payment due to Contractor, any sums expended by HACLA to perform such measures.

6.3 Time is of the Essence. Time is of the essence with respect to all time limits set forth in the Contract. Final Completion of the Work or identified portions of the Work shall be achieved as expeditiously as reasonably practicable.

6.4 Suspension of Work. (a) HACLA may order the Contractor in writing to suspend, delay, or interrupt all or any part of the Work for the period of time that HACLA determines appropriate for the convenience

of HACLA.

(b) If the performance of all or any part of the Work is, for an unreasonable period of time, suspended, delayed, or interrupted (i) by an act of HACLA in the administration of the Contract, or (ii) by HACLA's failure to act within the time specified (or within a reasonable time if not specified) in the Contract, an adjustment will be made for any increase in the cost of performance of the Contract Time for Completion (excluding profit) necessarily caused by such unreasonable suspension, delay, or interruption and the Contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor or for which any equitable adjustment is provided for or excluded under any other provision of the Contract.

(c) A claim under this clause shall not be allowed (i) for any costs incurred more than 20 days before the Contractor shall have notified the Project Manager in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and, (ii) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the Contract.

6.5 Delay. (a) Contractor may request an extension of the Time for Completion for an Excusable Delay or a Compensable Delay, subject to the following:

(1) In order to avoid double counting concurrent delays, if an Excusable Delay and a Compensable Delay occur concurrently, the maximum extension of the Time for Completion shall be the number of days from the commencement of the first delay to the cessation of the delay that ends last.

(2) If an Unexcused Delay occurs concurrently with either an Excusable Delay or a Compensable Delay, the maximum extension of the Time for Completion shall be the number of days, if any, by which the Excusable Delay or the Compensable Delay exceeds the Unexcused Delay.

(3) If an Unexcused Delay occurs concurrently with both an Excusable Delay and a Compensable Delay, the maximum extension of the Time for Completion shall be the number of days, if any, by which the number of days of Excusable Delay, as determined pursuant these General Conditions, exceeds the number of days of the Unexcused Delay.

(b) As a condition precedent to Contractor's right to an adjustment to the Time for Completion and/or the Contract Fees for Compensable Delay, Contractor must provide written notice to the Project Manager within 10 days of the date that Contractor learned of the delay or should have learned of the delay in exercise of diligence and reasonable care, setting forth: (i) a description of the delay; (ii) a statement that the delay is critical to completion; and (iii) the probable effect of the delay in terms of the number of days' extension the Contractor believes are required to the Time for Completion. The written notice required by this paragraph is necessary for HACLA to adequately monitor the progress of the Work, to differentiate between critical and non-critical delays, and to prioritize its actions in a manner that is appropriately targeted to mitigate the effect of delays. Accordingly, Contractor's failure to provide written notice in the manner required by this paragraph shall constitute Contractor's waiver of the right to an adjustment of the Contract Fees and Time for Completion on account thereby, regardless of whether the circumstances of the delay may have been known or suspected by HACLA or

the Project Manager and that no other form of notice (including, without limitation, meeting minutes, log entries or schedule updates) shall suffice as constituting notice to HACLA in accordance with this paragraph.

(c) Adequate supporting data for a request for extension of time shall include both of the following: (i) all relevant scheduling data including a Fragnet, and (ii) a detailed, event-by-event description of the impact of each event on completion of Work. Documentary support for any related increase in the Contract Fees must include both a detailed cost breakdown, and supporting cost data in such form and including such information and other supporting data as required for submission of a Change Order.

(d) The Project Manager may order changes, whether or not resulting in extra Work and regardless of the extent and number of Change Orders, or may suspend the Work.

(e) The determination of whether a delay is an Excusable Delay, Compensable Delay or Unexcused Delay shall not be affected by the fact that any earlier delay occurred, regardless of fault or causation.

(f) All time limits stated in the Contract are of the essence.

(g) Compensation for delay shall be limited to actual, direct, reasonable, and substantiated Project costs, and shall not include home office overhead, or markup for overhead and profit.

6.6 Liquidated Damages. If the Contractor's failure or refusal to timely complete the Work or any part thereof results in Contractor's Unexcused Delay, as specified in the Default clause herein and the Contract's Liquidated Damages provision, the Contractor shall, for each day of such delay, pay to HACLA as liquidated damages, the liquidated damages sum set forth in the Contract. If different completion dates are specified in the Contract for separate parts or stages of the Work, the amount of liquidated damages shall be assessed on those parts or stages that are delayed.

ARTICLE 7. INSPECTIONS; DEFECTIVE WORK

7.1 Inspections. (a) The Contractor shall maintain an adequate Inspection system and perform such Inspections as will ensure that the Work performed under the Contract conforms to Contract requirements. All Work is subject to HACLA Inspection and Testing at all places and at all reasonable times before Acceptance to ensure strict compliance with the terms of the Contract.

(b) HACLA Inspections and Testing are for the sole benefit of HACLA and do not: (i) relieve the Contractor of responsibility for providing adequate quality control measures; (ii) relieve the Contractor of responsibility for loss or damage of the material before Acceptance; (iii) constitute or imply Acceptance; or (iv) affect the continuing rights of HACLA after Acceptance.

(c) The presence or absence of HACLA's inspector does not relieve the Contractor from any Contract requirement, nor is the inspector authorized to change any term or condition of the Contract without HACLA's written authorization. All instructions and approvals with respect to the Work shall be given to

the Contractor by the Project Manager.

(d) The Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient Inspections and Testing as may be required by the Project Manager. HACLA may charge to the Contractor any additional cost of Inspection or Testing when Work is not ready at the time specified by the Contractor for Inspection or Testing, or when prior rejection makes re-Inspection or re-Testing necessary. HACLA will perform or cause to be performed all Inspections and Testing in a manner that will not unnecessarily delay the Work. Special, full size, and performance tests shall be performed as described in the Contract.

7.2 Detection and Uncovering of Defective Work. If a portion of the Work has been covered that is not required by the Contract to be observed or inspected prior to its being covered and HACLA has not specifically requested to observe the portion of Work prior to its being covered, HACLA may request to see such Work and it shall be uncovered and replaced by Contractor. If such Work is in accordance with the Contract, the costs of uncovering and replacing the Work shall be added to the Contract Fees by Change Order; and if the uncovering and replacing of the Work extends the Time for Completion, an appropriate adjustment of the Time for Completion shall be made by Change Order. If such Work is not in accordance with the Contract, Contractor shall pay the costs of uncovering and replacing the Work and shall not be entitled to an adjustment of the Time for Completion or the Contract Fees.

7.3 Correction of Defective Work. (a) Contractor shall (i) correct Defective Work that becomes apparent during the progress of the Work or during the Guarantee to Repair Period identified in the Guarantee to Repair Period clause herein and/or (ii) replace, repair, or restore to HACLA's satisfaction any other parts of the Work and any other real or personal property which is damaged or destroyed as a result of Defective Work or the correction of Defective Work, without any expense whatsoever to HACLA.

(b) The Project Manager will give notice of observed Defective Work with reasonable promptness, and Contractor shall promptly commence such correction, replacement, repair or restoration upon notice from the Project Manager, but in no case later than 7 days after receipt of such notice. Contractor shall diligently and continuously prosecute such correction to completion. Contractor shall bear all costs of such correction, replacement, repair, or restoration and all losses resulting from such Defective Work, including additional testing, inspection and compensation for HACLA's services and expenses. Contractor shall perform corrective Work at such times that are acceptable to HACLA and in such a manner as to avoid, to the extent practicable, disruption to HACLA's activities. Contractor shall notify HACLA upon completion of repairs.

(c) If immediate correction of Defective Work is required for life safety or the protection of property or, if in the opinion of HACLA, Defective Work creates a dangerous condition or requires immediate corrections or attention to prevent further loss to HACLA or to prevent interruption of operations of HACLA, the Project Manager will attempt to give immediate notice to Contractor. If Contractor cannot be contacted or does not comply with HACLA's request for correction within a reasonable time as determined by HACLA, HACLA or separate contractors under HACLA's direction, may, notwithstanding the provisions of this clause, proceed to make such corrections or provide such attention and the costs

of such correction or attention shall be charged against Contractor. Such action by HACLA will not relieve Contractor of the guarantees provided in this Article or elsewhere in the Contract. Contractor shall replace, repair or restore to HACLA's satisfaction any other parts of the Work and any other real or personal property, which is damaged or destroyed as a result of such Defective Work or the correction of such Defective Work.

(d) Contractor shall promptly remove from the Site Defective Work and any portions of Work and materials that are nonconforming and which are neither corrected by Contractor nor accepted by HACLA.

(e) If, after notice from HACLA, Contractor fails to timely commence correction of Defective Work as required in this clause or fails to diligently prosecute such correction to completion, HACLA may correct the Defective Work in accordance with the above provisions, and, in addition, HACLA may remove the Defective Work and store salvageable materials and equipment at Contractor's expense.

(f) If Contractor fails to promptly remove Defective or nonconforming Work from the Site as required by the above provisions or fails or refuses to pay the costs of such removal and storage as required by above the above provisions, HACLA may, within 7 days after written demand, sell such materials at auction or at private sale or otherwise dispose of such material without prejudice to other remedies. Contractor shall be entitled to the proceeds of such sale, if any, in excess of the costs and damages for which Contractor is liable to HACLA, including compensation for HACLA's services and expenses. If such proceeds of sale do not cover costs and damages for which Contractor is liable to HACLA, the Contract Fees shall be reduced by such deficiency. If there are no remaining payments due Contractor or the remaining payments are insufficient to cover such deficiency, Contractor shall promptly pay the difference to HACLA.

(g) Contractor's warranty with respect to corrective work will run for (one year unless otherwise indicated) from the date of correction completion.

7.4 Guarantee to Repair Period. (a) In addition to any specific warranty mentioned in the Contract, Contractor shall guarantee that all material, apparatus, equipment, and workmanship used, installed, or incorporated in the Work is free from defects, and agrees to replace at no expense to HACLA any and all Defective Work or materials that become evident within 1 year ("Guarantee to Repair Period"). The Guarantee to Repair Period commences the date of recordation of the Notice of Completion or the date of the Notice of Completion issued by HACLA, whichever date is later, unless a longer period of time is specified in the Contract.

(b) Enforcement of Contractor's express warranties and guarantees to repair contained in the Contract shall be in addition to and not in limitation of any other rights or remedies HACLA may have under the Contract or at law or in equity. Nothing contained in this clause or elsewhere in the Contract shall be construed to establish a period of limitation with respect to other obligations of Contractor under the Contract, which may be longer specified periods. Establishment of the Guarantee to Repair Period relates only to the specific obligation of Contractor to correct the Work and in no way limits either Contractor's

liability for Defective Work or the time within which proceedings may be commenced to enforce Contractor's obligations under the Contract.

7.5 Acceptance of Defective Work. Prior to Final Completion and Acceptance of the Work, HACLA shall have the option, at its sole discretion and by notice to Contractor, to accept Defective Work instead of requiring its removal or correction, in which case the Contract Fees shall be reduced by an amount equal to the difference between the value to HACLA the Work would have had were it complete, correct and in conformity with the Contract and the value to HACLA of such Defective Work. Such option shall be exercised solely by notice to Contractor and shall not be implied from any act or omission by HACLA or the Project Manager. If there are no remaining payments of the Contract Fees to be made to Contractor, or if the remaining payments and retention are insufficient to cover the amount of the reduction of the Contract Fees, Contractor shall promptly pay to HACLA the amount of any such deficiency.

ARTICLE 8. PAYMENTS AND RETENTION

8.1 Schedule of Values. (a) Within 30 days after signing the Contract, but in any event not later than 14 days following receipt of the Notice to Proceed, Contractor shall submit to HACLA through the Project Manager a Schedule of Values that reflects the cost breakdown of the Contract Fees, which shall be presented in a form approved by the Project Manager. If the Contract covers more than one project, the Contractor shall furnish a Schedule of Values for each.

(b) The Schedule of Values shall itemize as separate line items the cost of each scheduled Work activity and all other permissible fees, the total of which shall equal the Contract Fees. The Schedule of Values, when approved by HACLA, shall become the basis for determining the cost of Work requested on Contractor's Applications for Payment.

(c) The values and quantities employed in making up the Schedule of Values are for determining the amount of progress payments and shall not be construed as a basis for additions to or deductions from the Contract Fees. The Contractor shall prorate its overhead and profit over the construction period of the Contract.

8.2 Applications for Payment. (a) Applications for Payment shall be submitted on Periodic Estimate for Partial Payment forms provided by HACLA not later than 10 days in advance of the date set for payment. Applications for Payment must be approved by the Project Manager and are subject to correction and revision as required.

(b) Applications for Payment shall not include requests for payment on account of (i) changes that have not been authorized by Change Orders or (ii) amounts Contractor does not intend to pay a subcontractor because of a dispute or other reason.

(c) Contractor warrants that, upon submittal of an Application for Payment, all Work for which payments have been previously issued shall be free and clear of all claims, stop notices, security interests, and encumbrances in favor of Contractor, subcontractors, or other persons or firms entitled to make claims

by reason of having provided labor, materials, or equipment relating to the Work.

(d) The Project Manager may authorize material delivered on the Site and preparatory work done to be taken into consideration when computing progress payments. Material delivered to the Contractor at locations other than the Site may also be taken into consideration if the Contractor furnishes satisfactory evidence that (i) it has acquired title to such material; (ii) the material is properly stored in a bonded warehouse, storage yard, or similar suitable place as may be approved by the Project Manager; (iii) the material is insured to cover its full value; and (iv) the material will be used to perform the Contract. Before any progress payment that includes delivered material is made, the Contractor shall furnish such documentation as the Project Manager may require to assure the protection of HACLAs interest in such materials. The Contractor shall remain responsible for such stored material notwithstanding the transfer of title to HACLAs.

(e) All material and Work covered by progress payments made shall, at the time of payment become the sole property of HACLAs, but this shall not be construed as (i) relieving the Contractor from the sole responsibility for all material and Work upon which payments have been made or the restoration of any damaged work; or, (ii) waiving the right of HACLAs to require the fulfillment of all of the terms of the Contract. In the event the Work of the Contractor has been damaged by other contractors or persons other than employees of HACLAs in the course of their employment, the Contractor shall restore such damaged Work without cost to HACLAs.

8.3 Progress Payments. HACLAs will make progress payments on properly submitted and approved Applications for Payments. Prior to making any payment, the Project Manager may require the Contractor to furnish receipts or other evidence of payment from all persons performing Work and supplying material to the Contractor, if the Project Manager determines such evidence is necessary to substantiate claimed costs.

8.4 Withholding of Payments. (a) Approval of all or any part of an Application for Payment may be withheld on account of any of the following:

- (1) Defective Work not remedied;
- (2) Third-party claims against Contractor or HACLAs arising from the acts or omissions of Contractor or subcontractors;
- (3) Stop notices;
- (4) Failure of Contractor to make timely payments due subcontractors for material or labor;
- (5) Damage to HACLAs or separate contractor for which Contractor is responsible;
- (6) Reasonable evidence that the Work will not be completed within the Time for Completion, and that the unpaid balance of the Contract Fees would not be adequate to cover HACLAs's damages for the anticipated delay;
- (7) Failure of Contractor to maintain and update As-Built Drawings;
- (8) Failure of Contractor to submit schedules or their updates as required by the Contract;
- (9) Failure to provide conditional or unconditional releases from any subcontractor or supplier, if such releases have been requested by the Project Manager;
- (10) Performance of Work by Contractor without properly processed Shop Drawings;

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- (11) Failure of Contractor to pay assessed Liquidated Damages;
 - (12) Failure to provide updated reports of subcontractor information and self-certifications, as applicable;
 - (13) Failure of Contractor, any of its subcontractors, or any person or entity under Contractor, to provide any required insurance information; and
 - (14) Any other failure of Contractor to perform its obligations under the Contract.

(b) A progress payment made by HACLA does not constitute acceptance of Defective Work.

8.5 Retention. (a) Except as otherwise provided in the bid solicitation for this Work, HACLA will retain five percent (5%) of the amount of progress payments until Final Completion and Acceptance; except, that if upon completion of fifty percent (50%) of the Work, the Project Manager determines that Contractor's performance and progress are satisfactory, HACLA may make the remaining payments in full for the Work subsequently completed. If the Project Manager subsequently determines that Contractor's performance and progress are unsatisfactory, HACLA will reinstate the five percent (5%) (or the amount specified in the bid solicitation) retainage until such time as the Project Manager determines that performance and progress are satisfactory.

(b) In lieu of HACLA's retention of a portion of progress payments due to Contractor, Contractor may elect to deposit qualifying securities equivalent to the amount to be withheld into a state or federally chartered bank to be held as an escrow agent. The escrow agent will then pay those funds back to Contractor. Upon satisfactory completion of the project, the securities shall be returned to Contractor. (See Public Contract Code section 22300)

8.6 Final Payment. (a) After Final Completion and Acceptance or as settlement upon termination of the Contract, prior to final payment under the Contract and as a condition precedent thereto, the Contractor shall execute and deliver to HACLA a certificate and release, in a form acceptable to HACLA, of all claims against HACLA by the Contractor under and by virtue of the Contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein. The amounts for such excepted claims shall not be included in the request for final payment. A release may also be required of the assignee if Contractor's claim to amounts payable under the Contract has been assigned.

(b) Final payment shall be conditioned upon the following:

- (1) Contractor submittal of the certificate and release identified above;
- (2) Contractor submittal of the final Application for Payment and HACLA's approval of the same; and
- (3) Contractor submittal of the As-Built Drawings, the Record Documents, all operating manuals for equipment installed in the Project, and all other submittals required by the Contract.

(c) After receipt of the final Application for Payment, if the Project Manager determines that Final Completion has occurred, the Project Manager will issue the final payment.

(d) In the event of a dispute between HACLA and the Contractor, HACLA may withhold from the final payment an amount not to exceed 150 percent of the disputed amount. (Public Contract Code § 7107)

(e) Acceptance of final payment by Contractor shall constitute a waiver of all claims, except claims for retention and claims previously made in writing and identified by Contractor as unsettled at the time of the final Application for Payment.

8.7 Release of Retention. (a) The definition of “completion” as used in this clause is the definition set forth at Public Contract Code section 7107.

(b) HACL A will release the retained amounts within 60 days after the date of completion, except that, to the extent permitted by law, HACL A may retain the amounts HACL A deems necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the Contract.

ARTICLE 9. COMPLETION AND ACCEPTANCE

9.1 Substantial Completion. (a) When the Contractor gives notice to the Project Manager that the Work or such designated portion thereof is Substantially Complete, the Project Manager will arrange for inspection by the City’s Building Official and other officials, as appropriate, unless the Project Manager determines that the Work is not sufficiently complete to warrant an inspection.

(b) If the Project Manager determines that the Work or such designated portion thereof is not Substantially Completed, the Project Manager will prepare and give to Contractor a comprehensive list of items to be completed or corrected before establishing Substantial Completion. Contractor shall proceed promptly to complete and correct items on the list. Failure to include an item on such list does not alter the responsibility of Contractor to complete all Work in accordance with the Contract. Upon notification that the items on the list are completed or corrected, as applicable, the Project Manager will make an inspection to determine whether the Work is Substantially Complete. Costs for additional inspection shall be deducted from any monies due and payable to Contractor.

(c) If the Project Manager determines that the Work or such designated portion thereof is Substantially Complete, the Project Manager will prepare a Certificate of Substantial Completion on HACL A's form, which, when signed by HACL A, shall establish the date of Substantial Completion and the responsibilities of HACL A and Contractor for security, maintenance, utilities, insurance, and damage to the Work. The Project Manager will prepare and furnish to the Contractor a comprehensive “punch list” of items to be completed or corrected prior to Final Completion.

(d) Unless otherwise provided in the Certificate of Substantial Completion, the Guarantee to Repair Period for the Work covered by the Certificate of Substantial Completion, shall commence on the date of Substantial Completion except that Substantial Completion shall not commence the Guarantee to Repair Period for any equipment or systems that are not operational (equipment or systems shall not be considered operational if they cannot be used to provide the intended service), or are not accepted by HACL A. The Guarantee to Repair Period for equipment or systems which become operational and accepted subsequent to Substantial Completion will begin on the date of their written acceptance by

HACLA.

9.2 Beneficial Occupancy. (a) HACLA reserves the right, at its option and convenience, to occupy or otherwise make use of all or any part of the Work, at any time prior to issuing the Certificate of Substantial Completion, upon 7 days' notice to Contractor. Such occupancy or use is herein referred to as "Beneficial Occupancy."

(b) Beneficial Occupancy shall be subject to the following conditions:

(1) Before taking possession of or using any Work, the Project Manager will furnish the Contractor a list of items of Work remaining to be performed or corrected on those portions of the Work that HACLA intends to take possession of or use. However, failure of the Project Manager to list any item of Work shall not relieve the Contractor of responsibility for complying with the terms of the Contract. HACLA's possession or use shall not be deemed an acceptance of any Work under the Contract. HACLA may, however, at its sole option, relieve Contractor of Contract requirements to protect Work being beneficially occupied by HACLA where such relief is specifically designated by HACLA in writing.

(2) Contractor shall provide, in the areas beneficially occupied and on a continual basis (if required), utility services, heating, and cooling for systems that are in operable condition at the time of Beneficial Occupancy. All responsibility for the operation and maintenance of equipment shall remain with Contractor while the equipment is so operated. Contractor shall submit to HACLA an itemized list of each piece of equipment so operated with the date operation commences.

(3) The Guarantee to Repair Periods, as defined in the Guarantee to Repair Period clause herein, will commence upon the date of Beneficial Occupancy except that the Guarantee to Repair Periods for that part of equipment or systems that serve portions of the Work for which HACLA has not taken Beneficial Occupancy or issued a Certificate of Substantial Completion shall not commence until HACLA has taken Beneficial Occupancy for that portion of the Work or has issued a Certificate of Substantial Completion with respect to the entire Project.

(4) HACLA will pay all normal operating and maintenance costs resulting from its use of equipment in areas beneficially occupied, and will pay all utility costs which arise out of the Beneficial Occupancy. HACLA will use its best efforts to prevent its Beneficial Occupancy from interfering with the conduct of Contractor's remaining Work.

(5) Contractor shall not be required to repair damage caused by HACLA in its Beneficial Occupancy and Contractor shall not be responsible for providing security in areas beneficially occupied.

(6) Contractor shall continue to maintain all insurance required by the Contract in full force and effect.

(7) Except as provided in this clause, there shall be no added cost to HACLA due to Beneficial Occupancy.

(8) Beneficial Occupancy by HACLA shall not constitute a waiver of HACLA's right to assess liquidated damages as otherwise provided in these Contract Documents.

(9) Beneficial Occupancy by HACLA shall not constitute a waiver of existing Claims of HACLA or Contractor against each other.

9.3 Acceptance and Final Completion. (a) Unless otherwise specified in the Contract, HACLA will accept, as soon as practicable after Substantial Completion and Inspection, all Work required by the Contract or that portion of the Work the Project Manager determines and designates can be accepted separately. Acceptance shall be final and conclusive except for latent defects, fraud, gross mistakes amounting to

fraud, or HACLA's right under any warranty or guarantee.

(b) Final Completion shall be when the Project Manager determines that the Work is fully completed and in accordance with the Contract, including without limitation, satisfaction of all "punch list" items, and issuance of a Certificate of Occupancy, if applicable. HACLA will record a Notice of Completion within 15 days after Final Completion.

ARTICLE 10. PROTECTION OF PERSONS AND PROPERTY

10.1 Health, Safety and Accident Prevention. (a) Contractor shall be solely and completely responsible for job site conditions and safety during the life of the Contract. This obligation shall include the safety of all persons within or affected by the line of construction and all private property affected by the Work.

(b) Contractor and subcontractors shall comply with all applicable legal requirements relating to safety, as well as any HACLA-specific safety requirements set forth in the Contract, provided that such HACLA-specific requirements do not violate any applicable legal requirements. In performing the Contract, the Contractor shall:

- (1) Ensure that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his/her health and/or safety as determined under state and federal construction safety and health laws, regulations and standards;
- (2) Protect the lives, health, and safety of other persons;
- (3) Prevent damage to property, materials, supplies, and equipment; and
- (4) Avoid Work interruptions.

(c) For these purposes, the Contractor shall include the terms of this clause in every subcontract so that such terms will be binding on each subcontractor. The Contractor shall be responsible for its subcontractors' compliance with the provisions of this clause. The Contractor shall take such action with respect to any subcontract as HACLA shall direct as a means of enforcing such provisions.

(d) The Contractor shall maintain an accurate record of exposure data on all accidents incident to Work performed under the Contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment, and shall report this data to HACLA upon its request.

(e) The Project Manager will notify the Contractor of any noncompliance with these requirements and of the corrective action required. This notice, when delivered to the Contractor or the Contractor's representative at the Site, shall be deemed sufficient notice of the noncompliance and corrective action required. After receiving the notice, the Contractor shall immediately take corrective action. If the Contractor fails or refuses to take corrective action promptly, HACLA may issue an order stopping all or part of the Work until satisfactory corrective action has been taken. The Contractor shall not base any claim or request for equitable adjustment to the Time for Completion or Contract Fees on any stop order issued under these circumstances.

10.2 Safety Precautions and Programs. (a) Contractor shall be solely and completely responsible for

initiating, maintaining and supervising all safety precautions and programs on the Site in connection with the performance of the Contract, including safety of all persons for the duration of the Work, on a 24-hour day, 7- day week basis.

(b) Contractor shall designate a responsible member of Contractor's organization at the Site whose duty shall be the prevention of accidents. That person shall be the Superintendent, unless otherwise designated by Contractor in writing to the Project Manager.

(c) Prior to the start of construction, Contractor shall submit to Project Manager a copy of Contractor's safety program for the Project. A copy of this program shall be maintained on Site at all times. The safety program shall include, at a minimum: (i) management policy, illness and injury prevention program (as described below); (ii) safety meetings; (iii) accident investigation; (iv) basic accident causes; (v) safety inspection check list; (vi) fire prevention and control; (vii) report forms; and (viii) employee safety manual.

10.3 Safety of Persons and Property. (a) At its sole expense, Contractor shall furnish, erect and maintain such temporary fences, barricades, signs, lights, ramps, and temporary construction of whatever nature as may be necessary to provide access to abutting properties and to warn the public of the Work in progress and of any dangerous conditions as may exist due to the Work in progress. The Contractor's responsibility shall be continuous and not be limited to working hours or days, and shall not cease until Acceptance, except that if HACLA should make partial Acceptance of the Work, the Contractor's responsibility for the portion of the Work so accepted shall thereupon cease, except for latent errors in the Work or faulty construction.

(b) The duty of HACLA or their agents or employees, to conduct construction review of the Contractor's performance and operations is not intended to, and does not include review of or responsibility for the adequacy of the Contractor's safety measures and procedures in, on, or adjacent to the Site.

(c) Contractor shall protect persons and property on the Site at all times. Contractor shall have available at the Site copies or suitable extracts of "Construction Safety Orders" and "General Industrial Safety Orders" issued by the California Division of Industrial Safety. Contractor shall comply with provisions of these and all other applicable laws, ordinances, and regulations.

(d) Contractor shall immediately respond to notice from the Project Manager of unsafe conditions, shall take adequate precautions for safety of persons on the Site, and shall provide adequate protection to prevent injury or loss to the following: (i) employees involved in the Work and other persons who may be affected thereby; (ii) the Work in place and materials and equipment to be incorporated therein, whether in storage on or off the Site, under care, custody, or control of Contractor or subcontractors; and (iii) other property at the Site and adjoining property(ies).

(e) Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract) to property caused in whole or in part by Contractor or its Subcontractors or anyone for whose acts they may be liable and for which Contractor is responsible.

(f) When use or storage of Hazardous Materials, equipment, or unusual methods is necessary for execution of the Work, Contractor shall exercise the utmost care and carry on such activities only under the supervision of properly qualified personnel.

(g) Contractor shall be responsible for locating, providing, and coordinating the storage and staging of materials and equipment on-Site and off-Site and shall not load/store or permit any part of the Work on the Site to be loaded/stored so as to endanger the safety of persons or property.

(h) Contractor shall protect its materials and the Work from damage in a manner satisfactory to HACLA and shall make good, without charge to HACLA, all damage due to negligence in providing proper protection.

(i) Contractor shall take necessary precautions to guard against and eliminate possible fire hazards and to prevent damage to the Work, building materials, equipment, temporary field offices, storage sheds and public and private property.

(j) Contractor shall not permit the possession or use of alcohol or controlled substances on the Site.

(k) Explosives may be used only when authorized in writing by HACLA. Explosives shall be handled, used and stored in accordance with applicable regulations.

10.4 Protection of Existing Vegetation, Structures, Etc. (a) The Contractor shall preserve and protect all structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the Site, which are not to be removed under the Contract, and which do not unreasonably interfere with the Work required under the Contract.

(b) The Contractor shall only remove trees when specifically authorized to do so, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during performance of the Contract, or by the careless operation of equipment, or by workmen, the Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree-pruning compound as directed by the Project Manager.

(c) The Contractor shall protect from damage all existing improvements and utilities (i) at or near the Site and (ii) on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. Prior to disturbing the ground at the construction site, the Contractor shall ensure that all underground utility lines are clearly marked.

(d) The Contractor shall shore up, brace, underpin, secure, and protect as necessary all foundations and other parts of existing structures adjacent to, adjoining, and in the vicinity of the Site, which may be affected by the excavations or other operations connected with the construction of the project.

(e) Any equipment temporarily removed as a result of Work under the Contract shall be protected,

cleaned, and replaced in the same condition as at the time of award of the Contract.

(f) New Work which connects to existing work shall correspond in all respects with that to which it connects and/or be similar to existing work unless otherwise required by the Specifications.

(g) No structural members shall be altered or in any way weakened without the written authorization of the Project Manager, unless such work is clearly specified in the Plans or Specifications.

(h) If the removal of the existing work exposes discolored or unfinished surfaces, or work out of alignment, such surfaces shall be refinished, or the material replaced as necessary to make the continuous work uniform and harmonious. This, however, shall not be construed to require the refinishing or reconstruction of dissimilar finishes previously exposed, or finished surfaces in good condition, but in different planes or on different levels when brought together by the removal of intervening work, unless such refinishing or reconstruction is specified in the Plans or Specifications.

(i) The Contractor shall give all required notices to any adjoining or adjacent property owner or other party before the commencement of any Work.

(j) The Contractor shall repair any damage to vegetation, structures, equipment, utilities, or improvements, including those that are the property of a third party, resulting from failure to comply with the requirements of the Contract or failure to exercise reasonable care in performing the Work. If the Contractor fails or refuses to repair the damage promptly, HACLA may have the necessary Work performed and charge the cost to the Contractor.

(k) Contractor shall use proper and diligent care to protect any and all property belonging to HACLA or others, including existing buildings, doors, floors, walks, pavements, pipe systems, ceiling structures, etc. Contractor shall take all reasonable steps to minimize any dirt, noise, dust, traffic, or other problems, i.e. damage to surrounding property or buildings attributable to any action by Contractor.

(l) Contractor shall not overload any part of the Site or the building with any excess material or equipment. If so, he shall do so at his own risk and he shall be solely responsible for any and all loss, damage, and/or injury arising or resulting from the overloading. Protect interior floors and concrete sidewalks not only with heavy plywood sheets to evenly distribute trucks loads, but also when carting materials and debris over them.

10.5 Temporary Heating. The Contractor shall provide and pay for temporary heating, covering, and enclosures necessary to properly protect all Work and materials against damage by dampness and cold, to dry out the Work, and to facilitate timely the completion of the Work. Any permanent heating equipment used shall be turned over to HACLA in the condition and at the time required by the Specifications.

10.6 Excavation.¹¹ (a) Prior to the commencement of digging or excavation, Contractor is responsible for investigating the current condition of the underground area to be excavated and notifying all appropriate authorities. For all Work that involves digging trenches or other excavations that extend deeper than 4 feet below the surface, the Contractor shall notify HACLA promptly in writing of any of the following conditions: (i) material that the Contractor believes may be hazardous waste, as defined in California Health and Safety Code Section 25117, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law; (ii) subsurface or latent physical conditions at the Site differing from those indicated; or (iii) unknown physical conditions at the Site of any unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. Contractor shall notify HACLA of such conditions prior to disturbing them, and shall await direction from HACLA as to how to proceed.

(b) In the event HACLA is notified of the conditions listed in paragraph (a) above, HACLA will promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste and cause a decrease or increase in the Contractor's cost of, or the time required for, performance of any part of the Work, HACLA will issue a Change Order.

(c) In the event that a dispute arises between HACLA and the Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the Contractor's cost of, or time required for, performance of any part of the Work, the Contractor shall not be excused from any scheduled completion date provided for by the Contract, but shall proceed with all Work to be performed under the Contract. The contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting Parties.

10.7 Trench Safety.¹² Excavation of any trench that extends 5 feet below the surface or deeper shall not begin until Contractor has received approval from HACLA, or its designee, of the Contractor's detailed plan showing design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazards of caving ground. Such plan shall be submitted at least 5 days before Contractor intends to begin work on the trenches. If such plan varies from the shoring system standards established by the Construction Safety Orders of the State of California Division of Industrial Safety, the plan shall be prepared by a registered civil or structural engineer. Contractor shall not use shoring, sloping, or protective systems less effective than that required by the Construction Safety Orders of the Division of Industrial Safety. HACLA will not be responsible or liable for the safety of such trenching or trenching plans.

10.8 Public Health and Safety Orders (COVID-19). (a) Contractor shall comply with all current and applicable State, County, and City public health and safety orders pertaining to the Coronavirus (COVID-19) pandemic ("Stay-At-Home Orders") in the performance of work under this Contract. The Parties acknowledge that modifications of or revisions to existing Stay-At-Home-Orders, or the issuance of new Stay-At-Home-Orders, may impact the extent to which full performance of this Contract is possible.

¹¹ Public Contract Code §7104

¹² Labor Code §6705

(b) To the maximum extent practicable, Contractor shall engage in Social Distancing while engaging in activities at any of HACLA's properties (the "Site"). For the purposes of this Contract, "Social Distancing" means: (i) Maintaining at least six-feet of physical distance from members of the public, including HACLA's tenants and staff (the "Public"); (ii) Frequently washing hands with soap and water for at least 20 seconds or using hand sanitizer that contains at least 60% alcohol; (iii) Wearing a cloth face covering while at the Site; (iv) Directing Contractor employees, agents, contractors, and volunteers to stay away from the Site when exhibiting signs of sickness, including, but not limited to, fever, cough, or respiratory distress; and (v) When possible and practicable, communicating with the Public by telephonic or electronic means rather than by in-person contact. To the maximum extent practicable, Contractor shall ensure its subcontractors also follow Social Distancing protocols when on the Site.

ARTICLE 11. DEFAULT AND TERMINATION

11.1 Termination for Convenience. (a) HACLA may terminate the Contract in whole, or in part, whenever HACLA determines that such termination is in its best interest. Any such termination shall be effectuated by delivery to the Contractor of a Notice of Termination specifying the extent to which the performance of the Work is terminated, and the date upon which such termination becomes effective.

(b) If the performance of the Work is terminated, either in whole or in part, HACLA shall be liable to the Contractor for reasonable and proper costs resulting from such termination upon the receipt by HACLA of a properly presented claim setting out in detail: (i) the total cost of the Work performed to date of termination less the total amount of Contract payments made to the Contractor; (ii) the cost (including reasonable profit) of settling and paying claims under subcontracts and material orders for Work performed and materials and supplies delivered to the Site, payment for which has not been made by HACLA to the Contractor or by the Contractor to the subcontractor or supplier; (iii) the cost of preserving and protecting the Work already performed until HACLA or assignee takes possession thereof or assumes responsibility therefore; (iv) the actual or estimated cost of legal and accounting services reasonably necessary to prepare and present the termination claim to HACLA; and (v) an amount constituting a reasonable profit on the value of the Work performed by the Contractor.

(c) HACLA will act on the Contractor's claim within days (60 days unless otherwise indicated) of receipt of the Contractor's claim.

(d) Any disputes with regard to this clause are expressly made subject to the provisions of the Disputes clause herein.

11.2 Right to Terminate for Cause and Perform (Default). (a) If Contractor persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract, (iii) comply with HACLA's instructions or applicable laws, ordinances, and regulations, (iv) timely pay the correct wages to workers, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed within the Time for Completion, as such times may be adjusted, or (vi) perform material obligations under the Contract, then HACLA, in addition to any other rights and remedies provided in the Contract

or by law, shall have the rights set forth in paragraphs (b) and (c) immediately below.

(b) Upon the occurrence of an event set forth in paragraph (a) immediately above, HACLA may provide written notice to Contractor that it intends to terminate the Contract unless the problem cited is cured, or commenced to be cured to HACLA's satisfaction, within 7 days of Contractor's receipt of such notice.

(c) If Contractor fails to timely cure, or reasonably commence to cure such problem, then HACLA may declare the Contract terminated for default by providing written notice to Contractor and its surety of such declaration ("Notice of Default"). The surety shall have the right to take over and perform the Contract. If the surety does not, within 15 days after HACLA's service of the Notice of Default, provide HACLA written notice of its intention to take over and perform the Contract or does not commence performance thereof within 30 days after HACLA's service of the Notice of Default, HACLA may, at the expense of Contractor, take over the Work and prosecute the same, by contract or otherwise, to the extent of completion HACLA deems necessary, and the surety shall be liable to HACLA for any cost or other damage occasioned thereby. In such event, HACLA may, without liability for so doing, take possession of, and utilize in completing such work, such materials, appliances, plants and other items thereon that have been purchased or provided for the performance of the Work, all of which Contractor hereby transfers, assigns and sets over to HACLA for such purpose. Should the surety fail to take over and diligently perform the Contract upon Contractor's default, the surety agrees to promptly, on demand, deposit with HACLA, such amount as HACLA reasonably estimates as the cost of completing all of Contractor's obligations. For any such work HACLA elects to complete by furnishing its own employees, materials, tools, equipment, HACLA shall receive reasonable compensation therefor, including costs of supervision and overhead.

11.3 Contractor's Duties Upon Termination. (a) Upon receipt of a notice of termination for default or for convenience, Contractor shall, unless the notice directs otherwise, do the following:

- (1) Immediately discontinue the Work to the extent specified in the notice;
- (2) Place no further orders or subcontracts for materials, equipment, services or facilities, except as may be necessary for completion of such portion of the Work that is not discontinued;
- (3) Provide to HACLA a description in writing, no later than 15 days after receipt of the notice of termination, of all subcontracts, purchase orders and contracts that are outstanding, including, without limitation, the terms of the original price, any changes, payments, balance owing, the status of the portion of the Work covered and a copy of the subcontract, purchase order or contract and any written changes, amendments or modifications thereto, together with such other information as HACLA may determine necessary in order to decide whether to accept assignment of or request Contractor to terminate the subcontract, purchase order or contract;
- (4) Promptly assign to HACLA those subcontracts, purchase orders or contracts, or portions thereof, that HACLA elects to accept by assignment and cancel, on the most favorable terms reasonably possible, all subcontracts, purchase orders or contracts, or portions thereof, that HACLA does not elect to accept by assignment; and
- (5) Do only such Work as may be necessary to preserve and protect Work already in progress and to protect materials, plants, and equipment on the Project site or in transit thereto.

11.4 Contract Following Termination. Upon termination, whether for cause or for convenience, the provisions of the Contract remain in effect as to any claim, right and obligation arising prior to the termination date.

11.5 Notice of Termination. Contractor shall include provisions in all of its subcontracts, purchase orders and other contracts permitting termination for convenience by Contractor on terms that are consistent with the Contract and that afford no greater rights of recovery against Contractor than are afforded to Contractor against HACLA under this Default and Termination article.

11.6 Damages. HACLA will be entitled to recovery of all losses under law or equity in the event of Contractor's default under the Contract. HACLA will be entitled to deduct the cost of any such losses from monies otherwise payable to Contractor. If the losses incurred by HACLA exceed the amount payable, Contractor shall be liable to HACLA for the difference and shall promptly remit the same to HACLA.

11.7 Emergency Termination of Contract. The Contract is subject to termination as provided by Government Code Sections 4410 and 4411, being portions of the Emergency Termination of Public Contract Act of 1949. In the event that the Contract is terminated pursuant to said section, compensation to Contractor shall be determined on the basis of the reasonable value of the Work done, including preparatory Work. As an exception of the foregoing, in the case of any fully completed separate item or portion of the Work for which there is a separate unit or Contract Fees, the unit or Contract Fees shall control.

11.8 Debarment. A material breach of the Contract may be grounds for Contractor's debarment or denial of participation as a contractor or subcontractor in future procurements of HACLA.

ARTICLE 12. WAGES, HOURS AND LABOR PROVISIONS

[ALL SUBCONTRACTS SHALL INCLUDE SECTIONS 12.1 – 12.13 BELOW]

12.1 Prevailing Wages. This Project is a public works project, as defined in Labor Code section 1720, and must be performed in accordance with the requirements of Labor Code sections 1720 to 1815, inclusive, and sections 16000 to 17270 of Title 8 of the California Code of Regulations, which govern the payment of prevailing wage rates on public works projects. Contractor and any of its subcontractors shall pay to all workers employed in connection with the Work not less than the sums set forth in the applicable Wage Determinations identified in the Contract. As the wage determination for each craft may have predetermined increases and modifications, it is Contractor's responsibility to ensure that the prevailing wage rates of concern are current and paid to employees.

12.2 Penalty. Pursuant to Labor Code Section 1775, Contractor shall, as a penalty to HACLA, forfeit the statutory amount (currently not more than \$200.00) for each day, or portion thereof, for each worker paid less than the prevailing rates, determined by the director for the work or craft in which that worker is employed for any public work done under the Order by Contractor or except as provided in Labor Code

Section 1775(b), by any Subcontractor under Contractor. The difference between such prevailing wage rates and the amount paid to each worker for each such day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by Contractor. Contractor shall post at appropriate conspicuous points at the Site of the project a schedule showing all determined minimum wage rates for the various classes of laborers and mechanics to be engaged in Work on the project and all deduction, if any, required by law to be made from unpaid wages actually earned by the laborers and mechanics so engaged.

12.3 Certified Payroll Records and Basic Payroll Records. Contractor and its Subcontractors shall maintain Certified Payroll Records and "Basic Payroll Records," defined as time cards, front and back copies of canceled checks, cash receipts, trust fund forms, daily logs, employee sign-in sheets, accounting ledgers, tax forms and/or any other record maintained for the purposes of reporting payroll, during the course of the Work and shall preserve such records for a period of 3 years after Final Completion. Pursuant to Labor Code section 1776, Contractor and its Subcontractors shall maintain accurate, weekly payroll records showing employee full names, addresses, social security numbers, work classifications, amounts paid per hour, straight time, overtime and holiday hours worked each day and weekly totals, the actual per diem wages paid to each person employed on the Work, and the gross/net wages paid for this project, as well as Contractor's or Subcontractor's name and address, project name and location, and dates of payroll ("Certified Payroll"). If payments are made to any third party trust, funds or plans for health and welfare, pension or vacation trust, those payments must be stated on the Certified Payroll Record. The basic wage rate paid per hour plus the employer contributions for benefits, including training and contributions must at least equal the prevailing wage rate for that classification. In accordance with Labor Code section 1771.4 (a)(1) and (c)(1)), this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor and its subcontractors shall submit their payroll information directly to the Department of Industrial Relations' Labor Commissioner at www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html

12.4 Making Certified Payrolls Available Upon Request. Pursuant to Labor Code section 1776, Contractor and its Subcontractors shall make their Certified Payroll records available for inspection by HACLA at all reasonable hours at the principal office of Contractor on the following basis: (i) a certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request; (ii) a certified copy of all payroll records shall be made available for inspection or furnished upon request to HACLA, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations; and (iii) a certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through HACLA, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. Contractor shall file a certified copy of the payroll records with the entity that requested such records within 10 days after receipt of written request. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by HACLA, the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement shall be marked or obliterated so as to prevent disclosure of individual names, addresses and social security numbers, in accordance with Labor Code section 1776.

12.5 Forfeiture for Failure to Comply with Record Request Laws. Pursuant to Labor Code section 1776(h), Contractor and Subcontractors shall have 10 days in which to comply, subsequent to receipt of written request regarding Certified Payroll Records or Basic Payroll Records. In the event Contractor or Subcontractors fail to strictly comply after such 10 day period, Contractor or Subcontractors shall, as a penalty to HACL, forfeit \$100.00 for each day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement, these penalties shall be withheld from any portion of the fees then or thereafter due Contractor. A Contractor is not subject to a penalty assessment due to the failure of Subcontractors to comply with this clause.

12.6 Apprentice Utilization. Contractor's attention is directed to the provisions of Sections 1777.5 and 1777.6 of the Labor Code concerning the employment of apprentices by Contractor or any Subcontractors under him. Contractor shall comply with the requirements of said sections and any other applicable laws and regulations concerning the employment of apprentices. Information relative to apprenticeship standards and administration of the apprenticeship program may be obtained from the Director of Industrial Relations or from the Division of Apprenticeship Standards.

12.7 Work Day. In accordance with the provisions and requirements of Labor Code sections 1810-1815, neither Contractor nor any Subcontractor who employs, directs, or controls the work of any worker employed to execute Work done under the Contract, shall require or permit such worker to labor more than 8 hours during any one day and more than 40 hours a week. As mandated by Labor Code section 1813, Contractor shall, as a penalty to HACL, forfeit \$25.00 for each worker employed in the execution of the Contract by Contractor or by any Subcontractors for each day during which such worker is required or permitted to work more than 8 hours in any one (1) day and more than 40 hours in any one (1) week, unless the worker receives compensation of not less than one and one-half (1-1/2) times the basic rate of pay. As mandated by Labor Code section 1815, all workers performing work in excess 8 hours a day and more than 40 hours during any one week, shall be paid no less than one and one-half (1-1/2) times the basic rate of pay.

12.8 Rest and Meal Periods. Contractor and subcontractor(s) shall comply with all applicable laws, regulations and wage orders concerning rest and meal periods, including the requirements set forth at Labor Code section 512.

12.9 Debarment of Contractors and Subcontractors. Contractors and subcontractors may not perform work on this project if debarred from bidding on, accepting or performing on a public works contract, either as a contractor or subcontractor, by the State of California's Department of Industrial Relations, Division of Labor Standards Enforcement (DLSE). A current list of individuals and entities debarred by the DLSE is available at www.dir.ca.gov/dlse/debar.html.

12.10 Labor-Related Notices and Postings. Contractors must post in conspicuous places all applicable workplace postings. Posters that meet employer legal obligations may be downloaded at www.dir.ca.gov/wpnodb.html. For a list of available safety and health postings, visit the Cal/OSHA

publications page at www.dir.ca.gov/dosh/puborder.asp. It is Contractor’s responsibility to determine and satisfy its state posting requirements.

12.11 Registration for Public Works (Construction). This project qualifies as a public works project within the meaning of Labor Code section 1771.1. Since the value of this contract exceeds \$25,000, Contractor and its public works subcontractors shall be registered with the Department of Industrial Relations.

12.12 Project Registration (Construction). Since the value of this contract exceeds \$25,000, HACLA will register this project with the DIR and Contractor and its subcontractors will be responsible for submitting their certified payrolls directly to the Labor Commissioner at www.dir.ca.gov/Public-Works/Certified-Payroll-Reporting.html in addition to submitting certified weekly payrolls to HACLA or through LCP Tracker. HACLA will notify Contractor of the DIR Project Number prior to the start of work.

12.13 Construction Hours and Holidays. (a) Work shall be performed during the hours of 8:00 AM to 4:30 PM, Monday through Friday, unless otherwise specified in these General Conditions or approved in writing by the Project Manager. Contractor shall be granted appropriate time extensions to the Time for Completion for all holidays and inclement weather days when no Work can be performed.

(b) No Work may be performed on HACLA’s recognized holidays, which include the following:

New Year's Day/New Year's Eve	Independence Day
Martin Luther King Day	Labor Day
Presidents’ Day	Veterans Day
Cesar Chavez Day	Thanksgiving Day and the Friday following
Memorial Day	Christmas Day/Christmas Eve
	Juneteenth

If a holiday falls on a Sunday, the following Monday shall be considered a holiday; if a holiday falls on a Saturday, the preceding Friday shall be considered a holiday.

ARTICLE 13. ENVIRONMENTAL PROTECTION

13.1 General Environmental Protection Requirements. Contractor shall at all times provide and maintain environmental protective measures to control pollution that develops during normal construction practice. Contractor shall comply with Federal, State, and local regulations pertaining to the environment, including but not limited to water, air, waste, hazardous materials and noise.

13.2 Preservation of Natural Resources. Contractor shall preserve the natural resources within the Site and vicinities unless otherwise provided in the Contract.

13.3 Spill Prevention. Contractor shall prevent oil or other hazardous substances from entering the ground, drainage areas, drainage system or harbor. All temporary petroleum storage tanks, paint and

chemical storage or transformers shall be maintained within impervious containment structures of sufficient size and strength to contain the contents of the tanks and containers in the event of leakage or spillage.

13.4 Equipment and Motor Vehicles. Contractor shall conduct the fueling and maintenance of the equipment and motor vehicles at off-site fueling and maintenance facilities whenever possible. If on-Site fueling or maintenance of equipment and motor vehicles is required, such activities and their on-Site location must be accepted by the Project Manager and addressed in the Storm Water Pollution Prevention Plan (SWPPP), if one is required for this project. Contractor shall conduct fueling and lubricating of equipment and motor vehicles to prevent spills and evaporation in accordance with all applicable Federal, State and local regulations and shall dispose of lubricants and all excess oil in accordance with all applicable Federal, State and local regulation. Any on-road or off-road diesel engine used in construction activities must use ultra- low sulfur diesel fuel that complies with California Air Resources Board (CARB) regulation for diesel fuel (13 CCR § 2281). Portable equipment with engines 50 horsepower and over must be permitted through the CARB Portable Equipment Registration Program or equivalent. Proof of permit is required.

13.5 Dust Control. Contractor shall prevent the generation of airborne dust particles per South Coast Air Quality Management District Rule 403 – Fugitive Dust, and shall keep dust down at all times for dust sufferers, including during non-working periods. Contractor shall use only potable water. Contractor shall sprinkle with water all demolition debris, soil at the Site, haul roads and other areas disturbed by operations, and prevent track out of bulk material onto public or paved roadways and remove such material promptly anytime track-out occurs. Contractor shall remove all visible roadway dust tracked-out upon public paved roadways at the conclusion of each work day.

13.6 Hazardous Waste. Contractor shall handle and dispose of generated hazardous waste in accordance with all applicable Federal, State and local regulations.

13.7 Control and Disposal of Solid Wastes. Contractor shall keep all Work areas clean at all times and shall pick up solid wastes, rubbish, debris and garbage and place in containers, which shall be regularly emptied off-site. Contractor shall prevent contamination of the Site or other areas when handling and disposing of wastes.

13.8 Impacted Soils and Materials. If during construction activities, contamination or hazardous substances not previously identified are discovered, the Project Manager shall be notified immediately. Contractor shall cease all activities that may result in disturbance or migration of the material and prevent employees and others from coming into contact with the substances.

13.9 Historical, Archeological and Cultural Resources. If during construction activities, items are observed that may have historic or archeological value, human remains or associated objects discovered, such observations shall be reported immediately to the Project Manager so that the appropriate authorities may be notified and a determination made as to their significance and what, if any, special disposition of the finds should be made. Contractor shall cease all activities that may result in impact to

or the destruction of these resources. Contractor shall prevent its employees from removing, or otherwise disturbing such resources. Contractor shall prevent any disturbance of these resources pending further instruction from HACLA.

13.10 Noise Control. Contractor shall comply with the City of Los Angeles Municipal Code for noise reduction.

13.11 Equipment Power. Whenever feasible, the Contractor shall use electrical power instead of gas or diesel power and/or gas-powered vehicles instead of diesel-powered vehicles.

ARTICLE 14 SECTION 3 COMPLIANCE

If the requirements of Section 3 are imposed herein, the regulations set forth at 24 CFR Part 75 and in HACLA's Section 3 Policy and Compliance Plan will apply.

Exhibit 4

LIST OF SUBCONTRACTORS

(to be attached)

DRAFT

Exhibit 5

CONTRACTOR'S SECTION 3 DOCUMENTATION

(to be attached)

DRAFT

Exhibit 6

CONTRACTOR'S INSURANCE DOCUMENTATION

(to be attached)

DRAFT