



HOUSING AUTHORITY
of the County of Los Angeles
Administrative Office
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Gloria Molina
Yvonne Brathwaite Burke
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich
Commissioners

Carlos Jackson
Executive Director

March 15, 2005

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE AGREEMENT FOR THE PURCHASE OF 1,153 WALL FURNACES
FOR 1,104 PUBLIC HOUSING UNITS (4, 5)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Executive Director of the Housing Authority to execute an Agreement for the Purchase of Wall Furnaces, and all related documents, with Air Cold Supply-A Ferguson Enterprise, in the amount of \$363,203.65, for the purchase of wall furnaces for the Carmelitos housing development, located at 1000 Via Wanda, Long Beach; the Foothill Villa housing development, located at 2423 Foothill Boulevard, La Crescenta; the Harbor Hills housing development, located at 26607 South Western Avenue, Lomita; and the Orchard Arms housing development, located at 23410 Wiley Canyon Road, Valencia.
2. Authorize the Executive Director to use a total of \$363,203.65 in previously approved Community Development Block Grant (CDBG) Float Loan funds, for the purposes described herein.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to purchase 1,153 wall furnaces. A total of 1,104 wall furnaces will replace outdated equipment in one-, two-, and three-bedroom units located at four housing sites, and 49 wall furnaces are needed to replace a second wall furnace in the four-bedroom units at Carmelitos.

FISCAL IMPACT/ FINANCING:

There is no impact on the County general fund. The Housing Authority will fund the improvements with \$363,203.65 in CDBG Float Loan funds. The per-unit cost of the 1,153 heaters is \$291, plus tax, a total of \$363,203.65.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On May 25, 2004, your Board approved a CDBG Float Loan between the County of Los Angeles and the Housing Authority to provide funding for site and building improvements at six public housing developments, including the four subject properties.

The Housing Authority wishes to purchase 1,153 wall furnaces from Air Cold Supply-A Ferguson Enterprise to replace the existing wall furnaces at the four housing developments of Carmelitos, Foothill Villa, Harbor Hills, and Orchard Arms. The existing furnaces are over 10 years old and require frequent repairs. Also, the existing furnaces are discontinued models and parts are difficult to obtain. The dimensions and capabilities of the new furnaces match the existing furnaces, so no retrofitting will be required.

A Request for Proposals for installation of the furnaces will be initiated as soon as your Board approves their purchase. Selection of contractors to install the furnaces and safely dispose of the existing furnaces will likely be accomplished in April 2005. A request for your Board's approval of the selected installation contractors, and receipt of the furnaces from Air Cold Supply-A Ferguson Enterprise will be completed during the month of May 2005. Installation is scheduled for completion by March 31, 2006. The four housing sites have adequate space to securely store the wall furnaces.

Should Air Cold Supply-A Ferguson Enterprise require additional or replacement personnel during the term of the Agreement, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program and General Relief Opportunity for Work (GROW) Program who meet the minimum qualifications for the open positions. Air Cold Supply-A Ferguson Enterprise will contact the County's GAIN/GROW Division for a list of participants by job category.

The Agreement has been approved as to form by County Counsel and executed by Air Cold Supply-A Ferguson Enterprise. On February 23, 2005, the Housing Commission recommended purchase of the wall furnaces.

ENVIRONMENTAL DOCUMENTATION:

Pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), this action is excluded from the National Environmental Policy Act (NEPA) because it involves activities that will not alter existing environmental conditions. The action is not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines 15060 (c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

The environmental review record for this project is available for viewing by the public during regular business hours at the Housing Authority's main office, located at 2 Coral Circle, Monterey Park.

CONTRACTING PROCESS:

On November 1, 2004, the Housing Authority initiated an outreach to identify a vendor to provide the wall furnaces for the subject properties. Invitations for Bids were mailed to 69 firms identified from the Housing Authority's vendor list. Advertisements also appeared in eight newspapers and on the County WebVen website. Twenty-two bid packages were requested and distributed.

On November 23, 2004, six bids were received and formally opened. Three bids were found to be non-responsive. The lowest bid, for the Williams Furnace Company brand of wall furnaces, submitted by Air Cold Supply-A Ferguson Enterprise, was determined to be the most responsive and is being recommended for the Agreement award.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT PROJECT:

The purchase of the wall furnaces will upgrade and preserve the housing developments, and provide residents with properly functioning heating units.

Respectfully submitted,

CARLOS JACKSON
Executive Director

Attachments: 2

ATTACHMENT A

Summary of Outreach Activities

**PURCHASE OF WALL FURNACES FOR CARMELITOS IN LONG BEACH,
FOOTHILL VILLA IN LA CRESCENTA, HARBOR HILLS IN LOMITA,
AND ORCHARD ARMS IN VALENCIA**

On November 1, 2004, the following outreach was initiated to identify a vendor who could supply 1,153 wall furnace units for four public housing developments.

A. Newspaper Advertising

Announcements appeared in the following eight local newspapers:

Daily News Los Angeles	Long Beach Press Telegram
Eastern Group Publications	Los Angeles Sentinel
International Daily News	Los Angeles Times
La Opinion	WAVE Community Newspapers

An announcement was also posted on the County WebVen website.

B. Distribution of Bid Packages

The Housing Authority's vendor list was used to mail out Invitations for Bids to 69 vendors, of which 22 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 22 bid packages were requested and distributed.

C. Bid Results

On November 23, 2004, a total of six bids were received and publicly opened. Three bids were determined to be non-responsive. The results were as follows:

<u>Company</u>	<u>Bid Amount</u>
Air Cold Supply-A Ferguson Enterprise	\$363,203.65
Aero Fresh Industries, Inc.	\$394,694.96
Burke Engineering Co.	\$519,306.33

D. Minority/Female Participation – Firm Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Air Cold Supply-A Ferguson Enterprise	Non-Minority	Total: 14,656 2,420 minorities 3,272 women 17% minorities 22% women

F. Minority/Female Participation – Firms Not Selected

Aero Fresh Industries, Inc.	Non-Minority	Total: 12 1 minority 5 women 8% minorities 42% women
Burke Engineering Co.	Non-Minority	Total: 106 26 minorities 14 women 25% minorities 13% women

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of Agreement is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

AGREEMENT FOR THE PURCHASE OF WALL FURNACES

This Agreement is made and entered into this _____ day of March, 2005 by and between the Housing Authority of the County of Los Angeles, hereinafter-referred to as "Housing Authority", and Air Cold Supply - A Ferguson Enterprise, hereinafter referred to as "Vendor".

RECITAL

1. PURPOSE

Vendor is in the business of providing needed top vent gravity wall furnaces. On November 23, 2004, in response to the Invitation For Bids, Vendor submitted a bid to furnish the hereinafter-described furnaces to the Housing Authority.

TERMS AND CONDITIONS

2. TERM

This Agreement shall commence as of the day and year first above written and shall remain in full force and effect until all 1,153 furnaces are delivered on or before May 31, 2005, unless sooner terminated as provided herein.

3. VENDOR'S RESPONSIBILITIES

Vendor agrees to sell and deliver furnaces to the satisfaction of the Housing Authority's Executive Director, as described in the Invitation for Bids, Bid Specifications and Bid Sheet. The Invitation for Bids, Specifications, and the Vendor's Bid, including the required contract forms and notices, are incorporated herein by reference as though fully set forth herein. Vendor hereby accepts such responsibility as described herein.

4. COMPENSATION

Vendor will submit to the Housing Authority an invoice on a form approved by the Housing Authority for furnaces purchased. Upon receipt and approval, the Housing Authority will pay the Vendor within thirty (30) days of receipt of the invoice. Payments will be made only for those furnaces that have been purchased and delivered in good condition. The total amount of compensation under this Agreement will not exceed Three Hundred Sixty-three Thousand, Two Hundred Three Dollars and Sixty-Five Cents (\$363,203.65).

Vendor shall have no claim against the Housing Authority for payment of any money or reimbursement, of any kind whatsoever, for any furnaces purchased after the expiration or other termination of this Agreement. Should Vendor receive any such payment, it shall immediately notify the Housing Authority and shall immediately repay all such funds to the Housing Authority. Payment by the Housing Authority for furnaces purchased after expiration and/or termination of this Agreement shall not constitute a waiver of the Housing Authority's right to recover such payment from Vendor. This provision shall survive the expiration or other termination of this Agreement.

5. SOURCES AND APPROPRIATION OF FUNDS

The Housing Authority's obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development (HUD) and for the purpose of this Agreement. All funds are appropriated every fiscal year beginning July 1.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the current fiscal year. The Housing Authority will endeavor to notify the Vendor in writing within ten (10) days of receipt of non-appropriation notice.

6. TERMINATION FOR IMPROPER CONSIDERATION

The Housing Authority may, by written notice to the Vendor, immediately terminate the right of the Vendor to proceed under this Agreement, if it is found that consideration, in any form, was offered or given by Vendor, either directly or through an intermediary, to any Housing Authority officer, employee or agent with the intent of securing this Agreement or securing favorable treatment with respect to the award, amendment or extension of this Agreement or the making of any determinations with respect to the Vendor's sales of furnaces pursuant to this Agreement. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against the Vendor as it could pursue in the event of default by the Vendor.

The Vendor shall immediately report any attempt by a Housing Authority's officer or employee to solicit such improper consideration. The report shall be made either to the Executive Director or his designee.

Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

7. PRODUCT WARRANTY

Vendor agrees to supply the purchased furnaces according to the Housing Authority's specifications, including correct make and model, specified

quantities, etc; ensure delivery by the agreed-upon delivery date and time; and ensure that items are delivered in good condition, satisfactory to the Housing Authority. Warranty from the manufacturer will be a one-year limited warranty.

8. SUCCESSOR AND ASSIGNMENT

This Agreement may not be assigned by the Vendor except with prior written consent of the Executive Director of the Housing Authority, or designee. However, the Housing Authority reserves the right to assign this Agreement to another public agency without the consent of the Vendor.

9. CONFIDENTIALITY OF REPORTS

The Vendor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Housing Authority.

10. SUBCONTRACTING

The Vendor shall not subcontract any part of the work covered by this agreement or permit subcontracted work to be further subcontracted without prior written approval by the Housing Authority.

11. INDEMNIFICATION

Vendor shall indemnify, defend and hold harmless the Community Development Commission of the County of Los Angeles (Commission), the Housing Authority of the County of Los Angeles, the County of Los Angeles and their elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Vendor's acts and/or omissions arising from and/or relating to this Agreement.

12. HOUSING AUTHORITY'S QUALITY ASSURANCE PLAN

The Housing Authority will evaluate Vendor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Vendor's compliance with all Agreement terms and performance standards. Vendor deficiencies, which the Housing Authority determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Housing Authority and Vendor. If improvement does not occur consistent with the corrective measure, the Housing Authority may terminate this Agreement,

pursuant to Paragraph 13 or 14, or seek other remedies as specified in this Agreement.

A performance review will be conducted no later than ninety (90) days prior to the end of the term of this Agreement as determined by the Housing Authority to evaluate the performance of the Vendor. Based on the assessment of the performance review, as determined by the Housing Authority in its sole discretion, written notification will be given to the Vendor whether this Agreement will be terminated at the end of the term of this Agreement or will be continued.

13. TERMINATION FOR CONVENIENCE

The Housing Authority reserves the right to cancel this Agreement for any reason at all upon ten (10) days prior written notice to the Vendor. In the event of such cancellation, Vendor shall be entitled to a prorated portion paid for all furnaces delivered and any restocking fees, not to exceed twenty percent (20%) per unit, unless such cancellation is made for cause, in which event, compensation, if any, shall be adjusted accordingly. Vendor shall provide the Housing Authority with proof of restocking fees.

14. TERMINATION FOR CAUSE

This Agreement may be terminated by the Housing Authority upon written notice to the Vendor for just cause (failure to perform satisfactorily) with no penalties incurred by the Housing Authority upon termination or upon the occurrence of any of the following events in A, B, C or D:

- A. Should the Vendor fail to perform all or any portion of the work required to be performed hereunder in a timely and professional manner or properly carry out the provisions of this Agreement in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Vendor, and should the Vendor neglect or refuse to provide a means for satisfactory compliance with this Agreement and with the direction of the Housing Authority within the time specified in such notice, the Housing Authority shall have the power to suspend or terminate the operations of the Vendor in whole or in part.
- B. Should the Vendor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Agreement, or if the work to be done under this Agreement is abandoned for more than three (3) days by the Vendor, then a notice of deficiency thereof in writing will be served upon the Vendor by the Housing Authority. Should the Vendor fail to comply with the terms of this Agreement within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the Housing Authority

shall have the power to suspend or terminate the operations of the Vendor in whole or in part.

- C. In the event that a petition of bankruptcy shall be filed by or against the Vendor, this Agreement may be terminated.
- D. If, through any cause, the Vendor shall fail to fulfill, in a timely and proper manner, the obligations under this Agreement, or if the Vendor should violate any of the covenants, agreements, or stipulations of this Agreement, the Housing Authority shall thereupon have the right to terminate this Agreement by giving written notice to the Vendor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Vendor under this Agreement shall, at the option of the Housing Authority become its property and the Vendor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

15. VENDOR'S WARRANTY OF ADHERENCE TO HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM

Vendor acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority through agreements are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Housing Authority Child Support Compliance Program and without limiting Vendor's duty under this Agreement to comply with all applicable provisions of law, Vendor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

16. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH THE HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of Vendor to maintain compliance with the requirements set forth in Paragraph 15, "Vendor's Warranty of Adherence to Housing Authority's Child Support Compliance Program" shall constitute a default by Vendor under this Agreement. Without limiting the rights and remedies available to the Housing

Authority under any other provision of this Agreement, failure to cure such default within ninety (90) days of notice by the Los Angeles County Child Support Services Department shall be grounds upon which the Housing Authority Board of Commissioners may terminate this Agreement pursuant to Paragraph 14, "Termination For Cause".

17. POST MOST WANTED DELINQUENT PARENTS LIST

Vendor acknowledges that the Housing Authority places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Vendor understands that it is the Housing Authority's policy to strongly encourage Public Agency vendors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Vendor's place of business. The Child Support Services Department will supply Vendor with the poster to be used.

18. INDEPENDENT VENDOR

This Agreement does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Housing Authority and the Vendor.

19. EMPLOYEES OF VENDOR

Workers' Compensation: Vendor understands and agrees that all persons furnishing services to the Housing Authority pursuant to this Agreement are, for the purposes of Workers' Compensation liability, employees solely of the Vendor. Vendor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Housing Authority under this Agreement.

Professional Conduct: The Housing Authority does not and will not condone any acts, gestures, comments or conduct from the Vendor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Housing Authority will properly investigate all charges of harassment by residents, employees or agents of the Housing Authority against any and all Vendor's employees, agents or subcontractors providing services for the Housing Authority. The Vendor assumes all liability for the actions of the Vendor's employees, agents or subcontractors and is responsible for taking appropriate action after the Vendor receives reports of harassment.

20. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

Vendor certifies under penalty of perjury under the laws of the State of California that the Vendor will comply with the requirements of the Drug-Free Workplace Act of 1990.

21. SAFETY STANDARDS AND ACCIDENT PREVENTION

The Vendor shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Vendor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Agreement.

22. GREATER AVENUES FOR INDEPENDENCE (GAIN) PROGRAM AND GENERAL RELIEF OPPORTUNITY FOR WORK (GROW)

Should Vendor require additional or replacement personnel during the term of the Agreement, it will give consideration for any such employment openings to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the minimum qualifications for the open positions. The Vendor shall contact the County's GAIN Division at (626) 927-5354 for a list of GAIN participants by job category.

23. COMPLIANCE WITH LAWS

The Vendor agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Agreement, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 Code of Federal Regulations (CFR) Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Agreement is in excess of \$100,000 then Vendor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR Part 15).

The Vendor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Agreement.

Vendor shall comply with the following laws in Sections 23-32, inclusive.

24. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)

Vendor shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

25. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

Vendor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

26. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

Vendor shall comply with the Age Discrimination Act of 1975 and section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Agreement on the basis of age or with respect to an otherwise qualified disabled individual.

27. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS)

Vendor shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Agreement, the Vendor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Vendor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Vendor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Vendor will, in all solicitations or advertisements for employees placed by or on behalf of the Vendor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Vendor will send to each labor union or representative of workers with which the Vendor has a collective bargaining Agreement or other contract or understanding, a notice to be provided by the agency of the Vendor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Vendor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Vendor will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Housing Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Vendor's noncompliance with the non-discrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part and the Vendor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Vendor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions would be binding upon each subcontractor or vendor. The Vendor will take such actions with respect to any subcontract or purchase order as the Housing Authority may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Vendor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Housing Authority, the Vendor may request the United States to enter into such litigation to protect the interests of the United States.

28. FEDERAL LOBBYIST REQUIREMENTS

The Vendor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part

87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The Vendor must certify in writing on the Federal Lobbyist Requirements Certification form that the Vendor is familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Vendor will comply with the Lobbyist Requirements.

Failure on the part of the Vendor or persons/subcontractors acting on behalf of the Vendor to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

29. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

Vendor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

30. USE OF RECYCLED CONTENT PAPER PRODUCTS

The Vendor agrees to use recycled-content paper to the maximum extent possible throughout this Agreement.

31. VENDOR RESPONSIBILITY AND DEBARMENT

A. A responsible vendor is a vendor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Housing Authority to conduct business only with responsible vendors.

B. The Vendor is hereby notified that if the Housing Authority acquires information concerning the performance of the Vendor on this or other contracts which indicates that the Vendor is not responsible, the Housing Authority may, in addition to other remedies provided in the Agreement, debar the Vendor from bidding on Housing Authority contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts the Vendor may have with the Housing Authority.

- C. The Housing Authority may debar a vendor if the Board of Commissioners finds, in its discretion, that the vendor has done any of the following: (1) violated any term of a contract with the County, the Commission or the Housing Authority, (2) committed any act or omission which negatively reflects on the Vendor's quality, fitness or capacity to perform a contract with the County, the Commission, the Housing Authority, or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County, the Commission or the Housing Authority or any other public entity.
- D. If there is evidence that the Vendor may be subject to debarment, the Housing Authority will notify the Vendor in writing of the evidence, which is the basis for the proposed debarment and will advise the Vendor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Vendor and/or the Vendor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the Vendor should be debarred and, if so, the appropriate length of time of the debarment. If the Vendor fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the Vendor may be deemed to have waived all rights of appeal.
- F. A record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

These terms shall also apply to subcontractors of Housing Authority vendors.

32. COMPLIANCE WITH JURY SERVICE PROGRAM

- A. Unless Vendor has demonstrated to the Housing Authority's satisfaction either that Vendor is not a "Contractor" as defined under the Jury Service Program or that Vendor qualifies for an exception to the Jury Service Program, Vendor shall have and adhere to a written policy that provides that its Employees shall receive from the Vendor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service

with the Vendor or that the Vendor deduct from the Employee's regular pay the fees received for jury service.

- B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the Housing Authority or a subcontract with a Housing Authority contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more Housing Authority contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the Housing Authority, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the Housing Authority under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to such agreement.
- C. If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The Housing Authority may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the Housing Authority's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
- D. Contractor's violation of this Section of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, the Housing Authority may, in its sole discretion, terminate the Agreement and/or bar Contractor from the award of future Housing Authority agreements and/or contracts for a period of time consistent with the seriousness of the breach.

33. ACCESS AND RETENTION OF RECORDS

Vendor shall provide access to the Housing Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly

authorized representatives to any books, documents, papers and records of the Vendor which are directly pertinent to this Agreement for the purpose of making audits, examinations, excerpts and transcriptions.

The Vendor is required to retain the aforementioned records for a period of five years after the Housing Authority makes final payment and other pending matters are closed under this Agreement.

34. CONFLICT OF INTEREST

The Vendor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Agreement, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Housing Authority. Upon execution of this Agreement and during its term, as appropriate, the Vendor shall disclose in writing to the Housing Authority any other contract or employment during the term of this Agreement by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Housing Authority's interest and the interests of the third parties.

35. SEVERABILITY

In the event that any provision herein contained is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

36. INTERPRETATION

No provision of this Agreement is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Agreement is to be construed as if drafted by both parties hereto.

37. WAIVER

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

38. PATENT RIGHTS

The Housing Authority will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Agreement.

39. COPYRIGHT

No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Vendor. All such documents become the property of the Housing Authority and the Housing Authority holds all the rights to said data.

40. NOTICES

The Housing Authority shall provide Vendor with notice of any injury or damage arising from or connected with services rendered pursuant to this Agreement to the extent that the Housing Authority has actual knowledge of such injury or damage. The Housing Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Agreement shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

The Authority: Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, California 91755
Attn: Maria Badrakhan, Director
Housing Management Division

The Vendor: Air Cold Supply - A Ferguson Enterprise
2750 South Towne Avenue
Pomona, CA 91766
Attn: Mike Camarena
President, General Manager

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Vendor and the Housing Authority may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

41. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The Vendor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in required contract notices of this Agreement and is incorporated by reference as stated in Paragraph 3, above. The fact sheet is also available on the Internet at www.babysafela.org for printing purposes.

42. VENDOR'S ACKNOWLEDGMENT OF THE HOUSING AUTHORITY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Vendor acknowledges that the Housing Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Vendor understands that it is the Housing Authority's policy to encourage all Public Agency Vendors to voluntarily post the Los Angeles County's "Safely Surrendered Baby Law" poster in a prominent position at the Vendor's place of business. The Vendor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Vendor with the poster to be used.

43. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding and agreement of the parties.

44. WARRANT OF AUTHORITY

The undersigned for the Vendor warrants and represents that he has full authority to sign this Agreement on behalf of the Vendor, and to bind the Vendor.

SIGNATURES

IN WITNESS WHEREOF, the Vendor and the Housing Authority have executed this Agreement through their duly authorized officers.

HOUSING AUTHORITY OF THE
COUNTY OF LOS ANGELES

AIR COLD SUPPLY -
A FERGUSON ENTERPRISE

By _____
Carlos Jackson
Executive Director

By _____
Mike Camerena
President, General Manager

APPROVED AS TO FORM:
RAYMOND G. FORTNER, JR.
County Counsel

APPROVED AS TO PROGRAM:
MARIA BADRAKHAN
Housing Management Division

By _____
Deputy

By _____
Director

END AGREEMENT