

# CONTRACT SUMMARY SHEET

TO: THE OFFICE OF THE CITY CLERK,  
COUNCIL/PUBLIC SERVICES DIVISION  
ROOM 395, CITY HALL

DATE: 09/16/2016

(PLEASE DO NOT STAPLE THE CONTRACT FOR THE CLERK'S FILE)

FROM (DEPARTMENT): Economic and Workforce Development Department

CONTACT PERSON: Sucy Yu PHONE: (213) 744-7212

CONTRACT NO.: C-126468-2 COUNCIL FILE NO.: LAAC. 14.8

ADOPTED BY COUNCIL: N/A

NEW CONTRACT  
AMENDMENT NO. 2

APPROVED BY BPW: N/A  
DATE

ADDENDUM NO.  
SUPPLEMENTAL NO.  
CHANGE ORDER NO.

CONTRACTOR NAME: Arbor E&T, LLC

TERM OF CONTRACT: July 1, 2016 THROUGH: September 30, 2016

TOTAL AMOUNT: \$0

## PURPOSE OF CONTRACT:

WORKSOURCE CENTERS- BOYLE HEIGHTS/EAST LOS ANGELES WORKSOURCE CENTER

TO EXTEND TIME OF THREE (3) MONTHS OF WORKSOURCE CENTER HYATT REGENCY CENTURY PLAZA PROJECT AND UPDATE STANDARD CONTRACT LANGUAGE

**NOTE: CONTRACTS ARE PUBLIC RECORDS - SCANNED AND UPLOADED TO THE INTERNET**

SECOND AMENDMENT  
TO AGREEMENT NUMBER C-126468 OF CITY OF LOS ANGELES CONTRACT  
BETWEEN  
THE CITY OF LOS ANGELES  
AND  
ARBOR E&T, LLC

THIS SECOND AMENDMENT to Agreement Number C-126468 of City of Los Angeles Contract is made and entered into by and between the City of Los Angeles ("City") and Arbor E&T, LLC ("Contractor").

RECITALS

WHEREAS, the City and Contractor have entered into an Agreement wherein Contractor shall provide certain services. Said Agreement was effective July 1, 2015, which together with all amendment(s) thereto shall hereinafter be referred to as the Agreement; and

WHEREAS, PSC-6, Exhibit A, Standard Provisions for City Contracts, provides for amendments to the Agreement; and

WHEREAS, the Agreement contemplates that modifications and closeout activities may be required after the time set forth in Section 201 of the Agreement; and

WHEREAS, the City and Contractor are desirous of amending the Agreement as authorized by the Section 14.8 of the Los Angeles Administrative Code which authorizes the General Manager of EWDD to prepare and execute an amendment to the Agreement for the purpose of:

- (a) adding an additional Three (3) months for a new ending date of September 30, 2016;
- (b) extending the Hotel Dislocated Worker Project – Hyatt Regency Century Plaza services to the Agreement;
- (c) updating standard contract language;
- (d) making such other changes as are required in connection with the foregoing, all as detailed elsewhere-in this Amendment; and

WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Agreement.

NOW, THEREFORE, the City and Contractor agree that the Agreement be amended effective July 1, 2016, as follows:

## AMENDMENT

§1. Amend Section 201, Time of Performance, by deleting the current ending date of June 30, 2016, and replacing with the new ending date of September 30, 2016. This amendment adds an additional Three (3) months for a total term of Fifteen (15) months.

§2. Amend Exhibit I, Scope of Work and Contractor Responsibility, by adding the following:

Contractor shall continue to provide the same services of Hotel Dislocated Worker Project – Hyatt Regency Century Plaza, in subsection D of Section 9 of Exhibit I, at the same level of service for the period of July 1, 2016, through September 30, 2016, as identified in the original Agreement and any amendments.

Contractor shall submit to the City within thirty (30) days for approval a revised separate Budget/Expenditure Plan, in writing, detailing the allocation of the adjusted funds, which are available from January 26, 2016, and the extended activities described in this section.

§3. Amend part 9 of sub-section B. of Section 104, Conditions Precedent to the Execution, by updating the reference of law/regulation from "2 CFR Part 200, §200.212" to "2 CFR Parts 215.13, 215.5."

§4. Amend part 12 of sub-section B. of Section 403, Allowable and Unallowable Costs, by updating the reference of law/regulation from "2 CFR Part 2900" to "2 CFR Section 200.450."

§5. Amend Section 503, Nondiscrimination and Affirmative Action, by deleting the section in its entirety and replacing with the following:

### **§503 Nondiscrimination and Affirmative Action**

Contractor shall comply with all applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State, and the City, including the following:

A. Contractor shall comply with WIOA Section 188, which prohibits discrimination against individuals in any program or activity that receives financial assistance under Title I of the WIOA as well as by the One-Stop partners listed in WIOA Section 121(b) that offer programs or activities through the One-Stop/American Job Center workforce development system.

1. Section 188 prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex (including, but not limited to, pregnancy, childbirth and related medical conditions, transgender status and gender identity) national origin, age, disability (physical or mental impairment), political affiliation or belief, and against beneficiaries on the basis of either citizenship status or participation in any WIOA Title I-financially assisted program or activity.
2. Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in DOL regulations (41 CFR Part 60).
3. Contractor also assures that, as a recipient of WIOA Title I financial assistance, it will comply with 29 CFR Part 38 ("Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Innovation and Opportunity Act") and all other regulations implementing the laws listed in this section. This assurance applies to Contractor's operation of the WIOA Title I-financially assisted program or activity, and to all agreements the Contractor makes to carry out the WIOA Title I-financially assisted program or activity. Contractor understands that the United States has the right to seek judicial enforcement of this assurance.

B. Contractor shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (Cancer, age (over 40)), marital status, pregnancy disability and denial of family care leave and shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment in compliance with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 *et seq.*) and the application regulations promulgated under California Code of Regulations Title 2, §7285 *et seq.* The applicable regulations of the Fair Employment and Housing Commission implementing Gov., Code §12990 set forth in Chapter 5, Div., 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement.

- C. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color and national origin.
- D. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals.
- E. The Age Discrimination Act of 1975 (42 USC §§6101-6107), as amended, which prohibits discrimination on the basis of age.
- F. Title IX of the Education Amendments of 1972 (20 USC §§1681- 1683 and 1685-1686), as amended, which prohibits discrimination on the basis of sex in educational programs.
- G. Contractor shall comply with the provisions of the Los Angeles Administrative Code §§10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of \$1,000, but not more than \$100,000, the Equal Opportunity practices provisions of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of \$100,000, the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.4, in which event said provisions are incorporated herein by this reference. Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action, including the filing of all forms required by City.
- H. Contractor shall include the nondiscrimination and compliance provisions of this section, to the extent allowed hereunder, in all subcontracts to perform work under this Agreement.

§6. Amend Section 504, Conflict of Interest, by deleting its sub-section B.1. in its entirety and replacing with a new sub-section B.1. and by adding a new sub-section C. as follows:

- B. Code of Conduct
  - 1. The City requires that all contractors/sub-contractors adopt a Code of Conduct that, at a minimum, reflects the constraints discussed in WDS Directive No. 14-05 dated October 15, 2013 ([http://ewddlacity.com/images/directives/wds-directive/WDS-Dir\\_14-05.pdf#zoom=75](http://ewddlacity.com/images/directives/wds-directive/WDS-Dir_14-05.pdf#zoom=75)) and comply with 2 CFR 200.318 (c). The Code shall be submitted to the City for approval prior to execution of this Agreement.
  - C. Contractor shall comply with 2 CFR 200.112 by disclosing in writing any potential conflict of interest to the federal awarding agency or the City in accordance with applicable federal awarding agency policy.

§7. Amend Section 505, Compliance with State and Federal Statutes and Regulations, in its entirety and replacing with the following:

### **§505 Compliance with State and Federal Statutes and Regulations**

Contractor, in performance of this Agreement, warrants and certifies that it shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State, Los Angeles County and City. Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of grant funds, and repayment by Contractor to City of any unlawful expenditures. Contractor further warrants and certifies that it shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement.

#### **A. Statutes and Regulations Applicable To All Grant Contracts**

Contractor shall comply with all applicable requirements of State, federal, Los Angeles County and City laws, executive orders, regulations, program and administrative requirements, policies, and any other requirements governing this Agreement, including, but not limited to, laws and regulations pertaining to labor, wages, hours, and other conditions of employment. These requirements include, but are not limited to:

##### **1. Code of Federal Regulations (CFR) and OMB Circulars**

Contractor shall comply with 48 CFR 31 (Allowable Costs for For-Profit) and provisions of 2 CFR Parts 200 and 2900, which provisions supersede OMB Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for public agencies or

2 CFR 215 (former OMB Circular A-110 --Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); 45 CFR 74 (Allowable costs for hospitals); OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

2. Single Audit Act

Contractor shall adhere to the rules and regulations of the Single Audit Act, 31 USC §7501 et seq. and 2 CFR Parts 200 and 2900; City Council action dated February 4, 1987 (C.F. No. 84-2259-S1); and any administrative regulations or field memos implementing the Act. The provisions of this paragraph survive expiration or termination of this Agreement. Also see §608(C) for additional audit requirements.

3. Americans with Disabilities Act

In implementing this Agreement, Contractor represents and certifies that it will:

- a. Comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments; and California Government Code Section 11135.
- b. Not discriminate in the provision of its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability.
- c. Provide reasonable accommodation upon request to ensure equal access to all of its programs, services and activities.

Contractor represents and certifies that any construction for housing performed with funds provided through this Agreement will be done in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40.

Contractor represents and certifies that its buildings, and facilities used to provide services in accordance with this Agreement, are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement.

Contractor will require its subcontractors, if any, to include this language in any subcontract.

4. Political and Sectarian Activity Prohibited

- a. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.
- b. Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any disclosure form previously filed by Contractor. Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers, and that all subcontractors shall certify and disclose accordingly.

5. Sweat-free Code of Conduct

All contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment or supplies furnished to the State pursuant to

the contract have been laundered or produced in whole or in part by, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Contractor further declares under penalty of perjury that it adheres to the Sweat-free Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov) and Public Contract Code §6108. Contractor agrees to provide records requested by the California Department of Industrial Relations or City to determine compliance with the foregoing requirements.

6. Labor

- a. Contractor shall comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of Office of Personnel Management's "Standards for a Merit System Personnel Administration" (5 C.F.R. 900, Subpart F).
- b. Contractor shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 USC §276c, 18 USC §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally assisted construction sub-agreements.
- c. Contractor shall comply with the Federal Fair Labor Standards Act (29 USC § 201) regarding wages and hours of employment.
- d. None of the funds shall be used to promote or deter union/labor organizing activities (California Government Code §16645 *et seq.*).
- e. Contractor shall comply with the Hatch Act (5 USC §§1501-1508 and 7324-7328).
- f. Contractor shall comply with the provisions of Articles 1 and 3, Chapter 1, Part 7, Division 2 of the Labor Code of California, the California Child Labor Laws and all other applicable statutes, ordinances, and regulations relative to employment, wages, hours of labor and industrial safety.
- g. Child Support Compliance Act, California Family Code §5200 *et seq.*
  - (1) Comply with applicable State and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the California Family Code and
  - (2) That to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Employee Registry maintained by EDD.
- h. Priority Hiring Considerations: If the Agreement includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Agreement to qualified recipients pursuant to California Public Contract Code Section 10353.
- i. Family Economic Security Act (FESA) AB 3424, as amended, CUIS 1500 *et seq.* and any successor legislation.

8. Civil Rights

Contractor shall comply with all federal statutes relating to nondiscrimination, including but not limited to:

- a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 USC §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin, and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by persons

with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13."

- b. Sections 503 and 504 of the Rehabilitation Act of 1973, as amended (29 USC §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicap.
- c. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse.
- d. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
- e. Sections 523 and 527 of the Public Health Service Act of 1912 (42 USC §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records.
- f. Any other nondiscrimination provisions in the specific statute(s) under which application for federal funds is being made.
- g. The requirements of any other nondiscrimination statute(s) which may apply to federal funds.
- h. P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- i. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 USC 2000e).
- j. The Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.

9. Environmental

- a. Air or Water Pollution Violation: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to California Water Code Section 13301 for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
- b. Contractor shall comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.
- c. Contractor shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 USC §1451 *et seq.*); (f) conformity of federal actions to State (Clean Air) Implementation Plans under §176(c) of the Clean Air Act of 1990, as amended (42 USC 1857 *et seq.*) (42 USC §7401 *et seq.*); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986; (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and (j) §508 of the Clean Water Act (38 USC 1360).
- d. Contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 USC §1271 *et seq.*) related to protecting components or potential components of the national wild and scenic rivers system.

- e. Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 USC §4822 *et seq.*) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- f. Contractor shall comply with the Federal Water Pollution Control Act (33 U.S. §1251 *et seq.*) that restores and maintains the chemical, physical and biological integrity of the nation's waters.
- g. Contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- h. By signing this Agreement, Contractor ensures that it is in compliance with the California Environmental Quality Act, Public Resources Code §21000 *et seq.* and is not impacting the environment negatively.
- i. Contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).
- j. Coastal Barrier Resources Act, PL 97-348 dated October 19, 1982, 16 USC §3501 *et seq.*
- k. Contractor shall comply with EPA requirements.

10. **Preservation**

Contractor shall comply with §106 of the National Historic Preservation Act of 1966, as amended (16 USC §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 USC §469a-1 *et seq.*).

11. **Suspension and Debarment**

Contractor shall comply with Federal Register, Volume 68, Number 228, Executive Orders 12549 and 12689, 29 CFR Parts 97.35 and 98.510, and 2 CFR Section 200.213, and any amendments thereto, regarding Suspension and Debarment. Contractor shall require that the language of the certification required by §104(B)(9) be included in the award documents for all sub-awards at all tiers, and that all subcontractors shall certify accordingly.

12. **Drug-Free Workplace**

Contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §8102, 28 CFR Part 67; and the California Drug-Free Workplace Act of 1990 (California Government Code §§ 8350-8357).

13. **Animal Welfare**

Contractor shall comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 USC §2131 *et seq.*).

14. Contractor shall assure, pursuant to the Consolidated Appropriations Act of 2008 (P.L. 110-161) grant funds must not be used in contravention of the federal buildings performance and reporting requirements of Executive Order No. 13123, Part 3 of Title V of the National Energy Conservation Policy Act (42 USC 8251 *et seq.*) or subtitle A of Title I of the Energy Policy Act of 2005 (including the amendments made thereby), nor shall grant funds be used in contravention of §303 of the Energy Policy Act of 1992 (42 USC 13212).

15. Contractor must comply with Public Law 103-227, Part C, -"Environmental Tobacco Smoke," also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private

residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

16. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services, and that all subcontractors shall certify compliance accordingly.
17. Contractor shall assure, pursuant to Public Law 103-333, and where applicable to the extent practicable, that all equipment and products purchased with grant funds made available under this Agreement shall be American made.
18. Contractor shall administer this Agreement in accordance with the provisions of 2 CFR Part 200, which provisions supersede OMB Circulars, as applicable: OMB requirements contained in the following Circulars: Common Rule, Subpart C, for public agencies, or 2 CFR 215 for nonprofit organizations.
19. Mandatory Disclosures: The non-federal entity or applicant for a federal award must disclose, in a timely manner, in writing to the federal awarding agency or pass-through entity, all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Failure to make required disclosures can result in any of the remedies described in §200.338, "Remedies for Noncompliance," including suspension or debarment. (See also 2 CFR Part 180 and 31 USC 3321.)

**B. Statutes and Regulations Applicable To This Particular Grant**

Contractor shall comply with the following statutes and regulations as applicable:

1. Contractor warrants and certifies that in the performance of this Agreement, it shall comply with all applicable statutes, rules, regulations, and orders of the United States, the State, the County and City of Los Angeles, including laws and regulations pertaining to labor, wages, hours and other conditions of employment and City's anti-discrimination provision, Affirmative Action Plan, and WIOA customer's compliance with Selective Service Act. Contractor further warrants and certifies that it shall comply with new, amended, or revised laws, regulations, policies, and/or procedures that apply to the performance of this Agreement.
2. Examples of applicable statutes, rules or regulations include, but are not limited to, the following:
  - a. WIOA (29 USC §3101 *et seq.*), and all legislation, regulations, directives, policies, procedures and amendments issued pursuant thereto.
  - b. All State legislation and regulations to the extent permitted by federal law and all policies, directives, executive orders and/or procedures, which implement WIOA.
  - c. Wagner-Peyser Act (29 USC §49 *et seq.*), as amended by Title III of WIOA and all regulations, legislation, directives, policies, procedures and amendments issued pursuant thereto.
  - d. Provisions of the grant agreements between the City and the DOL, and between the City and the State, pursuant to WIOA, including their general terms and conditions, which are hereby incorporated by reference as though set forth herein in full.
  - e. City WIOA policies as set forth in the Certification Policy and Procedures, as approved by the WDB.
  - f. City administrative procedures and notices released in the form of City Information Bulletins or City Directives.
  - g. Contractor shall abide by the stipulations in the Maintenance of Effort provisions of WIOA and any implementing regulations.
  - h. Contractor shall comply with the Salary and Bonus Limitations as provided by PL 109-149 and PL 109-234 restricting the salary level and bonus compensation for anyone receiving WIOA funds not to exceed Executive Level II under Section 5313 of Title 5, United States Code, either as direct or indirect costs, except as provided for under Section 101 of PL 109-149. This limitation shall not apply to vendors providing goods and services as defined under 2 CFR Parts 200 and 2900. See Training and Employment Guidance Letter Number 5-06 for further clarification.

- i. Provisions of Public Law 107-288 (38 USC 4215), Jobs for Veterans Act, as the law applies to DOL job training programs.

§8. Amend Section 602, Maintenance of Records, by deleting it in its entirety and replacing with the following:

## **§602 MAINTENANCE OF RECORDS**

- A. Record Retention: Records, in their original form, shall be maintained in accordance with requirements prescribed by the Grantor and the City with respect to all matters covered by this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Unaltered copies of eligibility documents are acceptable. These records shall be retained for a period of three (3) years after termination of this Agreement and after final disposition of all pending matters. Pending matters include, but are not limited to, an audit, litigation, or other actions involving records. The City may, at its discretion, take possession of, retain and audit said records. Before destruction of records retained under this Agreement, Contractor shall notify the City and request instructions on disposition of the records. See 2 CFR Section 200.333-337.
- B. Location of Records: Records, in their original form, (including, but not limited to, customer files and fiscal documents) pertaining to matters covered by this Agreement shall at all times, be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

§9. Amend sub-section B.3 of Section 609, Confidentiality of Information, by adding new parts (b) and (c) as follows:

- B. The City and Contractor agree that:
  - 3.(b) Publication: Prior to publication, Contractor shall carefully analyze aggregated data outputs to ensure the identity of individuals and/or employer units cannot be inferred pursuant to California Unemployment Insurance Code Section 1094 (c). Personal identifiers must be removed. Geographic identifiers should be specified only in large areas and as needed, and variables should be recorded in order to protect confidentiality.
  - 3.(c) Minimum Data Cell Size: The minimum data cell size or derivation thereof shall be three participants for any data table released to outside parties or to the public.

§10. Amend sub-section B.5 of Section 609, Confidentiality of Information, by adding new part (b) as follows:

- B. The City and Contractor agree that:
  - 5.(b) If the Contractor learns of a breach in the security of the system which contains confidential data obtained under this Agreement, then the Contractor must provide notification to individuals pursuant to California Civil Code Section 1798.82.

§11. Amend sub-section B.12 of Section 609, Confidentiality Requirements: Policy and Procedures, by updating the reference of law and regulations from "29 CFR 97.42" to "2 CFR Parts 200 and 2900 (DOL Exception)" and from "(29 CFR sec. 97.42 (b) (2))" to "See 2 CFR 200.333." in the last sentence of sub-part a. where states client-specific information retention period.

§12. Amend sub-section B.4 of Section 806, Grievance and Complaint Resolution Procedures, by adding ",if applicable" at the end of sub-section B.4.

§13. Amend PSC-27 of Exhibit A, Non-Discrimination, by revising the last second sentence of first paragraph with additional categories of non-discrimination. The new sentence should be read as follows:

In performing this contract, Contractor shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, age, physical handicap, mental disability, domestic partner status, marital status or medical condition, citizenship, and political affiliation or belief.

§14. Amend PSC-28 of Exhibit A, Equal Employment Practices, by inserting "gender identity, transgender status" in list of factors of discrimination in its Sub-sections A, B, and C.

§15. Amend PSC-33 of Exhibit A, Americans with Disabilities Act, by deleting it in its entirety and replacing with the following:

## **PSC – 33. AMERICANS WITH DISABILITIES ACT**

In implementing this Agreement, Contractor represents and certifies that it will:

- A. Comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments; and California Government Code Section 11135.
- B. Not discriminate in the provision of its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability.
- C. Provide reasonable accommodation upon request to ensure equal access to all of its programs, services and activities.

Contractor represents and certifies that any construction for housing performed with funds provided through this Agreement will be done in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40.

Contractor represents and certifies that its buildings, and facilities used to provide services in accordance with this Agreement, are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement.

Contractor will require its subcontractors, if any, to include this language in any subcontract.

§16. Amend PSC-39 of Exhibit A by changing its title to "Limitations on Campaign Contributions in City Elections."

§17. Amend PSC-40 of Exhibit A, Iran Contracting Act of 2010, by deleting it in its entirety and replacing with the following:

**PSC – 40. IRAN CONTRACTING ACT OF 2010**

For Contracts for the provision of goods and/or services estimated at \$1,000,000 or more, Contractor shall comply with the requirements of the Iran Contracting Act of 2010 (Public Contract Code Sections 2200-2208). Contractor shall, upon entrance of the contract and any renewal thereof, complete, sign and submit to the City the Iran Contracting Act of 2010 Compliance Affidavit. Provision of a false certification can result in certain penalties, including termination of the contract.

§18. Amend Exhibit D, Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions, by inserting three additional sections 2, 3, and 4 after Section 1, and renumbering the original Section 2 to Section 5 as follows:

2. The prospective recipient of federal assistance funds certifies that neither it nor its principals have not, within a three year period preceding this agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes, or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.
3. The prospective recipient of federal assistance funds certifies that neither it nor its principals are presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in Section 2 of this certification.
4. The prospective recipient of federal assistance funds certifies that neither it nor its principals have not, within a three year period preceding this agreement, had one or more public transactions (federal, state, local) terminated for cause of default.

§19. Amend Section C, Copyright Policy, of Exhibit J, Inventions, Patents and Copyrights, by deleting sub-section C.1. in its entirety and replacing with the following:

1. Unless otherwise provided by the terms of the Grantor or of this Agreement, when copyrightable material (Material) is developed under this Agreement, the author or the City, at the City's discretion, may copyright the Material. If the City declines to copyright the Material, the City shall have an unencumbered right, and a non-exclusive, irrevocable, royalty-free license, to use,

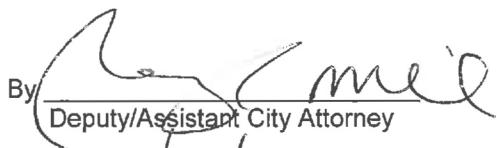
access, manufacture, improve upon, and allow others to do so for all governmental purposes, any Material developed under this Agreement.

- §20. Amend Section C, Copyright Policy, of Exhibit J, Inventions, Patents and Copyrights, by adding new federal regulation references "29CFR 97.34 and 2 CFR 200.315." to the end of sub-section C.2.
- §21. Amend Section D, Rights to Data, of Exhibit J, Inventions, Patents and Copyrights, by correcting the references of regulation in sub-section D.1. at places where regulations are cited by order of following:
  - changing "48 CFR 27.401" to "48 CFR 27.401-1;"
  - changing "48 CFR 27.404 (f)(2)" to "48 CFR 27.404-3;" and
  - changing "48 CFR 27.404 (a)" to "48 CFR 27.404-1."
- §22. Amend sub-section 1. of Section H, Copyright, of Exhibit J, Inventions, Patents and Copyrights, by deleting the last word "Contract" and replacing with the following to include a federal regulation reference:

"Agreement. Refer to 2 CFR Section 200.35."
- §23. Amend sub-section D.9 of Section 2, Procurement Procedures, of Exhibit K, Subcontract and Procurement, by changing contractor's responsibility of retaining all records pertinent to any procurement agreement/contract within the County of Los Angeles for a period of five (5) years following termination of the Agreement and after final disposition of all pending matters to three (3) years.
- §24. Amend Exhibit K, Subcontract and Procurement, by deleting it in its entirety and replacing with a new Exhibit K attached hereto and incorporated herein by reference.
- §25. Except as herein amended, all terms and conditions of the Agreement shall remain in full force and effect.
- §26. This Amendment is executed in two (2) duplicate originals, each of which is deemed an original. This Amendment includes Twelve (12) pages which constitute the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the City of Los Angeles and Contractor have caused this Agreement to be executed by their duly authorized representatives.

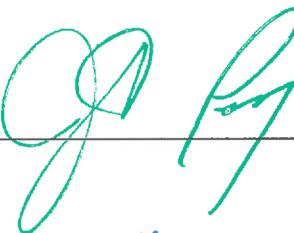
APPROVED AS TO FORM AND LEGALITY:  
MICHAEL N. FEUER, City Attorney

By   
Deputy/Assistant City Attorney  
Date 9/19/2016

Executed this 15th day of September, 2016

For: THE CITY OF LOS ANGELES

JAN PERRY  
General Manager  
Economic and Workforce Development Department

By 

Executed this 12th day of August, 2016

For: ARBOR E&T, LLC

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By   
Deputy City Clerk  
Date 9-21-16

By   
For: ARBOR E&T, LLC

(Contractor's Corporate Seal)



By   
L. Bradley Williams  
Vice President of Operations

D-U-N-S® Number: 07-022-6105

City Business License Number: 0002161093-0001-5

Internal Revenue Service Number: 46-0508470

Los Angeles Administrative Code: 14.8

Said Agreement is Number C-126468 of City Contracts, Amendment Number Two

**EXHIBIT K**  
**SUBCONTRACT AND PROCUREMENT**

**§1 SUBCONTRACTS**

- A. For the purpose of this Agreement, subcontracts shall include, but not be limited to, purchase agreements, lease or rental agreements (excluding real property agreements), third party agreements, consultant services subcontracts, and construction subcontracts.
- B. Subcontracts entered into in the performance of this Agreement shall:
  - 1. Be subject to the terms and conditions set forth in of this Agreement. City may require incorporation of the applicable provisions in a written agreement;
  - 2. Be specifically prohibited from assignment or transfer of interest without prior written approval by the City;
  - 3. Require that Contractor specifically provide proof, when applicable, of the appropriate permits and/or business licenses.
- C. A copy of each executed subcontract, or amendment(s) thereto, shall be submitted to the City prior to payment.

**§2 PROCUREMENT PROCEDURES**

- A. It is the policy of the City to encourage fair and open competition in its procurement for goods and services. The requirements for a fair and open competition include the development of written procurement policies that include, but are not limited to, all of the following subsections. It is the City's intent that the following rules be binding upon the City and its subcontractors. Several of the provisions herein include City-mandated rules and procedures in addition to the other grant requirements. Such policies are applicable to subcontractors to the extent permitted by law.
- B. Purpose. It is the intent of these rules that these procedures shall apply to all subcontracts including, but not limited to, purchase agreements, lease or rental agreements (excluding real property agreements), third party agreements, and consultant services subcontracts. All contractors are required to prepare written procurement procedures. All written procedures and policies for procurement activities are to be available for public inspection.
- C. Competition. The City and each of its contractors shall conduct procurement in a manner that provides full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:
  - 1. Placing unreasonable requirements on firms or organizations in order for them to qualify to do business;
  - 2. Requiring unnecessary experience and excessive bonding;
  - 3. Noncompetitive pricing practices between firms or organizations or between affiliated companies or organizations;
  - 4. Noncompetitive awards to consultants that are on retainer contracts;
  - 5. Organizational conflicts of interest;
  - 6. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance of other relevant requirements of the procurement;
  - 7. Overly restrictive specifications; and
  - 8. Any arbitrary action in the procurement process.
- D. Responsibilities.
  - 1. The following procedures shall apply to all procurement under this Agreement in order to ensure that all solicitations:
    - a. Incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurement, contain features which unduly restrict competition; and

- b. Identify all requirements that the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
2. Issue a Public Notification. The notification must be made through an announcement in a local public medium (e.g., newspaper) or other media that covers the entire service area.
3. All steps of each procurement must be documented, including a description of the documentation process and where the documentation will be located.
4. Contractor shall provide a copy of the RFP/request for qualifications (RFQ) to anyone who requests it. Contractor shall compile a list of everyone requesting a copy of the RFP/RFQ.
5. The Contractor shall ensure that all pre-qualified lists of persons, firms or other organizations that are used to acquire goods and services are current and include sufficient numbers of qualified sources to ensure maximum open and free competition. The agencies listed on the bidder's list may be individually notified.
6. The Contractor shall not use funds provided under this Agreement to duplicate facilities or services available in the area (with or without reimbursement) from federal, State, or local sources, unless it is demonstrated that the Agreement-funded alternative services or facilities would be more effective or more likely to achieve performance goals.
7. The Contractor shall maintain records that are sufficient to detail the significant history of a procurement procedure in compliance with 2 CFR Parts 200 and 2900. These records shall include, but are not limited to, the following: rationale for the method of procurement, the selection of contract type, contractor selection or rejection, rationale and reasonable rating criteria and the basis for the contract type.
8. The Contractor shall keep records sufficient to insure that funds have not been spent unlawfully.
9. The Contractor shall retain all records pertinent to any procurement agreement/contract within the County of Los Angeles for a period of three (3) years following termination of the Agreement and after final disposition of all pending matters. "Pending Matters" include, but are not limited to, an audit, litigation, or other activities involving records. Prior to destruction of records retained under this Agreement, the Contractor shall notify the City and request instructions on disposition of said records.
10. The Contractor shall not contract with any party which is debarred, suspended or otherwise excluded from participation in federal assistance programs in accordance with 2 CFR Part 200. All contracts shall include a self-certification from the contractor that it is not a debarred party.

The federal government prohibits awards to any party that is debarred. The federal government compiles a list of debarred parties. The federal list is published by the General Services Administration; a copy may be obtained by telephoning the Superintendent of Documents (202/512-1600). The list will be issued as an information Bulletin in May of each year. It is the Contractor's responsibility to ensure that funds are not awarded to entities on the debarment lists.
11. Procurement shall be conducted at least once every three years.
12. Procurement activities must be conducted in a confidential manner. Staff involved in procurement must not divulge advance purchasing information, specific proposal/offer evaluation criteria, negotiations with bidders or in-house discussions regarding a procurement until such time as this information is released to all parties.
13. Contractor shall receive and log in proposals and establish a method for recording the date and time of arrival of proposals using either a login sheet or a date/time stamp. Contractor shall establish a single location for receipt of proposals. Contractor shall ensure that only proposals received by the deadline specified in the RFP/RFQ qualify for the evaluation process unless there is a valid legal reason for otherwise considering a late proposal.
14. Contractor shall establish proposal evaluation procedures that shall include, but not be limited to, the following:
  - a. Clear staff responsibilities. A procurement specialist shall be designated for each bid/proposal process. It shall be the responsibility of the specialist to ensure compliance with these procurement rules.

- b. Develop a standard worksheet or check list for determining responsiveness of each proposal.
- c. Establish and use evaluation criteria and a standard evaluation worksheet to be used in recording the evaluations of each proposal.
- d. Prepare an analysis of costs to verify allowability and to determine reasonableness.
- e. Identify staff responsibilities for completing proposal evaluation and for summarizing evaluation results.
- f. Develop a description of methods for ensuring independence of ratings by those involved in the evaluation process (i.e., prohibit discussion among staff, sequestered evaluators).
- g. Identify policy and process by which selection of awardee(s) will be made.
- h. Provide an opportunity for bidders to appeal staff recommendations.
- i. Items a-c should be sufficiently completed before issuance of the RFP so relevant parts can be included.

15. Contractor shall identify complete and timely proposals. Contractor shall review the technical merits of these proposals based on the rating criteria contained in the RFP/RFQ. Contractor shall review the cost proposals based on applicable cost principles and the technical proposal. For participant service RFPs/RFQs demonstrated performance and ability must be documented and should include independently verified information and data.

16. Contractor shall determine which proposals are in the competitive range for technical response and based on the cost and price analysis conducted prior to the RFP/RFQ are within the cost and price criteria.

17. Contractor shall negotiate with organization(s) in the competitive range. Contractor shall establish policies and procedures governing face-to-face negotiations. Contractor shall include in the criteria that all responsive offerors in the competitive range are given fair and equal consideration based on the merits of their proposals. Contractor shall document these negotiations in writing.

18. Contractor shall determine for participant service RFPs the demonstrated performance and ability of the highest rated offeror(s). This determination must be documented and should include independently verified information and data.

19. Private for-profit entities must obtain prior written approval from the City for purchases of personal property (other than supplies) using Agreement funds.

20. Contractor shall conduct and document oversight to ensure compliance with these procurement procedures.

21. City may procure goods and services from other governmental entities in accordance with Agreement procurement regulations. Contracts may not contain prices that are higher than that available to the general public. All such contracts are subject to cost reasonableness requirements.

- a. In-school youth programs may be sole sourced to public and nonprofit private secondary schools.
- b. City may use as the basis for selecting a provider a procurement process from another government in its market area upon review of the procurement process and City determination that such process complies with this Agreement and local law.
- c. City may use the Central City Purchasing agent in order to procure office supplies, basic equipment and other similar goods.
- d. The City may authorize its Contractor to use a subcontractor who has been already selected through the City's procurement process without requiring an additional procurement process.

22. If the State or the City has established a debt against an Agreement service provider that has not been repaid or a repayment agreement plan has not been implemented, then the service provider shall be barred from receiving any future grant funds.

23. The City will use the definition of a private postsecondary education institute as defined in the California Education Code Section 94302(w) as any person doing business in California that offers to provide or provides, for a tuition, fee, or other charge, any instruction, training, or education primarily

to people who completed or terminated their secondary education or are beyond the age of compulsory high school attendance. Information Bulletin B95-83 provides further guidance regarding post-secondary education.

24. **Participation of Minorities, Women and Small Businesses**

To the fullest extent possible in the administration of this Agreement, Contractor agrees to provide opportunities for minorities, women and small businesses to participate in procurement under this Agreement.

E. **Cost or Price Analysis**

1. Contractor shall establish standards for the performance of cost or price analysis.
2. Under 2 CFR 200.323, Contractor shall perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold, including contract modifications, to determine that the expenditure is reasonable. The method and degree of analysis depends on the facts surrounding the particular procurement situation, but at a minimum, the Contractor shall make independent estimates before receiving bids or proposals.
  - a. Contractor must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed.
  - b. Any indirect costs in a proposal must be carefully reviewed to ensure that the costs are not duplicated by direct costs. Indirect costs must be allocated in accordance with an approved cost allocation plan.
  - c. If a bidder proposes to use a subcontractor as part of its proposal, all costs in the proposed subcontract must also be evaluated in the same manner as for the primary proposal.
  - d. Cost analysis must carefully evaluate salaries of owners of sole proprietorships or partnerships who submit offers to ensure that they are in line with the services to be performed.
3. The following cost analysis steps shall be used 1) verify cost or pricing data and evaluate cost elements; 2) evaluate the effect of the offeror's current practices on future costs; 3) compare proposed costs for individual cost elements; 4) verify that offeror's cost submissions are in accordance with cost principles (allowable/allocable); and 5) review to determine that all necessary cost or pricing data have been submitted.
4. Agreement procurement shall not permit excess program income (for nonprofit and governmental entities) or excess profit (for private for-profit entities). If profit or program income is included in the price, the City or the Contractor shall negotiate profit or program income as a separate element of the price for each contract/subcontract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit or program income, consideration shall be given to:
  - a. The complexity of the work to be performed;
  - b. The risk borne by the Contractor;
  - c. The Contractor's investment;
  - d. The amount of subcontracting;
  - e. The quality of the Contractor's record of past performance; and
  - f. Industry profit rates in the surrounding geographical area for similar work.
5. The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.
6. Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
7. All Contractors must comply with 29 CFR section 97.25 income regulations, EDD Directive WSD15-25, issued May 24, 2016, entitled "WIOA Program Income," and City contract provisions regarding program income.

8. All goods and services procured pursuant to the Agreement must be in compliance with the allowable cost provisions in 29 CFR §95.27, 29 CFR 97.22 and any State or Federal directives on allowable costs.

F. Awarding of Agreement/Contract.

1. Prior to an award of a contract, the City shall make a determination that the Contractor has demonstrated effectiveness in providing RFP documented services. Agreements/Contracts shall be made only with responsible subcontractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. The selected proposer must be a responsive entity that has submitted a proposal or bid which meets all requirements of the solicitation adequately, which includes responding to the Request for Proposal (RFP)/ Request for Qualification (RFQ) within the required time frames, and completing all forms and documents. A responsible entity is one that has been determined to: 1) have a satisfactory record of integrity and business ethics; 2) have a satisfactory performance record; 3) have adequate financial resources to perform the contract or the ability to obtain such resources; 4) be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and business commitments; 5) have the needed organization, experience, accounting, operational control and technical skills or ability to obtain them; 6) have adequate production, construction or technical equipment and needed facilities or the ability to obtain them; 7) be able to meet the program design specifications; 8) be able to meet performance goals which includes a showing of demonstrated effectiveness in providing employment and training services; 9) be able to provide services that can lead to the achievement of competency standards for participants, and 10) be both qualified and eligible to receive the award under applicable law and regulation. Contractor shall make the award(s) and finalize the contract(s). Contractor shall follow established procedures for formal notification of offerors of the results of the evaluations and selection process.
2. Contractor must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used as described in §6, hereinbelow.
3. Where such advertised bids are obtained, the awards shall be made to the responsible bidder whose bid is responsive to the invitation and is most advantageous to the grantee, price and other factors considered. Factors such as discounts, transportation costs, and life cycle costs may be considered in determining the lowest bid. No points shall be given for status as a sub-contractor or a contractor with an approved childcare policy within existing delivery systems. However, if a bid results in a tie score, preference may be given to the Contractor or a subcontractor with an approved childcare policy.
4. Any or all bids may be rejected when it is in the City/Contractor's interest to do so, and such rejections are in accordance with applicable State and local law, rules, and regulations.

G. Additional Requirements for High Risk Contractors/Subcontractors.

1. Contractor must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performances and financial and technical resources.
2. In evaluating risks posed by a potential contractor/subcontractor, the following may be considered:
  - a. History of performance;
  - b. Financial stability;
  - c. Quality of management systems and ability to meet the management standards prescribed in 2 CFR Part 200;
  - d. Conformance to general or specific terms and conditions of a previously awarded grant or sub-grant;
  - e. Reports and findings from audits;
  - f. Ability to effectively implement statutory, regulatory or other imposed requirements; or
  - g. Is not otherwise responsible.
3. If the City/Contractor agency determines that a grant or sub-grant will be made to a "high-risk" Contractor or subcontractor, the City/Contractor may impose additional specific award conditions , including:

- a. Requiring payments as reimbursement rather than advance payments; Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- b. Requiring additional, more detailed financial reports;
- c. Requiring additional monitoring;
- d. Requiring the Contractor or subcontractor to obtain specific technical or management assistance; and/or
- e. Establishing additional prior approvals (e.g. requiring awarding agency approval prior to hiring/firing, award of small purchase contracts).

4. If the City/Contractor decides to impose such funding restrictions, the awarding official must notify the Contractor or subcontractor as early as possible, in writing, as to:

- a. The nature of the additional requirements;
- b. The reason(s) why the additional requirements are being imposed;
- c. The nature of the action needed to remove the additional requirement, if applicable;
- d. The time allowed for completing the actions, if applicable; and
- e. The method for requesting reconsideration of the additional requirements imposed.

5. Any special conditions must be promptly removed once the conditions that prompted them have been corrected.

H. City Code of Conduct

Contractor shall comply with the Conflict of Interest provisions found in Section 504 of this Agreement.

I. Methods of Procurement

Within the context of open competition, there are five methods by which agencies may procure goods and services (micro-purchase, small purchase, sealed bids, competitive proposals, and non-competitive proposals). For a transaction of less than \$50,000, the small purchase method may be used. However, the sealed bid and competitive proposal may also be selected. For transactions of \$50,000 or more, the sealed bid or competitive proposal must be used.

1. Micro-Purchases

- a. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$3,000 (or \$2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

Anticipated Price

Up to \$3,000

Required Action

May be awarded without soliciting competitive quotations if non-Federal entity considers the price to be reasonable

- b. Documentation: To substantiate reasonableness, documentation can include product or service catalogs, current price lists, or telephone contact with bidders to obtain quotes (i.e., a memorandum that reflects the oral quotations by source and dated and signed by a Contractor staff person obtaining the bids). Catalogs and price lists should be updated annually.

2. Small Purchases

- a. Informal procurement methods for procuring services, supplies, or other property that under \$50,000. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

Anticipated Price

\$3,001 to \$9,999

Required Action

Two documented quotations

|                      |                                  |
|----------------------|----------------------------------|
| \$10,000 to \$49,999 | Three or more written quotations |
|----------------------|----------------------------------|

- b. Documentation: For "3 written quotes," the RFQ must either be provided in writing to the bidders or transmitted as uniformly as possible over the telephone. To be considered, the response must be signed and dated by the bidder responding to the RFQ.
- c. A cost/price analysis must be conducted prior to purchase for small purchases. Lowest price is the normal criteria for selecting goods and services. Qualifications of the bidder, availability of the goods or services, service to be provided, quality and location are some additional factors that could influence the procurement. The documentation must contain the basis for bidder selection. If the basis is something other than the price, the Contractor must prepare written documentation describing the additional criteria for selection, its relevance to the need and benefit, and the relative advantage of the offering from the selected bidder. Documentation should be retained as described in the procurement procedures.
- d. Many governmentally-linked subrecipients purchase office supplies and basic office equipment through their central governmental supply house or procurement administration. Items procured for subrecipient use in this manner will be assumed, for the purposes of WIOA, to be purchased competitively by the central governmental purchasing agency and to meet the requirements of these regulations. Any item purchased solely for WIOA use must be purchased following applicable City Information Bulletins, State Information Notices, City and State Directives, the WIOA, and its regulations.

3. Competitive Sealed Bids—Formal Advertising- Above \$50,000

- a. Contractor shall prepare an Invitation for Bid (IFB) or similar solicitation document that includes a complete, adequate, and realistic specification or purchase description. Sealed bids shall be publicly solicited and a firm-fixed-price contract (lump sum or unit price) or other fixed-price arrangement. Contractor shall distribute the IFB to subcontractors on an established bidders' lists (if available). Contractor shall publicly advertise the procurement in a local newspaper with Workforce Development area-wide circulation. Contractor shall notify the bidders of the dispute resolution process. Contracts shall be awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price. Contractor shall determine the demonstrated performance and ability of the lowest bidder who meets the technical requirements (for service providers).
- b. If sealed bids are used, the following requirements apply:
  - (1) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids and publicly advertised;
  - (2) The IFB, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
  - (3) All bids will be opened at the time and place prescribed in the IFB, and opened publicly;
  - (4) A firm fixed price contract will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation costs, and life cycle costs must be considered in determining which bid is the lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- c. Contractor reserves the right to reject any or all bids if there is a sound documented reason that is fully described and documented in the procurement file. Contractor may award a firm fixed-price or fixed-unit price contract by written notice to the responsible offeror whose bid represents the lowest price and conforms with all of the specifications in the IFB. Contractor shall also provide written notification of the awarding of the contract to the bidders who were not accepted. Contractor shall document the procurement in the procurement file.

4. Competitive Proposals- Formal Advertising – Above \$50,000

- a. Proposals shall normally be conducted with more than one source submitting an offer. Either a fixed-price or a cost-reimbursement type contract is awarded. It is generally used when

conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- (1) RFPs must be publicized and identify all evaluation factors and their relative importance. Any response to publicized RFPs must be considered to the maximum extent practical;
- (2) Proposals must be solicited from an adequate number of qualified sources;
- (3) Contractor must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
- (4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
- (5) Contractor may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

- b. Contractors shall ensure that they use a documented methodology for technical evaluations and shall award the contract to the responsible offeror whose proposals are most advantageous to the program with price, technical, and other factors considered. Requests for proposals must be formally advertised for all contracts above \$50,000.
- c. The Contractor must indicate in the RFP the scope of work and service area, the method for scoring the proposals, the deadline for receipt, and the dispute process. The various components of the request will be valued and the value assigned should be reasonable in relation to the entire request. The Contractor can reserve the right to reject any or all bids when the bid is not responsive. However, the Contractor must state this in the solicitation and the specific reasons must be fully described and documented in the procurement file. The Contractor must establish a method for recording the date and time that proposals were received. This process must ensure that only proposals received in accordance with the date and time specified in the RFP qualify for the evaluation process. A log is an acceptable method for recording date and time of receipt.
- d. Contractor must conduct a cost or a price analysis of the proposals selected for consideration. See above-mentioned Section E, "Cost or Price Analysis."

5. Noncompetitive Proposals – Sole Source
  - a. To conduct a noncompetitive procurement, the criteria for a sole source justification must be met. Sole source contracts shall be procured through solicitation of a proposal from only one source, the funding of an unsolicited proposal, or, after solicitation of a number of sources, when competition is determined inadequate. All sole source justifications require prior City approval. City approval, however, does not guarantee that the Grantor will not make an adverse determination as to whether the requirements for a sole source justification have been met. All sole source procurements must be documented, and the proposer must have demonstrated performance in supplying the goods or services. Contractor shall minimize the use of sole source procurements to the extent practicable, but in every case, the use of sole source procurements shall be justified and documented.
  - b. Purchases of goods and services for the general administration of the administrative entity (EWDD) should follow normal business practices to ensure receipt and quality of the goods and services. Procurement by noncompetitive proposals may be used only when the award of a contract is unfeasible under small purchase procedures, sealed bids, or competitive proposals and one of the following circumstances applies:
    - (1) The item or service is available only from a single source;
    - (2) The public exigency or emergency need for the item or service does not permit a delay resulting from competitive solicitation and the procurement is for a limited time only;

- (3) The awarding agency authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
- (4) After solicitation of a number of sources, competition is determined inadequate.
- (5) OJT contracts, except OJT brokering contracts, which shall be selected competitively, or enrollment of individual customers in classroom training.

**A. Appeal and Dispute Procedures**

- 1. The City and its contractors shall have protest procedures to handle and resolve disputes relating to their procurements. A protester shall exhaust all administrative remedies with the Contractor before pursuing a protest at a higher level. Notice of appeal rights and procedures must be given to all bidders. WIOA bidders who are dissatisfied may file a complaint in accordance with City WIOA complaint procedures.
- 2. The selected bidders are offered contracts after the evaluation and negotiation process is completed. The contracts with subcontractors must contain all provisions set forth in Section K below, and the requirements of 29 CFR Part 97. When purchasing material subject to copyright law, the Contractor must include the copyright provisions in 29 CFR 97.34.
- 3. Regardless of the amount of the award, all contractors shall certify to a Drug Free Workplace. All awards to contractors in excess of \$100,000 shall certify that no funds shall be used for lobbying. All contracts and awards to contractors and subrecipients in excess of \$25,000 shall include debarment certifications.

**J. RFP/RFQ Procedures**

- 1. It is City policy to contract for services on the basis of demonstrated competence and reasonable price by obtaining bids or proposals. Before preparing an RFP/RFQ for the procurement of services, several preliminary activities should be performed including the determination of the City's/Contractor's needs, consulting with contractors and other local governments, and developing an approach to the procurement process. Contractors must justify the procurement method used for each purchase. Once these activities are completed, the development of an RFP/RFQ can begin.
- 2. The sample RFP/RFQ format will require modification to the language to clarify that the solicitation is from a contractor and not the City. In the RFP process, cost is usually one of several selection criteria that proposers must address in their proposals. By contrast in the RFQ process, cost becomes a selection criterion only after proposers have been evaluated based on a review of their qualifications. RFQs are usually reserved for the selection of engineers, architects, or other highly specialized, technical service providers.
- 3. The purpose of these guidelines is to present ideas and material that are characteristic of well-prepared solicitations. The guidelines are not intended to provide total coverage of any topic. While the guidelines apply generally, exceptional circumstances may call for modifying or excluding one or more of the suggested provisions. In any case, the RFP or RFQ should be tailored to the job that needs to be done. The arrangement, adequacy, clarity, simplicity and appeal of the solicitation document shall remain the responsibility of the administering agency. To be most effective, a solicitation document should be clear and complete but avoid repetition, legalism or extraneous information. RFPs must be publicly advertised.
- 4. To obtain a copy of the most updated EWDD-issued Standard RFP Format document, please contact your program monitor.

**§3 RECORDS AND AUDITS OF SUBCONTRACTS**

- A. Records shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered by any subcontract. Such records shall be retained within the Los Angeles Area for a period of three (3) years after receipt of final payment under this Agreement and all other pending matters are closed, unless authorization to remove them is granted in writing by the City.
- B. Expenditures pertaining to subcontracts shall be supported by properly executed documents evidencing in detail the nature of the charges.
- C. At such times and in such forms as the City may require, there shall be furnished to the City such statements, records, reports, data and information as the City may request pertaining to matters covered by any subcontract.

D. These records shall be made available to the City for copying, audit, and inspection at any time during normal business hours.

**§4 COST-PLUS-A-PERCENTAGE-OF-COST-SUBCONTRACTING**

Under no circumstances shall the Contractor enter into Cost-Plus-a-Percentage-of-Cost subcontracts.

**§5 RESTRICTION ON DISBURSEMENTS**

No money received pursuant to this Agreement by the Contractor shall be disbursed to any subcontractor except pursuant to a written agreement which incorporates the applicable General Contract Conditions as described herein and unless the subcontractor is in compliance with City requirements with regard to accounting and fiscal matters, to the extent that they are applicable.

**§6 PARTICIPATION OF SMALL, MINORITY, AND WOMEN'S BUSINESS**

Under 2 CFR 200.321, and along with Executive Order Nos. 11625, 12432, and 12138, Contractor must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

- A. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- B. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- E. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

**§7 COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT**

Contractor will require its subcontractors, if any, to include the language of Section 505.A.3 of this Agreement in any subcontract.

## EWDD CONTRACT SUMMARY SHEET

**To:** The Office of the City Attorney, Room 920, CHE  
The Office of the City Clerk, Index Section, Room 395, CH  
The Office of Contract Compliance (OCC), Mail Stop #138, 1149 S. Broadway, 3<sup>rd</sup> fl.

**From:** Economic and Workforce Development Department  
Workforce Development System  
Contract Unit (213) 744-9001  
CU Analyst/Phone: Sucy Yu (213) 744-7212

Contract No: C-126468

Unit:  POD-FS  POD-WF  POD-Youth  PRE  
 EDD  NDD  FAS  Other:

Amendment Amount: \$0

**Amendment No: Two**

Amendment Authority:  Administrative Code 14.8

Page 59 of 64 | Page 1 of 1 | Case No. 2020-00102

Page 6 of 20 - Page 1 of 1 - 06-06-15

Funding Source: For Hyatt Regency Project Funding  
(1/26/2016 to 9/30/2016)  
WIOA Adult: \$146,000  
WIOA DW: \$54,000

Total Amount: \$1,275,000

Project Title: WorkSource Centers  
- Boyle Heights/East Los Angeles WorkSource Center

Line Item of Authority:  
 Consolidated Plan, Year 42, ID:  
 WIA Annual Plan, Year 17, line:  
 Other: LAAC 14.8

Operating Division Analyst-Phone: Sarai Molina (213) 744-7162, M/S# 854

**PURPOSE OF AGREEMENT/AMENDMENT: TO EXTEND TIME FOR THREE (3) MONTH OF HYATT REGENCY CENTURY PLAZA PROJECT AND UPDATE STANDARD CONTRACT LANGUAGE**