

AGREEMENT NO. \_\_\_\_\_

**BETWEEN THE CITY OF LOS ANGELES  
AND  
HERZOG TRANSIT SERVICES, INC.**

THIS AGREEMENT ("Agreement") is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City") acting by and through its Board of Harbor Commissioners ("Board"), and HERZOG TRANSIT SERVICES, INC., a Missouri corporation, whose address is 600 S. Riverside Road, St. Joseph, Missouri 64507 ("Consultant").

WHEREAS, City requires professional, scientific, expert or technical services of a temporary and occasional character, including the operation and maintenance of the Waterfront Red Car described in Exhibit "A" hereto ("Project"); and

WHEREAS, Consultant is an organization that provides services, including, but not limited to, those services required by the City and, by virtue of training and experience, is well-qualified to provide such services to the City; and

WHEREAS, by reason of the nature and length of the services required by City, it is not economical or feasible for City to have such services performed by its own employees;

NOW, THEREFORE, in consideration of the covenants, terms and conditions hereinafter contained to be kept and performed by the respective parties hereto, it is mutually agreed as follows:

1. Incorporation of Recitals.

1.1 The recitals to this Agreement above are incorporated herein and made a part hereof.

2. Services To Be Performed By Consultant.

2.1 All of the services Consultant shall perform for City are set forth in Exhibit "B" hereto and hereinafter shall be referred to as "Scope of Work". Among other things, Exhibit "B" breaks down the Scope of Work into individual tasks and, in some cases, further breaks down such tasks into subtasks, which hereinafter shall be referred to generically as "Tasks" and "Subtasks". The aggregate of all Tasks and, as applicable, Subtasks, comprises the Scope of Work.

2.2 Consultant's performance of Tasks and, as applicable, Subtasks shall occur as follows:

a. The Chief Harbor Engineer of the Engineering Division of City's Harbor Department ("Engineer") shall issue a written document in the form attached hereto as Exhibit "C" that has been signed by Executive Director of the City's Harbor Department ("Executive Director") and that specifies, without limitation: the Task or Subtask to be performed; the specific services required in connection with such Task or Subtask; the deliverables required in the performance of such Task or Subtask; the schedule for the performance of such Task or Subtask; authorized personnel who may perform the Task or Subtask; authorized compensation for such Task or Subtask; and MBE/WBE/SBE/VSBE/DVBE/OBE utilization ("Directive"). Directives shall specifically identify any services that fall within the meaning of "design professional services" as defined by Section 2782.8 of the California Civil Code to which the indemnity obligation set forth at Section 9.2 of this Agreement shall apply. A Directive's failure to identify such "design professional services" shall bar application of Section 9.2 to that Directive.

b. Consultant, to reflect its agreement with all the terms of such Directive, shall sign, date and return such Directive to Engineer.

c. Following Engineer's receipt of the Directive signed by Consultant, Engineer shall issue a written document in the form attached hereto as Exhibit "D" that has been signed by Engineer and that authorizes Consultant to commence performance of the services contemplated by such Directive ("Notice to Proceed").

2.3 Consultant acknowledges and agrees that it lacks authority to perform and that Engineer lacks authority to request the performance of any services outside the Scope of Work. Consultant further acknowledges and agrees that any services it performs outside the Scope of Work or a Directive, or in the absence of both a Directive and a Notice to Proceed, are performed as a volunteer and shall not be compensable under this Agreement.

2.4 The Scope of Work shall be performed by personnel qualified and competent in the sole reasonable discretion of Engineer, whether performance is undertaken by Consultant or third-parties with whom Consultant has contracted and whom are listed on Exhibit "L" on the effective date of this Agreement, or whom Engineer may subsequently approve in writing ("Subconsultants"). Obligations of this Agreement, whether undertaken by Consultant or Subconsultants, are and shall be the responsibility of Consultant. Consultant acknowledges and agrees that this Agreement creates no rights in Subconsultants with respect to City and that obligations that may be owed to Subconsultants, including, but not limited to, the obligation to pay

Subconsultants for services performed, are those of Consultant alone. Upon Engineer's written request, Consultant shall supply City's Harbor Department with all agreements between it and its Subconsultants.

2.5 Consultant's performance of the Scope of Work shall adhere in all respects to the schedule set forth in Exhibit "E" hereto and to the scheduling requirements, if any, set forth in a Directive.

2.6 Consultant, at its sole cost and expense, shall furnish all services, materials, equipment, subsistence, transportation and all other items necessary to perform the Scope of Work. As between City and Consultant, Consultant is solely responsible for any taxes or fees which may be assessed against it or its employees resulting from performance of the Scope of Work, whether social security, payroll or other, and regardless of whether assessed by the federal government, any state, the City, or any other governmental entity. City shall pay applicable state or local fees necessary to obtain approval, plan checks, permits and variances for the Project.

2.7 Engineer shall resolve in his or her sole reasonable discretion any issues or questions which may arise during the term of this Agreement as to the quality or acceptability of Consultant's performance of the Scope of Work, the manner of performance, the interpretation of direction given to Consultant, the acceptable completion of a Directive, and the amount of compensation due. Upon written notice from Engineer, Consultant shall assign replacement personnel and/or shall remedy any deficient services or work product to Engineer's reasonable satisfaction and at Consultant's sole cost and expense. Compliance with the requirements of this Section 2.7 is a condition to payment by City of compensation to Consultant pursuant to this Agreement.

2.8 Consultant's representative responsible for administering this Agreement, Louis W. Litten, Vice President ("Project Manager"), shall not be changed without Engineer's written approval. Engineer may, for any reason in his or her sole reasonable discretion, require Consultant to substitute a new Project Manager. If City requests such a substitution, the substitute Project Manager shall expend whatever time and costs necessary to become familiar with the Project and any portions of the Scope of Work already performed at Consultant's sole cost and expense.

2.9 If the law requires Consultant, in performing the Scope of Work, to follow a different standard of care than the ordinary standard of care applied to a reasonable person, Consultant shall perform such services with the degree of diligence, skill, judgment, and care applicable to Consultant's profession ("professional standard"). Consultants not required to follow a professional standard shall exercise the degree of care required of ordinary persons.

2.10 For portions of the Scope of Work to be performed on a time and material basis, Consultant shall assign personnel, whether employees or Subconsultants, with the lowest applicable hourly rate who are fully competent to provide the services required. If Consultant finds it necessary to have any portion of the Scope of Work, which this Section 2.10 would require to be performed by personnel at a lower rate, to be performed by personnel at a higher rate, Consultant shall, nevertheless, invoice City at the lower rate.

2.11 Consultant shall promptly consider and implement, to the reasonable satisfaction of Engineer, any written comments of Engineer.

2.12 Consultant shall review information provided by City's Harbor Department, whether in the form of drawings, documents, and/or written or verbal comments, excluding survey data. Any such information reasonably believed by Consultant to be inaccurate, incomplete or inapplicable shall be brought promptly to the attention of Engineer in writing.

2.13 Consultant shall perform the Scope of Work as expeditiously as possible and at the time or times required by the Engineer. Time is of the essence in the performance of the Scope of Work. Consultant's failure to conform to the schedule set forth in Exhibit "E" shall entitle City to have services completed by others, shall obligate Consultant to pay City's cost to undertake completion of such services, and shall authorize City to withhold such amounts from any payments otherwise due to Consultant. Consultant's failure to timely perform in accordance with the schedule set forth in Exhibit "E" shall result in economic losses to the City, including, but not limited to, the timely bidding and awarding of contracts, completion of the Project and the use of the Project by City's Harbor Department, its tenants and the public.

### 3. Services To Be Performed By City.

3.1 City's Harbor Department shall provide Consultant with available and/or necessary horizontal and vertical survey data in the form of field notes or electronic format as maintained by City's Harbor Department, access to public records, prints of existing aerial photos, existing planimetric maps, environmental documents, existing oceanographic studies and existing soil reports in the vicinity, previous specifications and other information which, in the sole reasonable discretion of Engineer, shall assist in completing the Scope of Work.

3.2 City's Harbor Department shall provide all necessary copies and prints of the Final PSEs for bid advertisement and construction.

3.3 City's Harbor Department shall provide survey, construction inspection, construction contract administration and soil compaction-testing services unless the Scope of Work provides otherwise.

3.4 Consultant shall provide Engineer with reasonable advance written notice if it requires access to the Project area or any other premises of City's Harbor Department. Subsequent access rights, if any, shall be granted to Consultant at the sole reasonable discretion of Engineer, specifying conditions Consultant must satisfy in connection with such access. Consultant acknowledges that the Project area may be occupied or used by tenants or contractors of City and that access rights granted by City's Harbor Department to Consultant shall be consistent with any such occupancy or use.

3.5 City shall not be obligated to provide information and/or services except as specified in this Agreement.

#### 4. Effective Date and Term.

4.1 After approval by City in accordance with Section 245 of City's Charter, the effective date of this Agreement shall be the date of its execution by Executive Director. Consultant acknowledges that Section 245 of City's Charter furnishes to the City Council of City ("Council") the right to review this Agreement and that this Agreement shall not become effective until the sixth Council meeting day after approval of this Agreement by Board or Council's approval of the Agreement.

4.2 The term of this Agreement shall not exceed three (3) years, commencing on the Agreement's effective date. This Agreement shall be in full force and effect until:

a. Engineer determines that Consultant has completed the Scope of Work and provides Consultant written notice thereof; or

b. Board, in its sole discretion, terminates this Agreement, which termination shall become effective five (5) calendar days following Executive Director's transmittal of written notice advising Consultant of such action by Board. Upon receipt of such written notice, Consultant shall cease the performance of the Scope of Work. Consultant shall be entitled to compensation only for services actually performed prior to such termination. Engineer, in his or her sole reasonable discretion, shall determine the amount of services actually performed and shall allocate a portion of the total compensation due Consultant accordingly. If Board so terminates this Agreement, Consultant shall deliver all drawings, specifications, plans, reports, studies, calculations, estimates, documents and other work product produced pursuant to this Agreement to City in an organized, usable form with all items properly labeled to the degree of detail specified by the Engineer. No compensation shall be due Consultant until it complies with the requirements of this paragraph; or

c. Three (3) years have elapsed from the effective date of the Agreement.

4.3 Notwithstanding the foregoing, this Agreement is subject to the provisions of City's Charter which, among other things, precludes City from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated therefor. Board, in awarding this Agreement, is expected to appropriate sufficient funds to meet the estimated expenditure of funds through June 30 of the current fiscal year and to make further appropriations in each succeeding fiscal year during the life of the Agreement. However, Board is under no legal obligation to do so. City, its boards, officers, and employees are not bound by the terms of this Agreement or obligated to make payment thereunder in any fiscal year in which the Board does not appropriate funds therefor. Consultant is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by Board.

Although Consultant is not obligated to perform any services required by the Scope of Work in any fiscal year in which no appropriation for the Agreement has been made, Consultant shall resume performance of the Scope of Work on the same terms and conditions for a period of sixty (60) days after the end of the fiscal year if an appropriation therefor is approved by Board within that sixty (60)-day period. Consultant is responsible for maintaining all insurance and bonds during this sixty (60) day period. The time for performance shall be extended during this period until the appropriation is made; however, such extension of time is not compensable.

If in any subsequent fiscal year funds are not appropriated by Board for this Agreement, this Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

## 5. Compensation.

5.1 For the full and satisfactory performance of the Scope of Work, City shall pay Consultant and Consultant shall accept a sum not to exceed Four Million Two Hundred Sixty-Four Thousand Seven Hundred Forty-Eight Dollars (\$4,264,748) to be paid as specified in Exhibit "F". If Exhibit "F" allocates a specific amount to the performance of a Task or Subtask and if, following the completion of such Task or Subtask, unexpended sums remain in relation to such specific amount, Executive Director may, upon written notice to Consultant, allocate such unexpended sums to the performance of a subsequent Task or Subtask.

5.2 Compensation payable under this Agreement includes payment for all labor, travel, per diem, fringe benefits, general and administrative expenses, overhead, profit, materials, supplies, transportation, and all other direct and indirect costs and expenses incurred by Consultant ("Expenses"). As such, Consultant shall not be entitled to separate reimbursement of Expenses under this Agreement. No markups or premiums shall be applied to services performed by Subconsultants unless Exhibit "F" expressly so allows. Compensation payable under this Agreement shall be on a

(1) fixed fee, (2) hourly, or (3) combined fixed fee and hourly basis in accordance with the terms below, as may be more particularly specified in Exhibit "F" and Exhibit "G".

a. Fixed Fee. Lump sum compensation for satisfactory performance of Tasks as may be identified as "Lump Sum" in Exhibit "F".

b. Hourly Fee. An amount equal to the product of the hours expended by Consultant and the applicable hourly rates set forth in Exhibit "G" for time actually spent in the performance of Tasks as may be identified as "Not-to-Exceed" in Exhibit "F". The rates identified in Exhibit "G" state the maximum rates Consultant shall charge under this Agreement. No premium rates, including, but not limited to, overtime or hazardous duty premiums, shall be charged.

5.3 Each month during the term of this Agreement, as a prerequisite to payment for services, Consultant shall submit a written invoice to City's Harbor Department for services performed during the prior month, accompanied by such records and receipts as may be specifically required in Exhibit "F". Each such invoice shall bear a City Business Tax Registration Number and a Taxpayer Identification Number. Each invoice shall identify all services performed by Subconsultants. If payments are to be based on the performance of established milestones, Consultant shall bill as each milestone is completed, but not more often than once a month.

Consultant shall submit one (1) original and four (4) copies of each such invoice for payment in the format that contains the information specified in Exhibit "H" and that includes the following certification:

"I certify under penalty of perjury that the above bill is just and correct according to the terms of Agreement No. \_\_\_\_\_ and that payment has not been received. I further certify that I have complied with the provisions of the City's Living Wage Ordinance.

\_\_\_\_\_  
(signed)

5.4 Consultant shall submit supporting documents with each invoice as may be set forth in a Directive. Such documents may include, but are not limited to, provider invoices, payrolls, and time sheets.

5.5 If Consultant utilizes Subconsultants to perform aspects of the Scope of Work, Consultant shall submit to City, with each monthly invoice, a Monthly Subconsultant Monitoring Report in the form attached hereto as Exhibit "I". Consultant shall provide an explanation for any item that does not meet or exceed the participation levels required by a particular Directive, with specific plans and recommendations for

improved subconsultant utilization. Invoices will not be paid without a completed Monthly Subconsultant Monitoring Report form. Consultant is not required to submit support for direct costs items of \$25 or less.

5.6 All sums due and payable to Consultant shall be paid as soon as, in the ordinary course of City business, the same may be reviewed and approved. City shall use all reasonable effort to pay said sums within sixty (60) days of receipt of each statement.

For payment and processing, all invoices shall be mailed to the following address:

Accounts Payable Section  
Harbor Department, City of Los Angeles  
P.O. Box 191  
San Pedro, CA 90733-0191

6. Recordkeeping and Audit Rights.

6.1 Consultant shall keep and maintain full, complete and accurate books of accounts and records of the services performed under this Agreement in accordance with generally accepted accounting principles consistently applied, which books and records shall be readily accessible to and open for inspection and copying at the premises by City, its auditors or other authorized representatives. Notwithstanding any other provision of this Agreement, failure to do so shall constitute a conclusive waiver of any right to compensation for such services as are otherwise compensable hereunder. Such books and records shall be maintained by Consultant for a period of three (3) years after completion of services to be performed under this Agreement or until all disputes, appeals, litigation or claims arising from this Agreement have been resolved.

6.2 During the term of this Agreement, City may audit, review and copy any and all writings (as that term is defined in Section 250 of the California Evidence Code) of Consultant and Subconsultants arising from or related to this Agreement or performance of the Scope of Work, whether such writings are (a) in final form or not, (b) prepared by Consultant, Subconsultants or any individual or entity acting for or on behalf of Consultant or a Subconsultant, and (c) without regard to whether such writings have previously been provided to City. Consultant shall be responsible for obtaining access to and providing writings of Subconsultants. Consultant shall provide City at Consultant's sole cost and expense a copy of all such writings within fourteen (14) calendar days of a written request by City. City's right shall also include inspection at reasonable times of the Consultant's office or facilities which are engaged in the performance of the Scope of Work. Consultant shall, at no cost to City, furnish reasonable facilities and assistance for such review and audit. Consultant's failure to

comply with this Section 6.2 shall constitute a material breach of this Agreement and shall entitle City to withhold any payment due under this Agreement until such breach is cured.

7. Consultant Is An Independent Contractor.

Consultant, in the performance of the Scope of Work, is an independent contractor and not an agent or employee of City. Consultant shall not represent itself as an agent or employee of the City and shall have no power to bind the City in contract or otherwise.

8. Business Tax Registration Certificate.

City's Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This section provides that every person, other than a municipal employee, who engages in any business within City, is required to obtain the necessary Business Tax Registration Certificate and pay business taxes. The City Controller has determined that this Code Section applies to consulting firms that are doing work for City's Harbor Department. See Exhibit "J".

9. Indemnity and Insurance.

9.1 City Indemnity. To the maximum extent permitted by applicable law, and except for any matter constituting a breach of contract under this agreement, City shall indemnify, defend and save harmless Herzog and its officers, directors, employees, agents, successors and assigns (individually and collectively, the "Herzog Entities"), from and against any liabilities, losses, actions, penalties, demands, detriments, claims, damages, costs and judgments and all reasonable expenses incurred in connection herewith (collectively, "Losses") (including, without limitation, claims made under the Federal Employers' Liability Act, costs of investigation, attorneys' fees and costs, expenses of arbitration, trial or appeal, and judgments) arising out of or in connection with the Red Car Line Operation (whether directly or indirectly, or by act, condition or omission) during the Term hereof, including, but not limited to, (i) damage, loss, or destruction of any property (including property of third parties and the Red Car Line), (ii) injury or death to any person, (iii) the violation of any and all applicable federal, state and local laws, rules, regulations, permits and orders that relate to or govern the Red Car Line Operation, including Environmental Laws (as that term is defined in the PHL Agreement), (iv) failure to obtain or comply with any and all governmental licenses, permits, approvals, franchises and other entitlements necessary for the Red Car Line Operation, (v) release of any Hazardous Substance (as that term is defined in the Agreement) in, on or under the Red Car Line, or adjacent properties, (vi) the failure of either Party to perform its obligations hereunder or under the PHL Agreement, and (vii) claims by the Railroads (as such term is defined in the PHL Agreement) or City for indemnification or other payment obligations under agreements between Herzog and

one or more Railroads; provided, however, that City shall not indemnify, defend and save harmless Herzog to the extent such Losses result directly from the willful misconduct of one or more Herzog Entities.

9.2 Demand. In the event that any claim, action, proceeding, investigation or demand shall be brought or threatened against Herzog arising out of or in connection with the Red Car Line Operation, Herzog shall give written notice thereof to City, which notice shall contain a reasonably detailed description of the event, occurrence or condition giving rise to the claim for indemnity under section 8(A) of this Contract and shall enclose a true copy of any and all documents served upon or received by Herzog.

9.3 Payment. In the event Herzog shall suffer or incur any Losses for which Herzog is entitled to indemnity under this subsection ("Indemnifiable Losses"), City shall pay Herzog the total of the Indemnifiable Losses within ninety (90) days following demand therefore and delivery of an account of such Losses, and thereafter as Indemnifiable Losses are incurred and reported to City by Herzog.

9.4 Overdue Rate. Any and all Indemnifiable Losses that are not paid within ninety (90) days after demand therefor, shall be delinquent. In addition to all other rights and remedies of Herzog against City provided under this Contract or under applicable law, City shall pay Herzog interest accrued on any and all delinquent payments at the Overdue Rate (defined below) from the date such payment is due until paid. As used herein, the "Overdue Rate" shall be equal to ten percent (10%) per annum, but in no event shall the Overdue Rate be greater than the maximum rate of interest permitted against public entities for by California law as of the date of demand.

9.5 Defense. During the term of this Contract, City shall at its own cost, expense, and risk: (i) defend Herzog in all suits, actions, or other legal or administrative proceedings arising out of or in connection with the Red Car Line Operation (a "Proceeding") with counsel selected by City and reasonably acceptable to Herzog, (ii) pay and/or satisfy any judgment or decree that may be recorded against Herzog in any such Proceeding, and (iii) reimburse Herzog or all Indemnifiable Losses incurred by Herzog relating to or in connection with any Proceeding; provided that, City shall not, absent the prior written consent of Herzog, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to Herzog of a release from all liability with respect to such Proceeding.

9.6 Joinder. Without limiting the rights of Herzog pursuant to this section Herzog shall have the right, if it so elects, to join in and participate in any Proceeding as a party thereto. In any such case Herzog may, at its own costs and expense, employ its own legal counsel and consultants to prosecute, negotiate, or defend any claim, action or cause of action, provided that Herzog shall not, without the prior written consent of City (which consent shall not be unreasonably withheld, conditioned or delayed), settle

or compromise any Proceeding or consent to the entry of any judgment therein in excess of One Hundred Thousand Dollars (\$100,000.00).

9.7 Consultant-Furnished Insurance. The Consultant shall, at all times during the term of this Contract and extended terms thereof, provide and maintain the following types of insurance protecting the interests of City and the Consultant with limits of liability not less than those specified below.

a. Worker's Compensation insurance, FELA, or equivalent, providing benefits comparable to those provided under the Worker's Compensation Act of the State of California and/or any other State or Federal law or laws applicable to the Consultant's employees performing work under this contract. Employers Liability insurance with limits of liability of not less than \$1,000,000 each accident, \$1,000,000 each employee for disease and \$1,000,000 policy limit for disease. This insurance must be endorsed with a Waiver of Subrogation Endorsement, waiving the carrier's right of recovery under subrogation or otherwise from City. By signing this Contract, Consultant certifies that he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that Code, and he will comply with such provisions before commencing performance of services under this Contract.

b. Comprehensive Automobile Liability insurance or its equivalent, covering all owned, hired, and non-owned vehicles used in connection with the work performed under this Contract with limits of liability not less than \$5,000,000 each person and \$5,000,000 each accident for bodily injury, and \$5,000,000 each occurrence for property damage.

9.8 General Liability Insurance. The Consultant will procure and maintain, at its sole cost and expense, General Liability Insurance for the operations away from the actual rail operations which are not otherwise insured by the insurance provided by the City with limits of \$2,000,000.00 written by an insurance company authorized to do business in the State of California rated VII, A- or better in Best's Insurance Guide (or an alternate guide acceptable to City if a Best's Rating is not available). The general liability policy shall have Consultant's normal limits of liability but not less than Two Million Dollars (\$2,000,000.00) for injury or death to one person and Two Million Dollars (\$2,000,000.00) for injury or death to more than one person arising out of each accident or occurrence and Two Million Dollars (\$2,000,000.00) for property damage for each accident or occurrence. Said limits shall be without deduction, provided that the Executive Director may permit a deductible amount in those cases where, in his judgment, such a deductible is justified by the net worth of Consultant. The insurance provided shall contain a severability of interest clause. In all cases, regardless of any deductible, said insurance shall contain a defense of suits provision. Where Consultant

uses or operates vehicles, watercraft or aircraft, coverage shall be provided as above. Each policy shall contain an Additional Insured Endorsement on the standard City form, naming the City of Los Angeles, its boards, officers, agents, and employees (collectively the "Additional Insured") and a thirty (30) day notice of cancellation by receipted mail. Executive Director, at his discretion based upon recommendation of independent insurance consultant to City, may increase or decrease amounts and types of insurance coverage required hereunder at any time during the term hereof by giving ninety (90) days' prior written notice to Consultant. Two executed copies of the endorsements marked Exhibits "J", "K", "L" and shall be furnished to Executive Director. At least thirty (30) days' prior to the expiration of each policy, Consultant shall furnish to Executive Director a renewal endorsement or renewal certificate showing that the policy has been renewed or extended or, if new insurance has been obtained, evidence of insurance required above, Executive Director may, at his own option but without any obligation, obtain such insurance to protect City's interests. The cost of such insurance will be deducted from the next payment due.

9.9 Multiple Policies. The limits of liability as required above may be provided by a single policy of insurance or a combination of primary, excess or umbrella liability policies; but in no event shall the total limit of liability for any one occurrence or accident be less than the amount shown above.

9.10 No Release. The carrying of the above-described coverage shall in no way be interpreted as relieving the Consultant of any other responsibility or liability described herein or any applicable law, statutes, regulation, or order.

9.11 Insurance Required for the Red Car Line. City shall maintain the following types of insurance with at least \$50,000,000 in total coverage with insurance carriers having a current A.M. Best rating of not less than A: VII in the amounts provided for below:

a. Excess liability insurance in the amount of at least \$25,000,000, on a per occurrence basis, which shall provide coverage for bodily injury, death, property damage liability, with respect to all operations of the Red Car Line.

b. Comprehensive railroad liability insurance in the amount of at least \$25,000,000, on a per occurrence/aggregate basis, which shall provide coverage for bodily injury and property damage liability over a \$25,000 self-insured retention arising from operations on and maintenance of the Shared Use Trackage with limits between MP 4.4 and MP 6.0 as set forth in the Temporal Separation Agreement in connection with the Red Car Line. The commercial railroad liability policy to be provided by the City will conform substantially to the form of policy in the Temporal Separation Agreement.

c. The insurance provided by the City will be primary in relation to any other valid and collectible insurance whether such other insurance is stated to be primary, contributing, excess, contingent or otherwise.

10. Personal Services Agreement.

10.1 During the term of this Agreement, Consultant agrees that it will not enter into other contracts or perform any work without the written permission of the Executive Director where the work may conflict with the interests of City's Harbor Department.

10.2 Consultant acknowledges that it has been selected to perform the Scope of Work because of its experience, qualifications and expertise. Any assignment or other transfer of this Agreement or any part hereof shall be void provided, however, that Consultant may permit Subconsultant(s) to perform portions of the Scope of Work in accordance with Section 2.3. All Subconsultants whom Consultant utilizes, however, shall be deemed to be its agents. Subconsultants' performance of the Scope of Work shall not be deemed to release Consultant from its obligations under this Agreement or to impose any obligation on the City to such Subconsultant(s) or give the Subconsultant(s) any rights against the City.

11. Confidentiality.

Consultant shall not disclose any proprietary or confidential information of City to any third party or parties during or after the term of this Agreement without the prior written consent of City. The data, documents, reports, or other materials which contain information relating to the review, documentation, analysis and evaluation of the Scope of Work and any recommendations made by Consultant relative thereto shall be considered confidential and shall not be reproduced, altered, used or disseminated by Consultant or its employees or agents in any manner except and only to the extent necessary in the performance of the work under this Agreement. In addition, Consultant is required to safeguard such information from access by unauthorized personnel.

12. Affirmative Action.

Consultant shall not discriminate in its employment practices against any employee or applicant for employment because of employee's or applicant's race, religion, national origin, ancestry, sex, age, sexual orientation, disability, marital status, domestic partner status, or medical condition. The provisions of Section 10.8.4 of the Los Angeles Administrative Code are incorporated herein by this reference and made a part of this Agreement. All subcontracts awarded shall contain a like nondiscrimination provision. See Exhibit "K".

13. Small/Very Small Business Enterprise Program and Local Business Preference Program.

It is the policy of City's Harbor Department to provide Small Business Enterprises (SBE), Very Small Business Enterprises (VSBE) and Minority-Owned, Women-Owned, Disabled Veteran Business Enterprise and all Other Business Enterprises (MBE/WBE/DVBE/OBE) an equal opportunity to participate in the performance of all City contracts in all areas where such contracts afford such participation opportunities. Consultant shall assist City's Harbor Department in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, VSBEs, MBEs, WBEs, DVBEs, and OBEs, have equal participation opportunities which might be presented under this Agreement. See Exhibit "L".

It is also the policy of the Department to support an increase in local and regional jobs. The Department's Local Business Preference Program aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector. Consultant shall assist the City in implementing this policy and shall use its best efforts to afford the opportunity for Local Business Enterprises to achieve participation in subcontracts where such participation opportunities present themselves.

NOTE: Prior to being awarded a contract with the City, Consultant and all Subconsultants must be registered on the City's Contracts Management and Opportunities Database, Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>.

14. Conflict of Interest.

Consultant has reviewed and understands the provisions of Section 1090 et seq. and Section 87100 et seq. of the California Government Code relating to conflict of interest of public officers and employees, as well as the Los Angeles Municipal Code ("LAMC") Municipal Ethics and Conflict of Interest provisions of Section 49.5.1 et seq. and the Conflict of Interest Codes of the City and City's Harbor Department. All parties hereto agree that they are unaware of any financial or economic interest of any public officer or employee of City relating to this Agreement. Notwithstanding any other provision of this Agreement, it is further understood and agreed that if such financial interest does exist at the inception of this Agreement, City may immediately terminate this Agreement by giving written notice thereof. Consultant's signature of this Agreement constitutes its affirmation that any former employees of City or City's Harbor

Department that are employed by Consultant and that assist in performing the Scope of Work shall be free of any conflicts of interest with respect to City and City's Harbor Department.

15. Compliance with Applicable Laws.

Consultant's activities under this Agreement, including its performance of the Scope of Work, shall comply with all federal, state, municipal, local and departmental laws, ordinances, rules, regulations, and orders. If in any instance a City standard is more stringent than a state, federal or other requirement, the City standard shall be followed unless the Engineer notifies the Consultant otherwise in writing, in which case the requirements of said notification shall apply.

16. Trademarks, Copyrights and Patents.

Consultant shall promptly and fully inform Engineer in writing of any patents, trademarks or copyrights related to services provided under this Agreement or patent trademark or copyright disputes, existing or potential, which Consultant has knowledge of, relating to any idea, design, method, material, equipment or other matter connected to this Agreement. Consultant agrees to save, keep, hold harmless, protect and indemnify City and any of its officers or agents from any damages, cost, or expenses in law or equity from infringement of any patent, trademark, service mark or copyright of any person or persons, or corporations in consequence of the use by City of any materials supplied by Consultant in the performance of this Agreement.

17. Proprietary Information.

Writings, as that term is defined in Section 250 of the California Evidence Code (including, without limitation, drawings, specifications, estimates, reports, records, reference material, data, charts, documents, renderings, computations, computer tapes or disks, submittals and other items of any type whatsoever, whether in the form of writing, figures or delineations), which are obtained, generated, compiled or derived in connection with this Agreement (collectively hereafter referred to as "property"), are owned by City as soon as they are developed, whether in draft or final form. City has the right to use or permit the use of property and any ideas or methods represented by such property for any purpose and at any time without compensation other than that provided in this Agreement. Consultant hereby warrants and represents that City at all times owns rights provided for in this section free and clear of all third-party claims whether presently existing or arising in the future, whether or not presently known. Consultant need not obtain for City the right to use any idea, design, method, material, equipment or other matter which is the subject of a valid patent, unless such patent is owned by Consultant or one of its employees, or its Subconsultant or the Subconsultant's employees, in which case such right shall be obtained without additional compensation. Whether or not Consultant's initial proposal or proposals

made during this Agreement are accepted by City, it is agreed that all information of any nature whatsoever connected with the Scope of Work, regardless of the form of communication, which has been or may be given by Consultant, its Subconsultants or on either's behalf, whether prior or subsequent to this Agreement becoming effective, to the City, its boards, officers, agents or employees, is not given in confidence. Accordingly, City or its designees may use or disclose such information without liability of any kind, except as may arise under valid patents.

18. Royalty-Free License.

If research or development is furnished in connection with this Agreement and if, in the course of such research or development, patentable work product is produced by Consultant, its officers, agents, employees, or Subconsultants, the City shall have, without cost or expense to it, an irrevocable, non-exclusive royalty-free license to make and use, itself or by anyone on its behalf, such work product in connection with any activity now or hereafter engaged in or permitted by City. Upon City's request, Consultant, at its sole cost and expense, shall promptly furnish or obtain from the appropriate person a form of license satisfactory to the City. It is expressly understood and agreed that, as between City and Consultant, the referenced license shall arise for City's benefit immediately upon the production of the work product, and is not dependent on the written license specified above. City may transfer such license to its successors in the operation or ownership of any real or personal property now or hereafter owned or operated by City.

19. City's Disclosure Obligations.

Consultant acknowledges that City is subject to laws, rules and/or regulations generally requiring it to disclose records upon request, which laws, rules and/or regulations include, but are not limited to, the California Public Records Act (California Government Code Sections 6250 et seq.) ("Disclosure Laws").

20. Notices.

In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage prepaid. When so given, such notice shall be effective from the date of mailing of the same. For the purpose hereof, unless otherwise provided by notice in writing from the respective parties, notice to City's Harbor Department shall be addressed to Director of Development, Los Angeles Harbor Department, P.O. Box 151, San Pedro, California 90733-0151, and notice to Consultant shall be addressed to it at the address set forth above. Nothing herein contained shall preclude or render inoperative service of such notice in the manner provided by law.

21. Taxpayer Identification Number ("TIN").

The Internal Revenue Service (IRS) requires that all consultants and suppliers of materials and supplies provide a TIN to the party that pays them. Consultant declares that its authorized TIN is 153198. No payments will be made under this Agreement without a valid TIN.

22. Service Contractor Worker Retention Policy and Living Wage Requirements.

Board adopted Resolution No. 5771 on January 13, 1999, agreeing to adopt the provisions of Los Angeles City Ordinance No. 171004 relating to Service Contractor Worker Retention ("SCWR"), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of City's Harbor Department. Further, Charter Section 378 requires compliance with the City's Living Wage requirements as set forth by ordinance, Section 10.37 et seq. of the Los Angeles Administrative Code. Consultant shall comply with the policy wherever applicable. Violation of this provision, where applicable, shall entitle City to terminate this Agreement and otherwise pursue legal remedies that may be available.

23. Wage and Earnings Assignment Orders/Notices of Assignments.

Consultant and Subconsultants shall comply with all applicable state and federal employment reporting requirements for employees.

Consultant and Subconsultants shall certify that the principal owner(s) are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignments applicable to them personally. Consultant and Subconsultants shall fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Section 5230 et seq. of the California Family Code.

24. Equal Benefits Policy.

Board adopted Resolution No. 6328 on January 12, 2005, agreeing to adopt the provisions of Los Angeles City Ordinance No. 172,908, as amended, relating to Equal Benefits, Section 10.8.2.1 et seq. of the Los Angeles Administrative Code, as a policy of City's Harbor Department. Consultant shall comply with the policy wherever applicable. Violation of this policy shall entitle the City to terminate any agreement with Consultant and pursue any and all other legal remedies that may be available. See Exhibit "M".

25. Compliance With Los Angeles City Charter Section 470(c)(12).

The Consultant, Subconsultants, and their Principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City officials or

candidates for elected City office if the agreement is valued at \$100,000 or more and requires approval of a City elected official. Additionally, Consultant is required to provide and update certain information to the City as specified by law. Any Consultant subject to Charter Section 470(c)(12), shall include the following notice in any contract with a subconsultant expected to receive at least \$100,000 for performance under this Agreement:

**Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions**

As provided in Charter Section 470(c)(12) and related ordinances, you are a subconsultant on Harbor Department Agreement No. \_\_\_\_\_. Pursuant to City Charter Section 470(c)(12), subconsultant and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the Agreement is signed. Subconsultant is required to provide to Consultant names and addresses of the subconsultant's principals and contact information and shall update that information if it changes during the 12 month time period. Subconsultant's information must be provided to Consultant within 10 business days. Failure to comply may result in termination of the Agreement or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission's website at <http://ethics.lacity.org/> or by calling 213-978-1960.

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

**26. State Tidelands Grants.**

This Agreement is entered into in furtherance of and as a benefit to the State Tidelands Grant and the trust created thereby. Therefore, this Agreement is at all times subject to the limitations, conditions, restrictions and reservations contained in and prescribed by the Act of the Legislature of the State of California entitled "An Act Granting to the City of Los Angeles the Tidelands and Submerged Lands of the State Within the Boundaries of Said City," approved June 3, 1929 (Stats. 1929, Ch. 651), as amended, and provisions of Article VI of the Charter of the City of Los Angeles relating to such lands. Consultant agrees that any interpretation of this Agreement and the terms contained herein must be consistent with such limitations, conditions, restrictions and reservations.

27. Construction of Agreement.

This Agreement shall not be construed against the party preparing the same, shall be construed without regard to the identity of the person who drafted such and shall be construed as if all parties had jointly prepared this Agreement and it shall be deemed their joint work product; each and every provision of this Agreement shall be construed as though all of the parties hereto participated equally in the drafting hereof; and any uncertainty or ambiguity shall not be interpreted against any one party. As a result of the foregoing, any rule of construction that a document is to be construed against the drafting party shall not be applicable.

28. Titles and Captions.

The parties have inserted the section titles in this Agreement only as a matter of convenience and for reference, and the section titles in no way define, limit, extend or describe the scope of this Agreement or the intent of the parties in including any particular provision in this Agreement.

29. Modification in Writing.

This Agreement may be modified only by written agreement of all parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

30. Waiver.

A failure of any party to this Agreement to enforce the Agreement upon a breach or default shall not waive the breach or default or any other breach or default. All waivers shall be in writing.

31. Governing Law.

This Agreement is made and entered into in the State of California and shall in all respects be construed, interpreted, enforced and governed under and by the laws of the State of California, without reference to choice of law rules.

32. Severability.

Should any part, term, condition or provision of this Agreement be declared or determined by any court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law, public policy, or city charter, the validity of the remaining parts, terms, conditions or provisions of this Agreement shall not be affected thereby, and such invalid, illegal or unenforceable part, term, condition or provision shall be treated as follows: (a) if such part, term, condition or provision is immaterial to this

Agreement, then such part, term, condition or provision shall be deemed not to be a part of this Agreement; or (b) if such part, term, condition or provision is material to this Agreement, then the parties shall revise the part, term, condition or provision so as to comply with the applicable law or public policy and to effect the original intent of the parties as closely as possible.

33. Jurisdiction.

The parties hereto consent to the jurisdiction of the State of California for the enforcement of this Agreement.

34. Integrated Agreement.

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the matters referred to herein. No other representations, covenants, undertakings, or prior or contemporaneous agreements, oral or written, regarding such matters which are not specifically contained, referenced, and/or incorporated into this Agreement by reference shall be deemed in any way to exist or bind any of the parties. Each party acknowledges that it has not been induced to enter into the Agreement and has not executed the Agreement in reliance upon any promises, representations, warranties or statements not contained, referenced, and/or incorporated into the Agreement. **THE PARTIES ACKNOWLEDGE THAT THIS AGREEMENT IS INTENDED TO BE, AND IS, AN INTEGRATED AGREEMENT.**

35. Exhibits; Sections.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached. To the extent the terms of an exhibit conflict with or appear to conflict with the terms of the body of the Agreement, the terms of the body of the Agreement shall control. References to sections are to sections of this Agreement unless stated otherwise.

36. Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date next to their signatures.

Date: \_\_\_\_\_, 2013

THE CITY OF LOS ANGELES, by its  
Board of Harbor Commissioners

By: \_\_\_\_\_  
Executive Director

Attest: \_\_\_\_\_  
Secretary

Date: \_\_\_\_\_, 2013

HERZOG TRANSIT SERVICES, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY

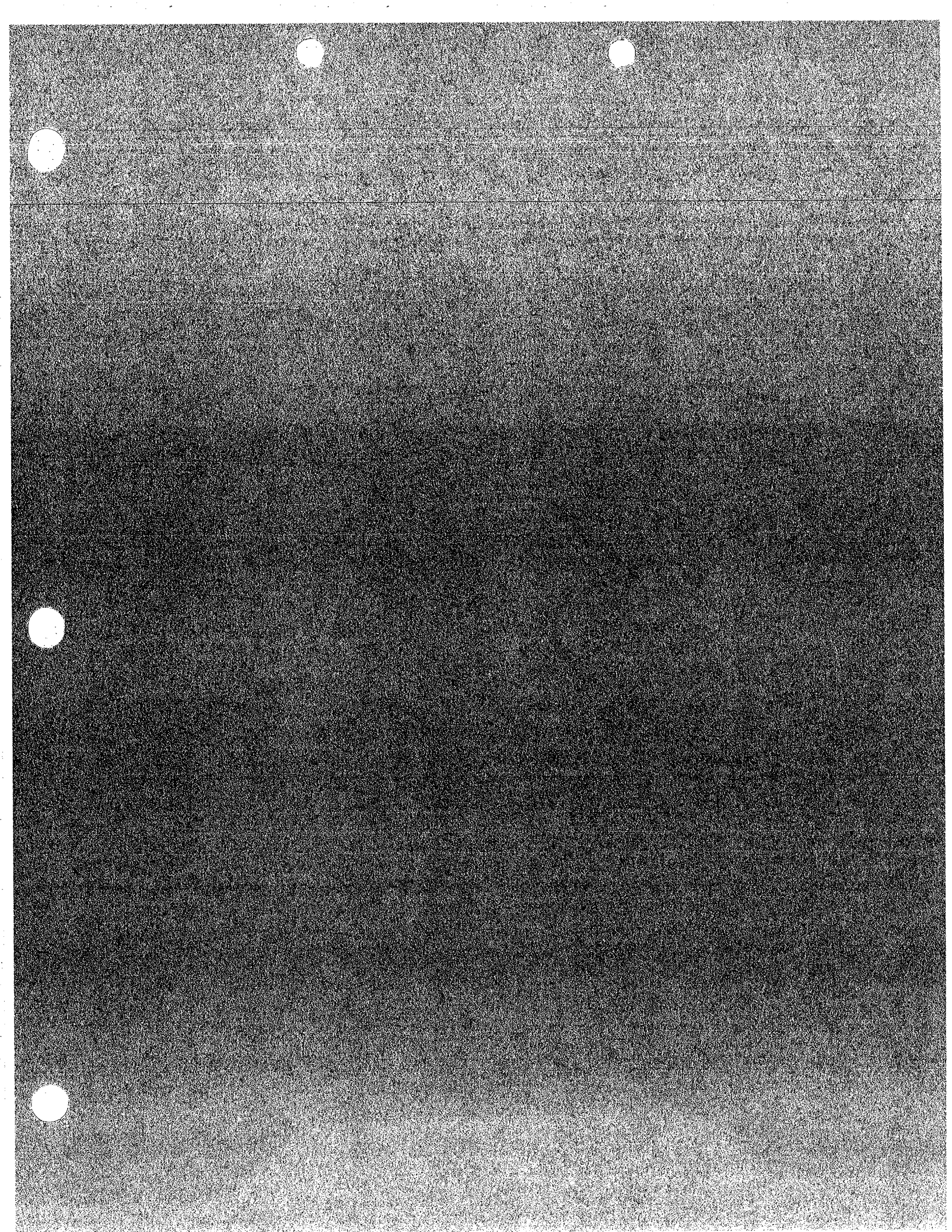
\_\_\_\_\_, 2013  
CARMEN A. TRUTANICH, City Attorney  
JANNA B. SIDLEY, General Counsel

By \_\_\_\_\_  
JUSTIN HOUTERMAN, Deputy

JH:jpr  
053013  
Attachments

Account #	_____	W.O. #	_____
Ctr/Div #	_____	Job Fac. #	_____
Proj/Prog #	_____		
		Budget FY:	Amount:
		TOTAL:	





## Exhibit A

### Project

#### Waterfront Red Car Line

The Waterfront Red Car Line is a 1.5-mile vintage trolley line connecting the World Cruise Center with attractions along the San Pedro waterfront. Restored and replicated Pacific Electric Red Cars were designed to serve the area with both transportation and enjoyment purposes.

When the Waterfront Red Car Line was inaugurated on July 19, 2003, it marked the first time in more than 40 years that Red Cars had run anywhere in Los Angeles using a historic Red Car route. The four Red Car boarding points are at the World Cruise Center, Downtown, Ports O' Call and Marina stations. The Downtown Station at 6th Street and Harbor Boulevard is located at the original Pacific Electric San Pedro Depot.

Aboard the car, one will experience all that Los Angeles had to offer during the early 1900s, complete with open air, California-style windows and vintage product advertisements. Passengers also discover the unique feeling of San Pedro restaurants and gift shops to museums and art galleries.

Passengers appreciate the remarkable condition and authenticity of the Waterfront Red Cars. Port of Los Angeles craftsmen brought original Pacific Electric Red Car 1058 back to life, paying careful attention to detail, while adding some modern machinery features to improve safety and operational efficiency. Replica Red Cars 500 and 501 were each built from scratch, representing the look of the cars that ran on the San Pedro Pacific Electric system in the 1920s.

Waterfront Red Car hours of operation are from noon to 9:30 p.m., Friday through Sunday. Red Cars may also run on select Mondays, Tuesdays, Wednesdays and Thursdays when cruise ships are in Port. The \$1 fare includes unlimited rides for the day.

The Waterfront Red Car is operated under the jurisdiction of the Federal Railroad Administration, California Public Utilities Commission, and City of Los Angeles. The Department Waterfront Red Car Line brochure is include on the following pages.

### THE WATERFRONT RED CAR LINE

THE PACIFIC ELECTRIC RAILWAY, A SOUTHWESTERN LARGEST INTERURBAN RAILROAD, OPERATED THE FIRST RED CARS TRAVELING THE LOS ANGELES REGIONAL WATERFRONT 1,000 MILES OF RAIL LINES FROM 1901 TO 1953.

TODAY, THE RED CAR METRO RECEIVES ANNUAL ANGELS WATERFRONT RAIL SERVICE AND 500 MORE CONSTRUCTED IN THE CHARTERED AND MAINTAINED BY THE ELECTRIC RAILWAY DESIGN AND CONSTRUCTION DIVISION OF THE ORIGINAL 500-CLASS ELECTRIC RAILROADS OF THE ELECTRIC RAILWAY COMPANY, 1000 STEEL AND IRON PIER STATION, 25TH STREET AND 11TH



CONSTRUCTION DIVISION OF THE ORIGINAL 500-CLASS ELECTRIC RAILROADS OF THE ELECTRIC RAILWAY COMPANY, 1000 STEEL AND IRON PIER STATION, 25TH STREET AND 11TH

### LANE

THE PACIFIC ELECTRIC RAILWAY, A SOUTHWESTERN LARGEST INTERURBAN RAILROAD, OPERATED THE FIRST RED CARS TRAVELING THE LOS ANGELES REGIONAL WATERFRONT 1,000 MILES OF RAIL LINES FROM 1901 TO 1953.

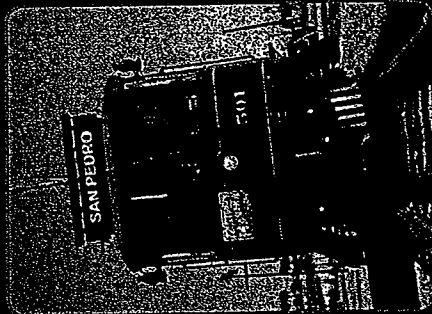
### 100% OF OPERATION

TODAY, THE RED CAR METRO RECEIVES ANNUAL ANGELS WATERFRONT RAIL SERVICE AND 500 MORE CONSTRUCTED IN THE CHARTERED AND MAINTAINED BY THE ELECTRIC RAILWAY DESIGN AND CONSTRUCTION DIVISION OF THE ORIGINAL 500-CLASS ELECTRIC RAILROADS OF THE ELECTRIC RAILWAY COMPANY, 1000 STEEL AND IRON PIER STATION, 25TH STREET AND 11TH

### Addressing

THE PACIFIC ELECTRIC RAILWAY, A SOUTHWESTERN LARGEST INTERURBAN RAILROAD, OPERATED THE FIRST RED CARS TRAVELING THE LOS ANGELES REGIONAL WATERFRONT 1,000 MILES OF RAIL LINES FROM 1901 TO 1953.

# RED THE RED CARS!



THE PORT OF LOS ANGELES WATERFRONT RED CAR LINE



1876

GENERAL INFORMATION: (310) 732-3473  
WWW.PORTOFLOSANGELES.ORG



## EXHIBIT "B"

### SCOPE OF WORK

#### **Task 1      Operation and Maintenance of the Waterfront Red Car**

After issuance of written Notice to Proceed, Consultant shall continuously operate one Waterfront Red Car on Friday, Saturday, and Sunday from 12:00 pm to 9:30pm. In addition, the Consultant shall continuously maintain all three Waterfront Red Cars and develop a rotation schedule to reduce wear and tear on the cars. The Waterfront Red Car shall be operated and maintained in compliance with all Federal Railroad Administration and California Public Utilities Commission rules and regulations. In addition, the Consultant shall comply with all requirements of the following General Manager manuals:

- Volume 1: Regulatory Requirements
- Volume 2: Operations and Maintenance Manuals
- Volume 3: Policies and Procedures/Forms & Training
- Volume 4: Safety Audits and Inspections CPUC, Internal, and FRA
- Volume 5: CPUC and FRA Reporting
- Volume 6: Facilities Inspections

The Consultant shall coordinate all operations and maintenance with the Department Waterfront Red Car General Manager.

#### **Task 2      System Audits and Reviews**

After issuance of written Notice to Proceed, Consultant shall provide all necessary audits and reviews of the Waterfront Red Car in accordance with all Federal Railroad Administration and California Public Utilities Commission rules and regulations. In addition, the Consultant shall comply with all requirements of the following General Manager manuals:

- Volume 1: Regulatory Requirements
- Volume 2: Operations and Maintenance Manuals
- Volume 3: Policies and Procedures/Forms & Training
- Volume 4: Safety Audits and Inspections CPUC, Internal, and FRA
- Volume 5: CPUC and FRA Reporting
- Volume 6: Facilities Inspections

The Consultant shall coordinate all operations and maintenance with the Department Waterfront Red Car General Manager.

#### **Task 3      Special Trains**

After issuance of written Notice to Proceed, Consultant shall provide special trains as required by the Department's Waterfront Red Car General Manager. The special trains shall be operated in accordance with the requirements of Task 1.

**Task 4 Custom Materials and Capital Equipment replacement**

After issuance of written Notice to Proceed, Consultant shall provide custom materials and capital equipment required by the Department's Waterfront Red Car General Manager. The special trains shall be operated in accordance with the requirements of Task 1.

**Task 5 System Modifications and Upgrades**

After issuance of written Notice to Proceed, Consultant shall provide system modifications and upgrades required by the Department's Waterfront Red Car General Manager. The special trains shall be operated in accordance with the requirements of Task 1.

**Task 6 Additional Services**

The work includes, but is not limited to, additional services necessary for the Waterfront Red Car as directed by the Department's Waterfront Red Car General Manager that relate to the Project.

SO/KLA:

Ex B – SOW

March-April 2013-2010

Exhibit "C" – Form of Directive

(Date)

(Consultant)  
(Consultant address)  
(City, State, Zip)

Attention: (Project Manager)

Subject: Directive No. 1 (Project Name)

Pursuant to Section 2.2(a) of Agreement No. \_\_\_\_\_, after receipt of a written Notice to Proceed signed by City's Chief Harbor Engineer of the Engineering Division, Consultant shall proceed with the following:

<u>Task</u>	<u>Services</u>	<u>Authorized Amount</u>
3 – Conceptual Study and Report	3.A Roadway	\$100,000 (lump sum).
3 – Conceptual Study and Report	3.B Rail	\$200,000 (lump sum).
3 – Conceptual Study and Report	3.C Bridge	\$ 50,000 (lump sum).
3 – Conceptual Study and Report	3.D Streetscape	\$150,000 (lump sum).

Consultant shall provide all required task, services, and deliverables in accordance with Exhibit "B" to Agreement No. \_\_\_\_\_.

Consultant shall complete the work within \_\_\_ calendar days from City's transmittal of its written Notice to Proceed.

When invoicing for the services covered by this Directive No. \_\_, please identify fees for this directive as follows:

LAHD EWO No. \_\_\_\_\_ LAHD Job. No. \_\_\_\_\_  
LAHD Center No. \_\_\_\_\_ LAHD Program No. \_\_\_\_\_  
LAHD Account No. \_\_\_\_\_

Consultant shall undertake the following MBE/WBE/SBE/VSBE/DVBE/OBE utilization in connection with its performance of this Directive No. \_\_\_\_.

Consultant acknowledges that the terms and conditions of Agreement No. \_\_\_\_\_ govern this Directive and that its signature below reflects its agreement with the terms and conditions of this Directive No. \_\_\_\_.

If you have any questions, please contact \_\_\_\_\_ at (310) 732-\_\_\_\_\_.

ACCEPTED:

\_\_\_\_\_  
(Consultant Name)  
Consultant

\_\_\_\_\_  
GERALDINE KNATZ, Ph.D.  
Executive Director

Date:

Date:

Exhibit "D" – Form of Notice to Proceed

(Date)

(Consultant)  
(Consultant Address)  
(City, State, Zip)

Attention: (Project Manager)

Subject: Notice to Proceed – Directive No. \_\_\_\_\_  
Agreement No. \_\_\_\_\_  
(Project Name)

This is to notify and direct you to commence performance of the subject Directive.  
Enclosed is your set of the executed Directive documents.

If you have any questions, please contact \_\_\_\_\_ at (310) 732-\_\_\_\_\_.

Very truly yours,

ANTONIO V. GIOIELLO  
Chief Harbor Engineer

Enclosure: Directive No. \_\_\_\_\_

## EXHIBIT E

# Schedule

Consultant shall provide services as follows:

Period	Month	Year
1	July	2013
2	August	2013
3	September	2013
4	October	2013
5	November	2013
6	December	2013
7	January	2014
8	February	2014
9	March	2014
10	April	2014
11	May	2014
12	June	2014
13	July	2014
14	August	2014
15	September	2014
16	October	2014
17	November	2014
18	December	2014
19	January	2015
20	February	2015
21	March	2015
22	April	2015
23	May	2015
24	June	2015
25	July	2015
26	August	2015
27	September	2015
28	October	2015
29	November	2015
30	December	2015
31	January	2016
32	February	2016
33	March	2016
34	April	2016
35	May	2016
36	June	2016

## EXHIBIT F

# COMPENSATION

For those items of the Scope of Work for which compensation is payable in fixed fee amounts, payment to the Consultant shall be made in accordance with the compensation schedule as set forth in the project directive, and the percentage of completion of each phase of the Scope of Work, as determined and approved by the Engineer and based upon monthly progress reports submitted by the Consultant. Monthly progress payments shall be equal to the percentage of completion of each phase multiplied by the fixed fee payable for completion of each phase, less amounts previously billed.

For those items of the Scope of Work for which compensation is payable in not-to-exceed amounts, the Consultant shall be paid an hourly fee as defined in Section 5.2 of this Agreement, at the rates set forth in Exhibit "B" and in accordance with the compensation schedule as set forth in the Directive. The Consultant's monthly invoice shall itemize all hours actually worked in performing such services, identifying the personnel and sub-consultant classifications of individuals performing the Directive, and the applicable hourly rates, according to Exhibit "B."

Compensable amounts set forth on (i) an hourly basis, or (ii) on the basis of an estimated Fixed Fee subject to a not-to-exceed maximum, are estimated only. In the event that all necessary services required in any category described above are, in the judgment of the Engineer, fully performed by Consultant at a cost to City which is less than the amounts estimated and authorized hereunder, Engineer may apply the unexpended balance to compensate Consultant for services in any other category for which compensation was underestimated on either of these bases.

A 5% (five percent) mark-up payable to the prime Consultant shall be allowed for work performed by listed Subconsultants.

A 5% (five percent) mark-up payable to the prime Consultant shall be allowed for all other direct costs.

EXHIBIT F

Compensation

Waterfront Red Car Operation and Maintenance

**Task 1 - Operation and Maintenance of the Waterfront Red Car**

Monthly Management Fee 36 months @ \$81,793 /month = \$2,944,548

**Task 2 System Audits and Reviews**

\$100,000 (allowance)

**Task 3 - Special Trains - 10 hour/200 train days @ \$2,101/day = \$ 420,200**

**Task 4 - Custom Materials and Capital Equipment replacement** \$500,000 (allowance)

**Task 5 - System Modifications and Upgrades**

\$200,000 (allowance)

**Task 6 - Additional Services**

\$100,000 (allowance)

**Total** \$ 4,264,748

EXHIBIT G

Hourly Rates

Waterfront Red Car Operation and Maintenance

<b>Manager, Street Car Operations</b>	<b>\$70.02</b>
<b>Assist Manager, Street Car Operations</b>	<b>\$54.16</b>
<b>Lead Operator</b>	<b>\$48.94</b>
<b>Mechanic</b>	<b>\$48.79</b>
<b>Part Time Operator</b>	<b>\$36.12</b>

# EXHIBIT H

## Company Name & Logo Address

Accounts Payable Section  
 Harbor Department, City of Los Angeles  
 P.O. Box 191  
 San Pedro, CA 90733-0191  
 Attention: \_\_\_\_\_

Invoice No.:  
 Invoice Date:  
 Invoice Period:  
 Federal ID No.:  
 City Business Tax No.:

Project Title:  
 Agreement No.:  
 Directive No.:

Consultant Contact:  
 Telephone:

Task No.	Description	Fee Type	Contract Amount	Authorized Amount	% Comp	Amount Paid to Date	Prior Invoices	Current Invoice	Remaining Balance
1			\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -
2			\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -
3			\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -
4			\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -
	<b>GRAND TOTAL</b>		\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -

*"I certify under penalty of perjury that the above bill is just and correct according to the terms of Agreement No. \_\_\_\_\_ and that payment has not been received. I further certify that I have complied with the provisions of the City's Living Wage Ordinance."*

\_\_\_\_\_  
 Project Manager

# MONTHLY SUBCONSULTANT MONITORING REPORT

Instructions: Please indicate the SBE/MBE/WBE/OBE/DBE participation levels achieved for the month of \_\_\_\_\_ covered by the referenced contract number.

Contract No. \_\_\_\_\_ Division \_\_\_\_\_ Contractor Administrator \_\_\_\_\_

Contractor \_\_\_\_\_ \*Group \_\_\_\_\_ Contract Title/Project \_\_\_\_\_

Contract Amount \_\_\_\_\_ Start Date \_\_\_\_\_ End Date \_\_\_\_\_

Total Amount Invoiced to Date \_\_\_\_\_

SBE Mandated Participation Percentage SBE \_\_\_\_\_ VSBE \_\_\_\_\_

Proposed Subcontractor Percentage MBE \_\_\_\_\_ WBE \_\_\_\_\_ OBE \_\_\_\_\_ DVBE \_\_\_\_\_

	Name of Subcontractor	Type of Work Performed	Group SBE/VSBE/MBE/WBE/OBE/DBE	PROPOSED			ACTUALS		
				Original Proposed Amount	Original Proposed Percentage	Amount Paid to Date	Amount Paid to Date Percentage	Contract Amount Percentage	
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									

**Directions:**

Original Proposed Percentage: Original Proposed Percentage of Total Contract Amount  
 Amount Paid to Date Percentage: Percentage of Total Amount Invoiced to Date  
 Contract Amount Percentage: Percentage Paid to Date of Total Contract Amount

\* Group = (SBE/VSBE/MBE/WBE/OBE/DBE)

## EXHIBIT J

### BUSINESS TAX REGISTRATION CERTIFICATE (BTRC) NUMBER

The City of Los Angeles Office of Finance requires all firms that engage in any business activity within the City of Los Angeles to pay City business taxes. Each firm or individual (other than a municipal employee) is required to obtain the necessary Business Tax Registration Certification (BTRC) and pay business tax. (Los Angeles Municipal Code Section 21.09 et seq.)

All firms and individuals that do business with the City of Los Angeles will be required to provide a BTRC number or an exemption number as proof of compliance with Los Angeles City business tax requirements in order to receive payment for goods or services. Beginning October 14, 1987, payments for goods or services will be withheld unless proof of tax compliance is provided to the City.

The Tax and Permit Division of Los Angeles Office of Finance has the sole authority to determine whether a firm is covered by business tax requirements. Those firms not required to pay will be given an exemption number.

If you do NOT have a BTRC number contact the Tax and Permit Division at the office listed below, or log on to [www.lacity.org/finance](http://www.lacity.org/finance) to download the business tax registration application.

#### MAIN OFFICE

LA City Hall

201 N. Main Street, Rm. 101 (213) 473-5901

## **EXHIBIT K - AFFIRMATIVE ACTION PROGRAM PROVISIONS**

### **Sec. 10.8.4 Affirmative Action Program Provisions.**

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

- A. During the performance of City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

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- E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. The Contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it

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registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve

months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  2. A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;

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4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

## EXHIBIT L

### SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM AND LOCAL BUSINESS PREFERENCE PROGRAM

#### (1) SMALL/VERY SMALL BUSINESS ENTERPRISE PROGRAM

The City of Los Angeles Harbor Department is committed to creating an environment that provides all individuals and businesses open access to the business opportunities available at the Harbor Department in a manner that reflects the diversity of the City of Los Angeles. The Harbor Department's Small Business Enterprise (SBE) Program was created to provide additional opportunities for small businesses to participate in professional service and construction contracts. An overall Department goal of 25% SBE participation, including 5% Very Small Business Enterprise (VSBE) participation, has been established for the Program. The specific goal or requirement for each contract opportunity may be higher or lower based on the scope of work.

It is the policy of the Harbor Department to solicit participation in the performance of all service contracts by all individuals and businesses, including, but not limited to, SBEs, VSBEs, women-owned business enterprises (WBEs), minority-owned business enterprises (MBEs), and disabled veteran business enterprises (DVBEs). The SBE Program allows the Harbor Department to target small business participation, including MBEs, WBEs, and DVBEs, more effectively. It is the intent of the Harbor Department to make it easier for small businesses to participate in contracts by providing education and assistance on how to do business with the City, and ensuring that payments to small businesses are processed in a timely manner. **In order to ensure the highest participation of SBE/VSBE/MBE/WBE/DVBEs, all proposers shall utilize the City's contracts management and opportunities database, the Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>, to outreach to potential subcontractors.**

The Harbor Department defines a SBE as an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121. Go to [www.sba.gov](http://www.sba.gov) for more information. The Harbor Department defines a VSBE based on the State of California's Micro-business definition which is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.

The SBE Program is a results-oriented program, requiring consultants who receive contracts from the Harbor Department to perform outreach and utilize certified small businesses. **Based on the work to be performed, it has been determined that the percentage of small business participation will be \_\_%, including \_\_% VSBE participation.** The North American Industry Classification System (NAICS) Code for the scope of services is \_\_\_\_\_. This NAICS Code is the industry code that corresponds to at least 51% of the scope of services and will be used to determine the size standard for SBE participation of the Prime Consultant. The maximum SBE size standard for this NAICS Code is \$\_\_\_\_\_ million.

Consultant shall be responsible for determining the SBE status of its subconsultants for purposes of meeting the small business requirement. Subconsultants must qualify as an SBE based on the type of services that they will be performing under the Agreement. All business participation will be determined by the percentage of the total amount of compensation under the agreement paid to SBEs. The Consultant shall not substitute an SBE firm without obtaining prior approval of the City. A request for substitution must be based upon demonstrated good cause. If substitution is permitted, Consultant shall endeavor to make an in-kind substitution for the substituted SBE.

#### (2) LOCAL BUSINESS PREFERENCE PROGRAM:

The Harbor Department is committed to maximizing opportunities for local and regional businesses, as well as encouraging local and regional businesses to locate and operate within the Southern California region. It is the policy of the Harbor Department to support an increase in local and regional jobs. The Harbor Department's Local Business Preference Program (LBPP) aims to benefit the Southern California region by increasing jobs and expenditures within the local and regional private sector.

The Harbor Department defines a LBE as:

- (a) A business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties; or
- (b) A business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties.

In order for Harbor Department staff to determine the appropriate LBE preference, Consultant shall complete, sign, notarize (where applicable) and submit the attached Affidavit and Contractor Description Form. The Affidavit and Contractor Description Form will signify the LBE status of the Consultant and subconsultants. Prior to contract award, the Harbor Department will verify the status of all LBEs.

Consultant shall complete, sign, notarize (where applicable) and submit as part of the executed agreement the attached Affidavit and Contractor Description Form. The Contractor Description Form, when signed, will signify the Consultant's intent to comply with the SBE and LBPP requirements. Prior to contract award, the Harbor Department will verify the status of all SBEs. In addition, prior to being awarded a contract with the Harbor Department, all contractors and subcontractors must be registered on LABAVN.

In the event of Consultant's noncompliance during the performance of the Agreement, Consultant shall be considered in material breach of contract. In addition to any other remedy available to City under this Agreement or by operation of law, the City may withhold invoice payments to Consultant until noncompliance is corrected, and assess the costs of City's audit of books and records of Consultant and its subconsultants. In the event the Consultant falsifies or misrepresents information contained in any form or other willful noncompliance as determined by City, City may disqualify the Consultant from participation in City contracts for a period of up to five (5) years.

## AFFIDAVIT OF COMPANY STATUS

"The undersigned declares under penalty of perjury pursuant to the laws of the State of California that the following information and information contained on the attached Contractor Description Form is true and correct and include all material information necessary to identify and explain the operations of

---

Name of Firm

as well as the ownership thereof. Further, the undersigned agrees to provide either through the prime consultant or, directly to the Harbor Department, complete and accurate information regarding ownership in the named firm, any proposed changes of the ownership and to permit the audit and examination of firm ownership documents in association with this agreement."

(1) **Small/Very Small Business Enterprise Program:** Please indicate the ownership of your company. Please check all that apply. At least one box must be checked:

SBE     VSBE     MBE     WBE     DVBE     OBE

- A Small Business Enterprise (SBE) is an independently owned and operated business that is not dominant in its field and meets criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121.
- A Very Small Business Enterprise (VSBE) is 1) a small business that has average annual gross receipts of \$3,500,000 or less within the previous three years, or (2) a small business manufacturer with 25 or fewer employees.
- A Minority Business Enterprise (MBE) is defined as a business in which a minority owns and controls at least 51% of the business. A Woman Business (WBE) is defined as a business in which a woman owns and controls at least 51% of the business. For the purpose of this project, a minority includes:
  - (1) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
  - (2) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);
  - (3) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, The Indian Subcontinent, or the Pacific Islands); and
  - (4) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
- A Disabled Veteran Business Enterprise (DVBE) is defined as a business in which a disabled veteran owns at least 51% of the business, and the daily business operations are managed and controlled by one or more disabled veterans.
- An OBE (Other Business Enterprise) is any enterprise that is neither an SBE, VSBE, MBE, WBE, or DVBE.

(2) **Local Business Preference Program:** Please indicate the Local Business Enterprise status of your company.

Only one box must be checked:

LBE     Non-LBE

- A Local Business Enterprise (LBE) is: (a) a business headquartered within Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties; or (b) a business that has at least 50 full-time employees, or 25 full-time employees for specialty marine contracting firms, working in Los Angeles, Orange, Riverside, San Bernardino, or Ventura Counties.
- A Non-LBE is any business that does not meet the definition of a LBE

Signature \_\_\_\_\_  
Printed Name \_\_\_\_\_

Title \_\_\_\_\_  
Date Signed \_\_\_\_\_

**NOTARY**

On this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_, before me appeared  
\_\_\_\_\_ to me personally known, who being duly sworn, did execute the

Name

foregoing affidavit, and did state that he/she was properly authorized by \_\_\_\_\_  
Name of Firm

to execute the affidavit and did so as his or her free act and deed.

**SEAL**

Notary Public \_\_\_\_\_  
Commission Expires \_\_\_\_\_

## Contractor Description Form

### PRIME CONTRACTOR

Contract #: \_\_\_\_\_ Award Date: \_\_\_\_\_ Contract Term: \_\_\_\_\_  
Contract Title: \_\_\_\_\_  
Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: ( ) \_\_\_\_\_ FAX: ( ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: ( ) \_\_\_\_\_ FAX: ( ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: ( ) \_\_\_\_\_ FAX: ( ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email address: \_\_\_\_\_

## Contractor Description Form

### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_ FAX: (    ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email Address: \_\_\_\_\_

### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_ FAX: (    ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email address: \_\_\_\_\_

### SUBCONTRACTOR

Business Name: \_\_\_\_\_ Award Total: \$ \_\_\_\_\_  
Services to be provided: \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group: SBE VSBE MBE WBE DVBE OBE  
(Circle all that apply)  
Local Business Enterprise: YES \_\_\_\_\_ No \_\_\_\_\_ (Check only one)  
Primary NAICS Code: \_\_\_\_\_ Average Three Year Gross Revenue: \$ \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Telephone: (    ) \_\_\_\_\_ FAX: (    ) \_\_\_\_\_  
Contact Person/Title: \_\_\_\_\_  
Email address: \_\_\_\_\_

## EXHIBIT M

### Sec. 10.8.2.1. Equal Benefits Ordinance.

Discrimination in the provision of employee benefits between employees with domestic partners and employees with spouses results in unequal pay for equal work. Los Angeles law prohibits entities doing business with the City from discriminating in employment practices based on marital status and/or sexual orientation. The City's departments and contracting agents are required to place in all City contracts a provision that the company choosing to do business with the City agrees to comply with the City's nondiscrimination laws.

It is the City's intent, through the contracting practices outlined in this Ordinance, to assure that those companies wanting to do business with the City will equalize the total compensation between similarly situated employees with spouses and with domestic partners. The provisions of this Ordinance are designed to ensure that the City's contractors will maintain a competitive advantage in recruiting and retaining capable employees, thereby improving the quality of the goods and services the City and its people receive, and ensuring protection of the City's property.

#### (c) Equal Benefits Requirements.

(1) No Awarding Authority of the City shall execute or amend any Contract with any Contractor that discriminates in the provision of Benefits between employees with spouses and employees with Domestic Partners, between spouses of employees and Domestic Partners of employees, and between dependents and family members of spouses and dependents and family members of Domestic Partners.

(2) A Contractor must permit access to, and upon request, must provide certified copies of all of its records pertaining to its Benefits policies and its employment policies and practices to the DAA, for the purpose of investigation or to ascertain compliance with the Equal Benefits Ordinance.

(3) A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment: "During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners." The posted statement must also include a City contact telephone number which will be provided each Contractor when the Contract is executed.

(4) A Contractor must not set up or use its contracting entity for the purpose of evading the requirements imposed by the Equal Benefits Ordinance.

(d) Other Options for Compliance. Provided that the Contractor does not discriminate in the provision of Benefits, a Contractor may also comply with the Equal Benefits Ordinance in the following ways:

(1) A Contractor may provide an employee with the Cash Equivalent only if the DAA determines that either:

a. The Contractor has made a reasonable, yet unsuccessful effort to provide Equal Benefits; or

b. Under the circumstances, it would be unreasonable to require the Contractor to provide Benefits to the Domestic Partner (or spouse, if applicable).

(2) Allow each employee to designate a legally domiciled member of the employee's household as being eligible for spousal equivalent Benefits.

(3) Provide Benefits neither to employees' spouses nor to employees' Domestic Partners.

(e) Applicability.

(1) Unless otherwise exempt, a Contractor is subject to and shall comply with all applicable provisions of the Equal Benefits Ordinance.

(2) The requirements of the Equal Benefits Ordinance shall apply to a Contractor's operations as follows:

a. A Contractor's operations located within the City limits, regardless of whether there are employees at those locations performing work on the Contract.

b. A Contractor's operations on real property located outside of the City limits if the property is owned by the City or the City has a right to occupy the property, and if the Contractor's presence at or on that property is connected to a Contract with the City.

c. The Contractor's employees located elsewhere in the United States but outside of the City limits if those employees are performing work on the City Contract.

(3) The requirements of the Equal Benefits Ordinance do not apply to collective bargaining agreements ("CBA") in effect prior to January 1, 2000. The Contractor must agree to propose to its union that the requirements of the Equal Benefits Ordinance be incorporated into its CBA upon amendment, extension, or other modification of a CBA occurring after January 1, 2000.

(f) **Mandatory Contract Provisions Pertaining to Equal Benefits.** Unless otherwise exempted, every Contract shall contain language that obligates the Contractor to comply with the applicable provisions of the Equal Benefits Ordinance. The language shall include provisions for the following:

(1) During the performance of the Contract, the Contractor certifies and represents that the Contractor will comply with the Equal Benefits Ordinance.

(2) The failure of the Contractor to comply with the Equal Benefits Ordinance will be deemed to be a material breach of the Contract by the Awarding Authority.

(3) If the Contractor fails to comply with the Equal Benefits Ordinance the Awarding Authority may cancel, terminate or suspend the Contract, in whole or in part, and all monies due or to become due under the Contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

(4) Failure to comply with the Equal Benefits Ordinance may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.

(5) If the DAA determines that a Contractor has set up or used its Contracting entity for the purpose of evading the intent of the Equal Benefits Ordinance, the Awarding Authority may terminate the Contract on behalf of the City. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of Los Angeles Administrative Code Section 10.40, et seq., Contractor Responsibility Ordinance.