

AGREEMENT NO.

AGREEMENT BETWEEN  
THE CITY OF LOS ANGELES AND  
WET ENTERPRISES, 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 WET Enterprises, Inc., a California corporation, 10817 Sherman Way, Sun Valley, California 91352 ("Consultant").

WHEREAS, City requires specialized maintenance services for the care and operation of the Harbor Boulevard Gateway Fountains, Interactive Fountain, and Reflection Pool at the Port of Los Angeles, all of which are synchronized to music and lights to create beautiful water shows for the public and all of which are referenced in Exhibit A hereto; and

WHEREAS, City requires the professional, expert and technical services of Consultant on a temporary or occasional basis to assist the City in performing maintenance on the Harbor Boulevard Gateway Fountains, Interactive Fountain, and Reflection Pool; and

WHEREAS, Consultant possesses extensive experience in dealing with the maintenance of features designed and constructed by WET Design; and

WHEREAS, Consultant, by virtue of training and experience, is well qualified to provide such services to City; and

WHEREAS, City does not employ personnel with the required expertise nor is it feasible to do so on a temporary or occasional basis;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

I. SERVICES TO BE PERFORMED BY CONSULTANT

A. Consultant hereby agrees to render to City, as an independent contractor, certain professional, technical and expert services of a temporary and occasional character as set forth in Exhibit A ("Scope of Work").

B. 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

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other, and regardless of whether assessed by the federal government, any state, the City, or any other governmental entity.

C. Consultant acknowledges and agrees that it lacks authority to perform any services outside the Scope of Work. Consultant further acknowledges and agrees that any services it performs outside the Scope of Work are performed as a volunteer and shall not be compensable under this Agreement.

D. The Scope of Work shall be performed by personnel qualified and competent in the sole reasonable discretion of the Executive Director or his or her designee ("Executive Director"), whether performance is undertaken by Consultant or third-parties with whom Consultant has contracted ("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 Executive Director's written request, Consultant shall supply City's Harbor Department ("Department") with all agreements between it and its Subconsultants.

## II. SERVICES TO BE PERFORMED BY CITY

A. City shall furnish Consultant, upon its request, all documents and papers in possession of City which may lawfully be supplied to Consultant and which are necessary for it to perform its obligations.

B. The Executive Director or his or her designee is designated as the contract administrator for City and shall also decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the interpretation of instructions to Consultant and the acceptable completion of this Agreement and the amount of compensation due. Notwithstanding the preceding, the termination of this Agreement shall be governed by the provisions of Article X (Termination) hereof.

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

## III. EFFECTIVE DATE AND TERM OF AGREEMENT

A. Subject to the provisions of Charter Section 245, the effective date of this Agreement shall be the date of its execution by Executive Director upon authorization of the Board. Consultant is aware that the City Council, pursuant to Charter Section 245

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of the City of Los Angeles, has the right to review this Agreement. Accordingly, in no event shall this Agreement become effective until the sixth Council meeting day after Board action or the City Council's approval of the Agreement.

B. This Agreement shall be in full force and effect commencing from the date of execution and shall continue until either (i) one (1) year has lapsed from the effective date of this Agreement, or (ii) Board, in its sole discretion, terminates and cancels all or part of this Agreement for any reason upon giving to Consultant thirty (30) days' notice in writing of its election to cancel and terminate this Agreement, whichever of the foregoing events occurs first. Notwithstanding the foregoing, City alone shall have two separate options to renew this Agreement for period of one (1) additional year ("renewal option" or "renewal options"), which renewal options shall be exercised by written notice provided by Executive Director to Consultant not less than thirty (30) days prior to the expiration of the initial one (1) year term, or the period created by a renewal option, as the case may be. During any period created by a renewal option, Board, in its sole discretion, may terminate or cancel all or part of this Agreement for any reason upon giving to Consultant thirty (30) days' notice in writing of its election to cancel and terminate this Agreement.

#### IV. TERMINATION DUE TO NON-APPROPRIATION OF FUNDS

This Agreement is subject to the provisions of the Los Angeles City Charter which, among other things, precludes the City from making any expenditure of funds or incurring any liability, including contractual commitments, in excess of the amount appropriated thereof.

The 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, the Board is under no legal obligation to do so.

The 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 therefore. The Consultant is not entitled to any compensation in any fiscal year in which funds have not been appropriated for the Agreement by the Board.

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

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

V. COMPENSATION AND PAYMENT

A. As compensation for the satisfactory performance of the services required by this Agreement, City shall pay and reimburse Consultant at the rates set forth in Exhibit B.

B. The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), and if both renewal options are exercised, shall be One Million One Hundred Fifty Three Thousand Nine Hundred Twenty Dollars (\$1,153,920), broken downs as follows. Compensation in the first year of this Agreement shall not exceed Three Hundred Eighty Two Thousand and Eighty Dollars (\$382,080). Compensation in the second year of this Agreement, if any, shall not exceed Three Hundred Eighty Two Thousand and Eighty Dollars (\$382,080). Compensation in the third year of this Agreement, if any, shall not exceed Three Hundred Eighty Nine Thousand, Seven Hundred and Sixty Dollars (\$389,760).

C. Consultant shall submit invoices in quadruplicate to City monthly following the effective date of this Agreement for services performed during the preceding month. Each such invoice shall be signed by the Consultant and shall include 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.

\_\_\_\_\_  
(Consultant's Signature)

D. Consultant must include on the face of each itemized invoice submitted for payment its Business Tax Registration Certificate number, as required at Article VIII of this Agreement. No invoice will be processed for payment by City without this number shown thereon. All invoices shall be approved by the Executive Director or his or her designee prior to payment. All invoices due and payable and found to be in order shall be paid as soon as, in the ordinary course of City business, the same may be approved, audited and paid.

Consultant shall submit appropriate supporting documents with each invoice. Such documents may include provider invoices, payrolls, and time sheets. The City may require, and Consultant shall provide, all documents reasonably required to

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determine whether amounts on the invoice are allowable expenses under this Agreement.

Further, where the Consultant employs Subconsultants under this Agreement, the Consultant shall submit to City, with each monthly invoice, a Monthly Subconsultant Monitoring Report Form (Exhibit C) listing SBE/MBE/WBE/OBE amounts. Consultant shall provide an explanation for any item that does not meet or exceed the anticipated participation levels for this Agreement, with specific plans and recommendations for improved Subconsultant utilization. Invoices will not be paid without a completed Monthly Subconsultant Monitoring Report Form. All invoices are subject to audit. Consultant is not required to submit support for direct costs items of \$25 or less.

E. For payment and processing, all invoices should be mailed to the following address:

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

#### VI. RECORDKEEPING AND AUDIT RIGHTS

A. Consultant shall keep and maintain full, complete and accurate books and records concerning its services performed under this Agreement and, upon at minimum three (3) business days' advance notice in writing, shall have such records readily accessible and open for review and inspection at the premises of Consultant at 10817 Sherman Way, Sun Valley, California 91352 by the City or its authorized representatives. 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.

B. During the term of this Agreement and subject to Section VI.A., City may review and inspect all writings pertaining to this Agreement (as that term is defined in Section 250 of the California Evidence Code) of Consultant and Subconsultants, 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.

#### VII. INDEPENDENT CONTRACTOR

Consultant, in the performance of the work required by this Agreement, is an independent contractor and not an agent or employee of City. Consultant shall not

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represent itself as an agent or employee of the City and shall have no power to bind the City in contract or otherwise.

### VIII. BUSINESS TAX REGISTRATION CERTIFICATE

The City of Los Angeles Office of Finance requires the implementation and enforcement of Los Angeles Municipal Code Section 21.09 et seq. This Code Section provides that every person, other than a municipal employee, who engages in any business within the City of Los Angeles, 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 the Department. See Exhibit D.

### IX. INDEMNIFICATION AND INSURANCE

#### A. Indemnification

Except for the sole negligence or willful misconduct of the City, or any of its boards, officers, agents, employees, assigns and successors in interest, Consultant undertakes and agrees to defend, indemnify and hold harmless the City and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by the City, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or injury to any person, including Consultant's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement by Consultant or its subcontractors of any tier. Rights and remedies available to the City under this provision are cumulative of those provided for elsewhere in this Agreement and those allowed under the laws of the United States, the State of California, and the City.

#### B. Acceptable Evidence and Approval of Insurance

Electronic submission is the required method of submitting Consultant's insurance documents. Track4LA<sup>®</sup> is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in electronic format. The advantages of Track4LA<sup>®</sup> include standardized, universally accepted forms, paperless approval transactions (24 hours, 7 days per week), and security checks and balances. Consultant's insurance broker or agent shall obtain access to Track4LA<sup>®</sup> at <http://track4la.lacity.org/> and follow the instructions to register and submit the appropriate proof of insurance on Consultant's behalf.

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C. General Liability Insurance

Consultant shall procure and maintain in effect throughout the term of this Agreement, without requiring additional compensation from the City, commercial general liability insurance covering personal and advertising injury, bodily injury, and property damage providing contractual liability, independent contractors, products and completed operations, and premises/operations coverage 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 Best's is not available) within Consultant's normal limits of liability but not less than One Million Dollars (\$1,000,000) combined single limit for injury or claim. Said limits shall provide first dollar coverage except that Executive Director may permit a self-insured retention or self-insurance in those cases where, in his or her judgment, such retention or self-insurance is justified by the net worth of Consultant. The retention or self-insurance provided shall provide that any other insurance maintained by the Harbor Department shall be excess of Consultant's insurance and shall not contribute to it. In all cases, regardless of any deductible or retention, said insurance shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days' notice of cancellation for nonpayment of premium, and a 30-days' notice of cancellation for any other reasons. Consultant's insurance broker or agent shall submit for approval on Consultant's behalf said insurance to the City's online insurance compliance system Track4LA® at <http://track4la.lacity.org/>.

D. Automobile Liability Insurance

Consultant shall procure and maintain at its expense and keep in force at all times during the term of this Agreement, automobile liability insurance 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 Best's is not available) within Consultant's normal limits of liability but not less than One Million Dollars (\$1,000,000) covering damages, injuries or death resulting from each accident or claim arising out of any one claim or accident. Said insurance shall protect against claims arising from actions or operations of the insured, or by its employees. Coverage shall contain a defense of suits provision and a severability of interest clause. Additionally, each policy shall include an additional insured endorsement (CG 2010 or equivalent) naming the City of Los Angeles Harbor Department, its officers, agents and employees as Primary additional insureds, a 10-days' notice of cancellation for nonpayment of premium, and a 30-days' notice of cancellation for any other reasons. Consultant's insurance broker or agent shall submit for approval on Consultant's behalf said insurance to the City's online insurance compliance system Track4LA® at <http://track4la.lacity.org/>.

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E. Workers' Compensation and Employer's Liability

Consultant shall certify that it is aware of the provisions of Section 3700 of the California Labor code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that Consultant shall comply with such provisions before commencing the performance of the tasks under this Agreement. Consultant shall submit Workers' Compensation policies whether underwritten by the state insurance fund or private carrier, which provide that the public or private carrier waives its right of subrogation against the City in any circumstance in which it is alleged that actions or omissions of the City contributed to the accident. Such Workers' Compensation and occupational disease requirements shall include coverage for all employees of Consultant, and for all employees of any subcontractor or other vendor retained by Consultant. Consultant's insurance broker or agent shall submit for approval on Consultant's behalf said insurance to the City's online insurance compliance system Track4LA<sup>®</sup> at <http://track4la.lacity.org/>.

F. Railroad Protective Liability Insurance

Consultant shall provide a policy of Railroad Protective Liability insurance in which Pacific Harbor Line (PHL) acting for itself and its railroad users are named insureds and the City of Los Angeles, its boards, officers, agents and employees are included as additional insureds with Consultant. The minimum limits of Railroad Protective Liability insurance shall be the limits normally carried by Consultant but not less than One Million Dollars (\$1,000,000) combined single limit for property damage and bodily injury including death. If the submitted policies contain aggregate limits, Consultant shall provide evidence of insurance protection for such limits so that the required coverage is not diminished in the event that the aggregate limits become exhausted. Said limit shall be without deduction, provided that the Executive Director or designee may permit a deductible amount when it is justified by the financial capacity of Consultant. Any deductible amount permitted by the Executive Director shall be paid solely by Consultant.

Consultant's Comprehensive General Liability coverage shall also have the railroad exclusion deleted.

Consultant's insurance broker or agent shall submit for approval on Consultant's behalf said insurance to the City's online insurance compliance system Track4LA<sup>®</sup> at <http://track4la.lacity.org/>.

G. Carrier Requirements

All insurance which Consultant is required to provide pursuant to this Agreement shall be placed with insurance carriers authorized to do business in the State of California and which are rated A-, VII or better in Best's Insurance Guide. Carriers

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without a Best's rating shall meet comparable standards in another rating service acceptable to City.

H. Notice of Cancellation

Each insurance policy described above shall provide that it will not be canceled or reduced in coverage until after the Board of Harbor Commissioners, Attention: Risk Manager and the City Attorney of City have each been given thirty (30) days' prior written notice by registered mail addressed to 425 S. Palos Verdes Street, San Pedro, California 90731.

I. Copies of Policies

Two certified copies of each policy containing the additional insured and 30-day cancellation notice language shall be furnished to Executive Director. Alternatively, two duplicate original additional insured endorsements on forms provided by the Department, as indicated above, may be submitted. The form of such policy or endorsement shall be subject to the approval of the Risk Manager of the Department.

J. Modification of Coverage

Executive Director, at his or her discretion, based upon recommendation of independent insurance consultants 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.

K. Renewal of Policies

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 as specified above. If Consultant neglects or fails to secure or maintain the insurance required above, Executive Director may, at his or her 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 Consultant.

L. Right to Self-Insure

Upon written approval by the Executive Director, Consultant may self-insure if the following conditions are met:

1. Consultant has a formal self-insurance program in place prior to execution of this Agreement. If a corporation, Consultant must have a formal resolution of its board of directors authorizing self-insurance.

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2. Consultant agrees to protect the City, its boards, officers, agents and employees at the same level as would be provided by full insurance with respect to types of coverage and minimum limits of liability required by this Agreement.
3. Consultant agrees to defend the City, its boards, officers, agents and employees in any lawsuit that would otherwise be defended by an insurance carrier.
4. Consultant agrees that any insurance carried by Department is excess of Consultant's self-insurance and will not contribute to it.
5. Consultant provides the name and address of its claims administrator.
6. Consultant submits information in the form of Financial Statements that include an income statement and Balance Sheet for the last three (3) fiscal years that has been at the minimum reviewed by a certified public accountant or other forms of financial information satisfactory to Department that the Executive Director or her designee may use in Department's consideration of approval of self-insurance and annually thereafter evidence of financial capacity to cover the self-insurance.
7. Consultant agrees to inform Department in writing immediately of any change in its status or policy which would materially affect the protection afforded Department by this self-insurance.
8. Consultant has complied with all laws pertaining to self-insurance.

M. Accident Reports

Consultant shall report in writing to Executive Director within fifteen (15) calendar days after it, its officers or managing agents have knowledge of any accident or occurrence involving death of or injury to any person or persons, or damage in excess of Five Hundred Dollars (\$500.00) to property, occurring upon the premises, or elsewhere within the Port of Los Angeles if Consultant's officers, agents or employees are involved in such an accident or occurrence. Such report shall contain to the extent available (1) the name and address of the persons involved, (2) a general statement as to the nature and extent of injury or damage, (3) the date and hour of occurrence, (4) the names and addresses of known witnesses, and (5) such other information as may be known to Consultant, its officers or managing agents.

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X. TERMINATION PROVISION

The Board of Harbor Commissioners, in its sole discretion, shall have the right to terminate and cancel all or any part of this Agreement for any reason upon giving the Consultant thirty (30) days' advance, written notice of the Board's election to cancel and terminate this Agreement. It is agreed that any Agreement entered into shall not limit the right of the City to hire additional consultants or perform the services described in this Agreement either during or after the term of this Agreement.

XI. PERSONAL SERVICE AGREEMENT

A. During the term hereof, 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 the Department.

B. 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 Article I. 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.

XII. AFFIRMATIVE ACTION

The Consultant, during the performance of this Agreement, 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 shall be incorporated and made a part of this Agreement. All subcontracts awarded shall contain a like nondiscrimination provision. See Exhibit E.

XIII. SMALL/VERY SMALL BUSINESS DEVELOPMENT PROGRAM

It is the policy of the Department to provide Small Business Enterprises (SBE) and Minority-Owned, Women-Owned and all Other Business Enterprises (MBE/WBE/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 the City in implementing this policy and shall use its best efforts to afford the opportunity for SBEs, MBEs, WBEs, and OBEs to achieve participation in subcontracts where such participation opportunities present themselves and attempt to ensure that all available business enterprises, including SBEs, MBEs, WBEs, and

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OBEs, have equal participation opportunity which might be presented under this Agreement. See Exhibit F.

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>.

#### XIV. CONFLICT OF INTEREST

It is hereby understood and agreed that the parties to this Agreement have read and are aware of 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 the 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.

#### XV. COMPLIANCE WITH APPLICABLE LAWS

Consultant shall at all times in the performance of its obligations comply with all applicable laws, statutes, ordinances, rules and regulations, and with the reasonable requests and directions of Executive Director.

#### XVI. GOVERNING LAW / VENUE

This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflicts of law, rules and principles of such State. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the State or Federal courts located in the County of Los Angeles, State of California, in the judicial district required by court rules.

#### XVII. TRADEMARKS, COPYRIGHTS, AND PATENTS

Consultant agrees to save, keep, hold harmless, protect and indemnify the 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.

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XVIII. PROPRIETARY INFORMATION

All designs, ideas or concepts, including any patents and trade secrets, that Consultant develops during this engagement or incorporates in this Project, will be and remain Consultant's exclusive property, and neither City nor any other party will acquire any copyright or other proprietary rights in them. City agrees that Consultant's work for this Project does not constitute a work for hire under U.S. or international copyright laws, and that Consultant will retain the exclusive copyright interest in this work. City also agrees that it will not use Consultant's designs, ideas or concepts for any other project or purpose without a separate written agreement with Consultant.

XIX. CONFIDENTIALITY

The data, documents, reports, or other materials which contain information relating to the review, documentation, analysis and evaluation of the work described in this Agreement 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.

XX. 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 purposes hereof, unless otherwise provided by notice in writing from the respective parties, notice to the Department shall be addressed to Director of Port Construction and Maintenance, 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.

XXI. 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 95-3899593. No payments will be made under this Agreement without a valid TIN.

XXII. SERVICE CONTRACTOR WORKER RETENTION POLICY AND LIVING WAGE POLICY REQUIREMENTS

The Board of Harbor Commissioners of the City of Los Angeles 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

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Retention (SCWR), Section 10.36 et seq. of the Los Angeles Administrative Code, as the policy of the 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 the City to terminate this Agreement and otherwise pursue legal remedies that may be available.

#### XXIII. WAGE AND EARNINGS ASSIGNMENT ORDERS / NOTICES OF ASSIGNMENTS

The Consultant and/or any Subconsultant are obligated to fully comply with all applicable state and federal employment reporting requirements for the Consultant and/or Subconsultant's employees.

The Consultant and/or Subconsultant 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. The Consultant and/or Subconsultant will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with Cal. Family Code Sections 5230 et seq. The Consultant or Subconsultant will maintain such compliance throughout the term of this Agreement.

#### XXIV. EQUAL BENEFITS POLICY

The Board of Harbor Commissioners of the City of Los Angeles 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 the 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 G.

#### XXV. 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.

## XXVI. INTEGRATION

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.**

## XXVII. 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.

## XXVIII. 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.

## XXIX. TITLES AND CAPTIONS

The parties have inserted the Article titles in this Agreement only as a matter of convenience and for reference, and the Article 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.

*Handwritten signature*  
12-11-11

XXX. 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.

XXXI. 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.

XXXII. EXHIBITS; ARTICLES

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 Articles are to Articles of this Agreement unless stated otherwise.

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

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

Dated: \_\_\_\_\_

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

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

WET ENTERPRISES, INC.

Dated: December 16, 2011

By [Signature]  
Mark W. Fuller, CEO  
(Print/type name and title)

Attest [Signature]  
REX UBER C.F.O.  
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY  
\_\_\_\_\_, 2011  
CARMEN A. TRUTANICH, City Attorney  
Thomas A. Russell, General Counsel

(Funds Available Stamp on Following Page)

By [Signature]  
STEVEN Y. OTERA, Deputy

SYO/anw  
10/27/11

[Handwritten Signature]  
12-1-11

**AGREEMENT  
BETWEEN THE CITY OF LOS ANGELES  
AND WET ENTERPRISES, INC.**

**FUNDS AVAILABLE STAMP**

Account #	54020	W.O. #	
Ctr/Div #	0510	Job Fac. #	
Proj/Prog #	000		
Budget FY:    Amount:			
	11/12	\$ 159,200	
	12/13	\$382,080	
	13/14	\$385,280	
	14/15	\$227,360	
	<b>TOTAL</b>	<b>\$1,153,920</b>	
For Acct/Budget Div. Use Only:			
Verified by:	<i>Janet Zornan</i>		
Verified Funds Available:	<i>[Signature]</i>		
Date Approved:	<i>12/29/2011</i>		

## Exhibit A - Scope of Work

### Gateway Fountains

#### Module 1 – Gateway Fountains Equipment/Mechanical Maintenance

Equipment/Mechanical and software items requiring maintenance at the Gateway fountains consist of the following items:

- Oarsman® assemblies – 18\*
- MiniShooter® assemblies – 40\*
- Superlight™ assemblies - 120
- Submersible junction boxes (medium) - 158
- Submersible junction boxes (large) - 2
- Picolight™ assemblies, white with stands - 288
- Pumps (50 HP) - 2
- ZeptoLight™ assemblies, white with stands - 350
- Air system - 1
- Air pressure control module - 4
- Torpedo strainers - 3
- Pumps (7.5 HP) - 4
- Pressure/Vacuum switches - 14
- Pressure gauges - 30
- Water level sensors - 4
- Wind sensors - 2
- Animation and monitoring control systems – 2\*
- Pump speed controls, 50 HP (built in control panel) - 2

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- Pump speed controls, 7.5 HP (built in control panel) – 4
- Light contactors – 10
- Audio system speakers - 52
- GFCI breakers – 10
- Intrusion system – 1
- Paver support – 332
- Other associated equipment not listed above

\* Equipment proprietary to WET Care, the company that designed and built the fountains.

### Module 2 – Gateway Fountains Water Quality Maintenance

Water quality items requiring maintenance at the Gateway fountains consist of the following items:

- Filters - 4
- Ozonators - 3
- Brominators - 3
- Water quality monitors (built in control panel) - 2
- Water make-up valve assemblies - 2

### Interactive Fountain

#### Module 3 – Interactive Fountain Equipment/Mechanical Maintenance AND Water Quality Maintenance

Equipment/Mechanical, software and Water Quality items requiring maintenance at the interactive fountain consist of the following items:

- Microshooter® assemblies – 12\*
- Air system – 1

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- Picolight™ assemblies, white with stands – 24
- Submersible junction boxes – 7
- Water circulation filter and chemical treatment system – 1
- Water quality monitor – 1
- Animation and monitoring control system – 1\*
- Light contactor – 1
- GFCI breaker – 1
- Wind sensor – 1
- Water level sensors – 2
- Paver support – 24
- Other associated equipment not listed above

\* Equipment proprietary to WET Care, the company that designed and built the fountains.

## Reflection Pool

### Module 4 – Reflection Pool Equipment AND Water Quality Maintenance

Although there is no proprietary equipment in the reflection pool, the Contractor will service the feature including:

- Water quality system
- Water level sensors
- Water make-up valve
- Ozonator
- Pump
- Sand filter
- Control panel

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## General Provisions

Maintenance is understood to include parts and labor; regularly scheduled service visits including custodial services; equipment repair/adjustments; water quality control; preventative maintenance; and any unscheduled visits as required.

More specifically, Contractor will:

1. Provide on-site maintenance services, as required, to keep the water features operating in show quality condition, with all characteristics of the two main fountains (Gateway Fountains) and the interactive fountain working at optimal levels of performance, with no appreciable downtime. Show quality condition is defined as the consistent performance of the main two fountains and the interactive fountain with music, lights, water streams, and operability of all feature equipment, in synchronization in the manner for which it was created. This performance must be reliably available to meet the show schedule as posted on the Port of Los Angeles website (<http://www.portoflosangeles.org/recreation/fountain.asp>).

At minimum, 90% of the lights need to be working, 90% of the audio system speakers need to be operational, and the water streams need to be visually uniform and accent the music in an obvious manner. The standard of performance is one where a reasonable person can visually tell whether there is a malfunction of equipment.

Note: The songs played during fountain performances are not part of this agreement.

On-site maintenance will include three (3) scheduled visits per week along with any unscheduled visits necessary to maintain show quality condition throughout the agreement period.

The water features are further defined in two Operations and Maintenance Manuals, one entitled "San Pedro Gateway Monument Water Feature" dated September 18, 2008 another entitled "San Pedro Harbor Blvd / 2<sup>nd</sup> Street Water Feature" dated October 9, 2008, and a third volume entitled "San Pedro Gateway Monument Feature Operational and Maintenance Manual Electrical Drawings." These are incorporated by reference into the final agreement.

The water features represent constructed improvements that have been installed at the Harbor Boulevard Parkway, excluding infrastructure provided by the Los Angeles Harbor Department (LAHD), i.e. the basin, utility connections, and waterproofing.

2. Work with Harbor Department staff on a shared responsibility basis to respond to intrusion alarms and the need to perform resets for relevant

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aspects of the water features. In the event of an intrusion, Contractor will respond and resolve whatever led to the problem. City will respond on weekdays and Contractor on weekends and holidays between 8:00am and 9:00pm. City Holidays are:

- New Year's Day (January 1)
- Martin Luther King's Birthday (Third Monday in January)
- President's Day (Third Monday in February)
- Cesar Chavez Birthday (Last Monday in March)
- Memorial Day (Last Monday in May)
- Independence Day (July 4)
- Labor Day (First Monday in September)
- Columbus Day (Second Monday in October)
- Veterans' Day (November 11)
- Thanksgiving Day (Fourth Thursday in November)
- Friday after Thanksgiving Day (Fourth Friday in November)
- Christmas (December 25)

When any holiday falls on a Saturday, it will be observed on the preceding Friday. When any holiday falls on a Sunday, it will be observed on the following Monday.

In all instances, Contractor will work to resolve whatever led to the problem. Contractor will be notified by Harbor Department staff of all scheduled special events (see link above).

3. Provide on-site water cleaning services as needed to maintain all required cleaning within the basins.
4. Maintain, as required, an adequate inventory of parts on City premises, within ¼ mile of the features, accessible to Contractor only, to ensure cost effective and continuous operation of the water feature. The Harbor Department is providing space in a storage container.
5. Notify Harbor Department staff of times the feature will be shut down for performance of unscheduled maintenance upon 72 hours notice to the Director of Construction and Maintenance or designee, and with the Director's concurrence.
6. Furnish all consumables (such as lamps, Ozonator tubes, and valve rebuild kits) in the performance of maintenance duties. Cost of consumables is within the compensation amount included in Exhibit B – Compensation Rates, excluding damage due to vandalism, natural disasters, or insurable causes.

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12-11-11

7. Repair or replace, at no charge, any malfunctioning equipment furnished and installed by Contractor, excluding damage due to vandalism, natural disasters, or insurable causes.
8. Provide recommendations, as appropriate, for modifications to the existing systems in order to reduce operating costs or enhance overall appearance of the water features.
9. Provide on-site, informal training to Harbor Department maintenance and operations staff of the water features such as feature reset, start up and shut down, and safety features upon request of the Harbor Department. Such training will be requested as operational needs arise. Cost of training is included in the annual costs in Exhibit B – Compensation Rates.
10. Provide any necessary passwords or codes to Harbor Department staff for testing and verification of equipment by Harbor Department staff.
11. Comply with all non-permitted confined space entry standards per California Occupational Safety and Health Administration (Cal OSHA) Rules including T8 CCR §5157: Permit Required Confined Space and T8 CCR §5158: Other Confined Space Operations.

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12-11-11

## Exhibit B – Compensation Rates

All direct expenses, including all parts and materials, traveling and subsistence expenses for Contractor's staff traveling to the water features, are included in the prices below.

### Gateway Fountains

#### Module 1 – Gateway Fountains Equipment/Mechanical Maintenance

1. The annual fee for the aforementioned Scope of Work Module 1 is \$321,360 for the first year. There will be two, one-year renewal options exercised at the discretion of the Harbor Department.
2. The annual fee for Module 1 for the first year shall be paid in monthly installments at a rate of \$26,780 per month.
3. In the event that the first renewal option is exercised, the annual fee for Module 1 for the second year shall be \$321,360 and this fee will be paid in monthly installments at a rate of \$26,780.
4. In the event that the second renewal option is exercised, the annual fee for Module 1 for the third year shall be \$329,040 and this fee will be paid in monthly installments at a rate of \$27,420.
5. The total compensation for Module 1 assuming the exercise of the two one-year renewal options (three year total) shall not exceed \$971,760.

#### Module 2 – Gateway Fountains Water Quality Maintenance

1. The annual fee for the aforementioned Scope of Work Module 2 is \$23,040 for the first year. There will be two, one-year renewal options exercised at the discretion of the Harbor Department.
2. The annual fee for Module 2 for the first year shall be paid in monthly installments at a rate of \$1,920 per month.
3. In the event that the first renewal option is exercised, the annual fee for Module 2 for the second year shall be \$23,040 and this fee will be paid in monthly installments at a rate of \$1,920.
4. In the event that the second renewal option is exercised, the annual fee for Module 2 for the third year shall be \$23,040 and this fee will be paid in monthly installments at a rate of \$1,920.

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5. The total compensation for Module 2 assuming the exercise of the two one-year renewal options (three year total) shall not exceed \$69,120.

#### Interactive Fountain

#### Module 3 – Interactive Fountain Equipment/Mechanical Maintenance AND Water Quality Maintenance

1. The annual fee for the aforementioned Scope of Work Module 3 is \$26,400 for the first year. There will be two, one-year renewal options exercised at the discretion of the Harbor Department.
2. The annual fee for Module 3 for the first year shall be paid in monthly installments at a rate of \$2,200 per month.
3. In the event that the first renewal option is exercised, the annual fee for Module 3 for the second year shall be \$26,400 and this fee will be paid in monthly installments at a rate of \$2,200.
4. In the event that the second renewal option is exercised, the annual fee for Module 3 for the third year shall be \$26,400 and this fee will be paid in monthly installments at a rate of \$2,200.
5. The total compensation for Module 3 assuming the exercise of the two one-year renewal options (three year total) shall not exceed \$79,200.

#### Reflection Pool

#### Module 4 – Reflection Pool Equipment AND Water Quality Maintenance

1. The annual fee for the aforementioned Scope of Work Module 4 is \$11,280 for the first year. There will be two, one-year renewal options exercised at the discretion of the Harbor Department.
2. The annual fee for Module 4 for the first year shall be paid in monthly installments at a rate of \$940 per month.
3. In the event that the first renewal option is exercised, the annual fee for Module 4 for the second year shall be \$11,280 and this fee will be paid in monthly installments at a rate of \$940.
4. In the event that the second renewal option is exercised, the annual fee for Module 4 for the third year shall be \$11,280 and this fee will be paid in monthly installments at a rate of \$940.
5. The total compensation for Module 4 assuming the exercise of the two one-year renewal options (three year total) shall not exceed \$33,840.

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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 \_\_\_\_\_ DBE \_\_\_\_\_

	Name of Subcontractor	Type of Work Performed	Group SBE/VSBE/MBE/WBE/OBE DVBE/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/DVBE/DBE)

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## EXHIBIT D

### 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

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## EXHIBIT E - 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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## EXHIBIT E - AFFIRMATIVE ACTION PROGRAM PROVISIONS

- 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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## EXHIBIT E - AFFIRMATIVE ACTION PROGRAM PROVISIONS

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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## EXHIBIT E - AFFIRMATIVE ACTION PROGRAM PROVISIONS

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.

  
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## EXHIBIT F – 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), and minority-owned business enterprises (MBEs). The SBE Program allows the Harbor Department to target small business participation, including MBEs and WBEs, 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.

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 10 %, including 5 % VSBE participation.** The North American Industry Classification System (NAICS) Code for the Scope of Services under the Agreement is 561790. 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 \$7 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.

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.

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 requirement. 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 the City's Contracts Management and Opportunities Database, the Los Angeles Business Assistance Virtual Network (LABAVN), at <http://www.labavn.org>.

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*12-11-14*

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

WET Enterprises, Inc.

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."

Please indicate the ownership of your company:  SBE  VSBE  MBE  WBE  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).

- An OBE (Other Business Enterprise) is any enterprise that is neither an SBE, VSBE, MBE or WBE.

Signature [Signature]  
Printed Name REX UBER

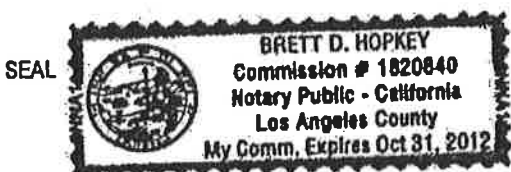
Title C.F.O.  
Date Signed 8/5/2011

NOTARY

On this 5th day of August 2011, before me appeared Rex Uber to me personally known, who being duly sworn, did execute the Name

foregoing affidavit, and did state that she was properly authorized by WET Enterprises, Inc. Name of Firm

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



Notary Public [Signature]  
Commission Expires 10-31-2012

[Handwritten Signature]  
12-11-11

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Los Angeles }

On Aug. 5, 2011 before me, Brett D. Hopkey Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Rex Ubar  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person ~~(s)~~ whose name ~~(s)~~ subscribed to the within instrument and acknowledged to me that he ~~(she)~~ executed the same in his ~~(her)~~ authorized capacity ~~(ies)~~, and that by his ~~(her)~~ signature ~~(s)~~ on the instrument the person ~~(s)~~, or the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Brett D. Hopkey  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Company Status

Document Date: Aug. 5th 2011 Number of Pages: one

Signer(s) Other Than Named Above: nlq

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Rex Ubar

- Individual
- Corporate Officer — Title(s): CFO
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: WET Enterprises, Inc.

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

*Handwritten initials and date: 12-11-11*

## Contractor Description Form

### PRIME CONTRACTOR

Contract #: \_\_\_\_\_ Award Date: \_\_\_\_\_ Contract Term: \_\_\_\_\_  
Contract Title: Water Feature Maintenance  
Business Name: WET Award Total: \$ \_\_\_\_\_  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group:  SBE  VSBE  MBE  WBE  OBE (Please check all that apply)  
Primary NAICS Code: \_\_\_\_\_  
Address: 10817 Sherman Way  
City/State/Zip: Sun Valley CA 91352  
Telephone: (818) 767-6200 FAX: (818) 701-6111  
Contact Person/Title: Christine Stevens  
Email Address: Christine.Stevens@WETDesign.com

### SUBCONTRACTOR

Business Name: Professional Plastics Award Total: \$ \_\_\_\_\_  
Services to be provided: Polymers/Plastics  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group:  SBE  VSBE  MBE  WBE  OBE (Please check all that apply)  
Primary NAICS Code: \_\_\_\_\_  
Address: 1810 E. Valencia Dr.  
City/State/Zip: Fullerton, CA  
Telephone: (714) 446-6500 FAX: (714) 447-0114  
Contact Person/Title: Cindy  
Email Address: \_\_\_\_\_

### SUBCONTRACTOR

Business Name: A + S Finishing Award Total: \$ \_\_\_\_\_  
Services to be provided: Outside Finishing  
Owner's Ethnicity: \_\_\_\_\_ Gender \_\_\_\_\_ Group:  SBE  VSBE  MBE  WBE  OBE (Please check all that apply)  
Primary NAICS Code: \_\_\_\_\_  
Address: 20540 Superior St.  
City/State/Zip: Chatsworth, CA  
Telephone: (818) 773-5640 FAX: (818) 773-5642  
Contact Person/Title: Scott  
Email address: \_\_\_\_\_

*Handwritten signature*  
12-11-11

Contractor Description Form

SUBCONTRACTOR

Business Name: Marsha Tool Award Total: \$
Services to be provided: tooling/machine shop tools
Owner's Ethnicity: Gender Group: SBE VSBE MBE WBE OBE (Please check all that apply)
Primary NAICS Code:
Address: P.O. BOX 4959
City/State/Zip: Chatsworth, CA
Telephone: (818) 717-1965 FAX: (818) 717-8559
Contact Person/Title: George
Email Address:

SUBCONTRACTOR

Business Name: Metal Finishing Award Total: \$
Services to be provided: metal finishing
Owner's Ethnicity: Gender Group: SBE VSBE MBE WBE OBE (Please check all that apply)
Primary NAICS Code:
Address: 12165 Brandford Street
City/State/Zip: Sun Valley, CA 91352
Telephone: (818) 686-0055 FAX: (818) 686-1015
Contact Person/Title: Alfredo
Email Address:

SUBCONTRACTOR

Business Name: Award Total: \$
Services to be provided:
Owner's Ethnicity: Gender Group: SBE VSBE MBE WBE OBE (Please check all that apply)
Primary NAICS Code:
Address:
City/State/Zip:
Telephone: ( ) FAX: ( )
Contact Person/Title:
Email address:

Handwritten signature and date: 12-11-11

## EXHIBIT G

### 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.

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(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.

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(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.

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