



April 4, 2023

Ladies/Gentlemen:

**SUBJECT: REQUEST FOR QUOTATION (RFQ) 3-2347  
“Diagnostic Laptops and Panasonic Toughbooks”**

*AFFILIATED AGENCIES*

*Orange County  
Transit District*

*Local Transportation  
Authority*

*Service Authority for  
Freeway Emergencies*

*Consolidated Transportation  
Service Agency*

*Congestion Management  
Agency*

The Orange County Transportation Authority (OCTA) requests quotes for the purchase of five (5) Diagnostic Laptops and Panasonic Toughbooks. The budget for this effort is \$25,500.00 for a one-time purchase.

Quotes must be submitted on **Exhibit C, entitled “Price Summary Sheet”** at or before **11:00 a.m., April 20, 2023** via Email to [thunter@octa.net](mailto:thunter@octa.net) specifying the following on the subject line:

**“RFQ 3-2347: “Diagnostic Laptops and Panasonic Toughbooks”**

Quotes received after the date and time specified will not be accepted. Questions, clarifications and approved equal requests shall be submitted in writing to [thunter@octa.net](mailto:thunter@octa.net) no later than 5:00 p.m., April 10, 2023. On the Email subject line, please specify: **“RFQ 3-2347 - Written Questions”**. Responses will be posted no later than April 13, 2023.

All firms interested in doing business with OCTA are required to register their business on-line at CAMM NET. The website can be found at <https://cammnet.octa.net/>.

The successful firm will be required to comply with all applicable Equal Employment Opportunity Laws and Regulations.

Firms must submit pricing on all line items on Exhibit C in order to be considered responsive.

Any contract or purchase order awarded as a result of this RFQ 3-2347 will be to the overall lowest, responsive and responsible firm. If there are any questions, please email [thunter@octa.net](mailto:thunter@octa.net).

Enclosures:

- Exhibit A – Scope of Work
- Exhibit B – Quotation Form
- Exhibit C – Price Summary Sheet
- Exhibit D – Insurance Requirements
- Exhibit E – Level 1 Health, Safety and Environmental Specifications
- Exhibit F – General Provisions

## **SCOPE OF WORK**

### **DIAGNOSTIC LAPTOPS AND PANASONIC TOUGHBOOKS**

#### **BACKGROUND**

- 1.0 The Orange County Transportation Authority (OCTA) requires five (5) new Fully Rugged Panasonic Toughbook® Model# FZ-40CCAAXAM Laptops for diagnostic software to maintain and troubleshoot bus systems. Five (5) computers are required for fixed-route bus maintenance mechanics to replace Panasonic CF-31 Windows 10 laptops at the end of their useful life. The Diagnostic Maintenance Laptop program, managed by Maintenance Training Department, is responsible for supplying and maintaining a pool of computers with diagnostic software for over 225 Bus and Automotive mechanics and Electronic Shop technicians. This includes OCTA directly operated and contracted maintenance employees at Sand Canyon, Anaheim, and Irvine, Construction Circle, all five (5) maintenance bases. Thirty-two (32) laptops / tablets are currently deployed on a seven (7) year replacement schedule. Computers are utilized twenty-four (24) hours a day, seven days a week. The current need is to replace five (5) CF-31 Panasonic Toughbooks at the end of their seven-year life cycle that are used by bus maintenance mechanics. Please see attachment: "Why Fully Ruggedized Panasonic Toughbooks?"

#### **A. REQUIREMENTS**

- 1.1 Five (5) Fully Rugged FZ-40 Panasonic Toughbook® Laptops for Bus Maintenance Mechanics

##### **Specifications Required:**

- Panasonic Toughbook® Model# FZ-40CCAAXAM
- Fully Ruggedized: MIL-STD-810H, MIL-STD-461G, IP66
- Operating System: Windows 11 Pro
- CPU: Intel Core i7-1185G7 vPro (up to 4.8GHz)
- Display: Sunlight-Viewable 1200 nit 14.0" FHD Gloved Multi Touch
- Memory (RAM): 16GB
- Storage: 512GB OPAL SSD
- Wireless: Wi-Fi 6
- Bluetooth
- Standard Battery
- Emissive Backlit Keyboard

- 1.2 Minimum three (3)-year warranty covering parts and labor, whichever is greater.
- 1.3 Shipping and/or delivery charges are to be included in pricing.

**B. DELIVERY LOCATION**

Delivery date and time to be pre-arranged with Phillip Zirges, Maintenance Instructor, Diagnostic Laptop Administrator.

Orange County Transportation Authority  
11790 Cardinal Circle  
Garden Grove, CA 92843  
Attention: Maintenance Training, Room 202C

714-265-4446  
[pzirges@octa.net](mailto:pzirges@octa.net)

## Why Fully Ruggedized Panasonic Toughbooks?

Below is a brief statement of why purchasing “fully ruggedized” laptops for the OCTA Maintenance Department is the preferred choice for our fixed-route bus mechanics since 2006.

Prior to 2006, many attempts were made to find a reliable solution to provide diagnostic software for mechanics in the shop to maintain OCTA’s fixed-route fleet. The Fully Ruggedized Panasonic Toughbook with a 6-foot drop rating and MIL-STD-810H, MIL-STD-461G, and IP66 certifications, represents the best solution to date. Other laptop manufacturers, such as Dell Computers, now make fully ruggedized laptops for about the same price that meet the MIL-STD-810G, but not the IP66 certification and fall short at some point in meeting OCTA maintenance requirements (either full daylight viewable, heavy duty USB ports with securement, screen size, etc.).

### An overview of the main reasons OCTA Maintenance has stayed with the fully ruggedized Panasonic Toughbook:

- **Heavy Duty Industrial Use:** Maintenance laptops are used heavily in the shop, **24/7, 365 days a year** in a shop environment.
- **Experience:**
  - The first laptops put into service early on in the shop were **Gateway personal laptops that lasted on average only six (6) months** each before they had to be replaced.
  - More recently, an attempt was made to put into service the Panasonic **semi-rugged CF-52** laptop. It **lasted only eight (8) months** before it was damaged and taken out of service for two months. Transit Technical Services Advanced Technology Mechanics requested two (2) CF-52 laptops because they liked the lighter weight and wide screen features. A mechanic carrying one of them accidentally bumped it into a workbench while walking through the shop and damaged the screen making it unusable.
- **Significant Set-Up Time Required:** The set-up time required to deploy a new diagnostic computer is significant. A basic image with administrative software can be installed onto a new laptop, but each diagnostic application, eleven (11) currently, must then be individually installed, configured, and tested. Interface drivers and equipment must also be installed, configured, and tested to validate communication with bus equipment. In addition, each new year brings significant challenges maintaining software licensing and subscriptions. Increasingly license subscriptions are tied directly to internal hard drives.
- **Long Service Life:** Over thirty (30) Panasonic Toughbooks used by the Maintenance Department are currently on an unheard of **7-year replacement schedule**, many, until recently, were in service for ten (10) years without any hardware defects or concerns. Replacement was required only after the Operating System became obsolete.
- **Full Daylight Viewable Screen:** The Panasonic Toughbook meets OCTA Maintenance Department full daylight viewable 1200 nit touchscreen requirement.
- **Reliability:** The Panasonic Toughbooks have operated virtually trouble free. Typical requests from the maintenance department for assistance are related to operator error or software licensing issues. We have had only one warranty claim since I have been overseeing the program (since 2010).

## Why Fully Ruggedized Panasonic Toughbooks?

- **Durable USB Port with Securement:** The unique USB port on the Panasonic Toughbook accommodates a USB extension that can be secured to the laptop. The extension cable is easily replaced and increases laptop service life. Before extensions were added in 2011, the single highest cause of computer failure was worn or damaged USB ports. USB ports cannot be replaced without a very high-cost relative to the price of the laptop. Quotes in the past were given amounting to \$1500.00 per laptop to install new ports, an integral part of the motherboard. At this time, only the Panasonic Toughbook has a USB port that accommodates the USB extension used by the Maintenance Department.
- **The Panasonic Toughpad (FZ-G1)** has been tested in the shop and shown to mechanics and supervisors. This tablet is not practical for the shop environment due the size and brightness of the screen, lack of a keyboard, ruggedized connections, and little protection for the screen. It is also awkward to hold or handle in the shop.

**QUOTATION FORM**

REQUEST FOR QUOTES (RFQ): 2-2347

DESCRIPTION OF WORK: Diagnostic Laptops and Panasonic Toughbooks

BIDDER'S NAME AND ADDRESS \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME OF AUTHORIZED REPRESENTATIVE \_\_\_\_\_  
\_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

**Purchase Order**

Effective through December 31, 2023, Firm shall provide Diagnostic Laptops and Panasonic Toughbooks as specified in Exhibit A entitled "Scope of Work." Prices quoted shall remain firm for the term of the Purchase Order.

By submitting a Quote, Firm agrees to the terms and conditions as stated in Exhibit D "Insurance Requirements", Exhibit E "Level 1 Health, Safety and Environmental Specifications", and Exhibit F "Orange County Transportation Authority – General Provisions," which by this reference are incorporated herein. By submitting a Quote, Firm agrees to the terms and conditions as stated in Exhibit F "Orange County Transportation Authority – General Provisions."

**Evaluation for Award**

The Authority shall award to the lowest, responsive, responsible Firm.

Firm must quote all items on Exhibit C, Price Summary Sheet, or shall be deemed non-responsive.

This quotation shall remain firm for \_\_\_\_\_ days from the date of quote.  
(Minimum 120)

SIGNATURE OF PERSON:  
AUTHORIZED TO BIND OFFEROR \_\_\_\_\_

SIGNATOR'S NAME AND TITLE:

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DATE SIGNED:

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**IF NOT QUOTING, PLEASE LIST REASON(S) BELOW**

**PRICE SUMMARY SHEET**

Prices quoted shall include direct costs, indirect costs, overhead, freight, applicable sales tax and profits. The Authority's intention is to award a firm-fixed price purchase order.

DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE
DIAGNOSTIC LAPTOPS AND PANASONIC TOUGHBOOKS	5	\$ _____	\$ _____
Sales Tax – 8.75%			\$ _____
Shipping			\$ _____
TOTAL			\$ _____



### **Insurance Requirements**

A. Contractor shall procure and maintain insurance coverage in full force and effect during the entire term of the Agreement. Coverage shall be full coverage and not subject to self-insurance provisions. Contractor shall provide the following insurance coverage:

1. Commercial General Liability, to include Products/Completed Operations, Independent Contractors', Contractual Liability, Personal Injury Liability, and Property Damage with a minimum limit of \$1,000,000 per occurrence, \$2,000,000 general aggregate and \$2,000,000 Products/Completed Operations aggregate;

2. Automobile Liability Insurance to include owned, hired and non-owned autos with a combined single limit of \$1,000,000 for each accident;

3. Workers' Compensation with limits as required by the State of California including a Waiver of Subrogation in favor of Authority, its officers, directors and employees; and

4. Employers' Liability with minimum limits of \$1,000,000 per accident, \$1,000,000 policy limit-disease, and \$1,000,000 policy limit employee-disease.

5. Professional Liability with minimum limits of \$1,000,000

B. Proof of such coverage, in the form of a certificate of insurance and an insurance policy blanket additional insured endorsement, designating the Authority, its officers, directors and employees as additional insureds on general liability and automobile liability, as required by Agreement. Proof of insurance coverage must be received by Authority within ten (10) calendar days from the effective date of the Agreement and prior to commencement of any work. Such insurance shall be primary and non-contributive to any insurance or self-insurance maintained by the Authority. Furthermore, Authority reserves the right to request certified copies or review all related insurance policies, in response to a related loss.

C. Contractor shall include on the face of the certificate of insurance the Blanket Purchase Order No. and, the Buyer's Name, Tracey Hunter.

D. Contractor shall also include in each subcontract, the stipulation that subcontractor shall maintain insurance coverage in the amounts required of Contractor as provided in the Agreement. Subcontractor will be required to include Authority as additional insureds on the Commercial General Liability, and Auto Liability insurance policies.

E. Insurer must provide Authority with at least thirty (30) days' prior notice of cancellation or material modification of coverage, and ten (10) days' prior notice for non-payment of premium.

## LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

### PART I – GENERAL

#### 1.1 GENERAL HEALTH, SAFETY & ENVIRONMENTAL REQUIREMENTS

- A. The Contractor, its subcontractors, suppliers, and employees have the obligation to comply with all Authority health, safety and environmental compliance department (HSEC) requirements of this safety specification, project site requirements, bus yard safety rules, as well as all federal, state, and local regulations pertaining to scope of work, contracts or agreements with the Authority. Additionally, manufacturer requirements are considered incorporated by reference as applicable to this scope of work.
- B. Observance of repeated unsafe acts or conditions, serious violation of safety standards, non-conformance of Authority health, safety and environmental compliance department (HSEC) requirements, or disregard for the intent of these safety specifications to protect people and property, by Contractor or its subcontractors may be cause for termination of scope or agreements with the Authority, at the sole discretion of the Authority.
- C. The health, safety, and environmental requirements, and references contained within this scope of work shall not be considered all-inclusive as to the hazards that might be encountered. Safe work practices shall be planned and performed, and safe conditions shall be maintained during this work scope.
- D. The Authority Project Manager shall be responsible to ensure a safety orientation is conducted of known potential hazards and emergency procedures for all Contractor personnel, subcontractors, suppliers, vendors, and new employees assigned to the project prior to commencement of the project.
- E. The Contractor shall ensure that all Contractor vehicles, including those of its subcontractors, suppliers, vendors and employees are parked in designated parking areas, and comply with traffic routes, and posted traffic signs in areas other than the employee parking lots.
- F. California Code of Regulations (CCR) Title 8 Standards are minimum requirements; each Contractor is encouraged to exceed minimum requirements. When the Contractor's safety requirements exceed statutory standards, the more stringent requirements shall be applied for the safeguard of public and employees.

#### 1.2 REGULATORY

- A. Injury/Illness Prevention Program  
The Contractor shall comply with CCR Title 8, Section with California Code of Regulations (CCR) Title 8, Section 3203. The intent and elements of the IIPP shall be implemented and enforced by the Contractor and its sub-tier contractors, suppliers, and vendors. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

## LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

B. Substance Abuse Prevention Program

Contractor shall comply with the Policy or Program of the Company's Substance Abuse Prevention Policy that complies with the most recent Drug Free Workplace Act. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

C. Heat Illness Prevention Program

Contractor shall comply with CCR Title 8, Section, Section 3395, Heat Illness Prevention. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

D. Hazard Communication Program

Contractor shall comply with CCR Title 8, Section 5194 Hazard Communication Standard. Prior to use on Authority property and/or project work areas Contractor shall provide the Authority Project Manager copies of SDS for all applicable chemical products used, if any. The program shall be provided to the Authority's Project Manager, upon request, within 72 hours.

- a. All chemicals including paint, solvents, detergents and similar substances shall comply with South Coast Air Quality Management District (SCAQMD) rules 103, 1113, and 1171.

E. Storm Water Pollution Prevention Plan

The Contractor shall protect property and water resources from fuels and similar products throughout the duration of the contract. Contractor shall comply with Storm Water Pollution Prevention Plan (SWPPP) requirements. The program or plan if required by scope shall be provided to the Authority's Project Manager, upon request, within 72 hours.

### 1.3 INCIDENT NOTIFICATION AND INVESTIGATION

- A. The Authority shall be promptly notified of any of the following types of incidents including but not limited to:

1. Damage incidents of property (incidents involving third party, contractor or Authority property damage);
2. Reportable and/or Recordable injuries (as defined by the U. S. Occupational Safety and Health Administration), a minor injury, and near miss incidents;
3. Incidents impacting the environment, i.e. spills or releases on Authority projects or property.
4. Outside Agency Inspections; agencies such as Cal/OSHA, DTSC, SCAQMD, State Water Resources Control Board, FTA, CPUC, EPA, USACE and similar agencies.

- B. Notifications shall be made to Authority representatives, employees and/or agents. This includes incidents occurring to contractors, vendors, visitors, or members of the public

## LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS

that arise from the performance of Authority contract work. An immediate verbal notice followed by an initial written incident investigation report shall be submitted to the Authority's Project Manager within 24 hours of the incident.

- C. A final written incident investigative report shall be submitted within seven (7) calendar days and include the following information. The Current Status of anyone injured, photos of the incident area, detailed description of what happened, Photos of the existing conditions and area of the injury/incident, the contributing factors that lead to the incident occurrence, a copy of the company policy or procedure associated with the incident and evaluation of effectiveness, copy of task planning documentation, copy of the Physician's first report of injury, copy of Cal/OSHA 300 log of work related injuries and illnesses, the Cal/OSHA 301 Injury Illness Incident Report, and corrective actions initiated to prevent recurrence. This information shall be considered the minimum elements required for a comprehensive incident report provided to OCTA.
- D. A Serious Injury, Serious Incident, OSHA Recordable Injury/Illness, or a Significant Near Miss shall require a formal incident review at the discretion of the Authority's Project Manager. The incident review shall be conducted within seven (7) calendar days of the incident. This review shall require a company senior executive, company program or project manager from the Contractors' organization to participate and present the incident review as determined by the OCTA Project Manager. The serious incident presentation shall include action taken for the welfare of the injured, a status report of the injured, causation factors that lead to the incident, a root cause analysis (using 5 whys and fishbone methods), and a detailed recovery plan that identifies corrective actions to prevent a similar incident, and actions to enhance safety awareness.
  - 1. Serious Injury: includes an injury or illness to one or more employees, occurring in a place of employment or in connection with any employment, which requires inpatient hospitalization for a period in excess of twenty-four hours for other than medical observation, or in which an employee suffers the loss of any member of the body, or suffers any serious degree of physical disfigurement. A serious injury also includes a lost workday or reassignment or restricted injury case as determined by the Physician's first report of injury or Cal/OSHA definitions.
  - 2. Serious Incident: includes but not limited to property damage of \$500.00 or more, an incident requiring emergency services (local fire, paramedics and ambulance response), news media or OCTA media relations response, and/or incidents involving other agencies (Cal/OSHA, EPA, AQMD, DTSC, Metrolink, FTA, FRA etc.) notification or representation.
  - 3. OSHA Recordable Injury / Illness: includes and injury / illness resulting in medical treatment beyond First Aid, an injury / illness which requires restricted duty, or an injury / illness resulting in days away from work.
  - 4. Significant Near Miss Incident: includes incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.

## **LEVEL 1 HEALTH, SAFETY AND ENVIRONMENTAL SPECIFICATIONS**

### **1.4 DESIGNATED HEALTH AND SAFETY REPRESENTATIVE**

- A. Upon contract award, the contractor within 10 business days shall designate a health and safety representative and provide a resume and qualifications to the Authority project manager, upon request, within 72 hours.
- B. This person shall be a competent or qualified individual as defined by the Occupational, Safety, and Health Administration (OSHA), familiar with applicable CCR Title 8 Standards (Cal/OSHA) and has the authority to affect changes in work procedures that may have associated cost, schedule and budget impacts.

### **1.5 PERSONAL PROTECTIVE EQUIPMENT**

- A. The Contractor, its subcontractors, suppliers, and employees are required to comply with applicable personal protective equipment (PPE) requirements while performing work at any Authority project or property. Generally minimum PPE requirements include eye protection; hearing protection, head protection, class 2 or 3 safety reflective vests, and appropriate footwear.
- B. The Contractor, its subcontractors, suppliers, and employees are required to provide their own PPE, including eye, head, foot, and hand protection, safety vests, or other PPE required to perform their work safely on Authority projects or property. The Authority requires eye protection on construction projects and work areas that meet ANSI Z-87.1 Standards.

### **1.6 REFERENCES**

- A. CCR Title 8 Standards (Cal/OSHA)
- B. FCR Including 1910 and 1926 Standards
- C. NFPA, NEC, ANSI, NIOSH Standards
- D. Construction Industry Institute (CII)
- E. OCTA Yard Safety Rules

**END OF SECTION**

**Orange County Transportation Authority - GENERAL PROVISIONS**

1. **INSPECTION AND ACCEPTANCE** - All items are subject to final inspection and acceptance by AUTHORITY at destination notwithstanding any payment, passage of title, or prior inspection or test at SELLER's facilities. Final inspection will be made within a reasonable time after receipt of items hereunder. SELLER shall notify AUTHORITY of any known nonconforming product that is expected to be delivered or has been delivered. AUTHORITY shall have authority to approve or refuse identified nonconforming product. Defective goods may be returned at SELLER's expense.
2. **CHANGES** - By written notice or order, AUTHORITY may, from time to time, order work suspension and/or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished by SELLER. If any such change causes an increase or decrease in the price of this agreement or in the time required for its performance, SELLER or AUTHORITY shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing herein shall excuse SELLER from proceeding immediately with the agreement as changed.
3. **DEFAULT AND EXCESS REPROCUREMENT LIABILITY** - AUTHORITY may terminate this agreement if a federal or state proceeding for the relief of debtors is undertaken by or against SELLER, or if SELLER makes an assignment for the benefit of creditors, or if SELLER fails after reasonable notice by AUTHORITY to cure a deficiency in performance or lack of progress thereto. AUTHORITY shall have such additional remedies as may be available whether or not it so terminates this agreement, including, but not limited to, payment by SELLER to AUTHORITY of expenses incurred by AUTHORITY in reprocurring elsewhere the same or similar items or services defaulted by SELLER hereunder, provided SELLER's reprocurement expenses obligation shall be limited to the excess costs above the price specified herein for such items or services.
4. **INDEMNIFICATION** - SELLER shall indemnify, defend, and hold harmless AUTHORITY from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss, damage, claim, or harm for bodily injuries, including death or damage to property caused by SELLER or its employees, subcontractors, or suppliers in connection with the performance of this agreement.
5. **ASSIGNMENTS AND SUBCONTRACTS** - Neither this agreement nor any interest herein nor claim hereunder may be assigned by SELLER, either voluntarily or by operation of law, nor may all or substantially all of the agreement be subcontracted by SELLER without AUTHORITY's prior written consent. AUTHORITY's withholding of consent shall not be deemed to relieve SELLER of its obligations to comply fully with the requirements hereof.
6. **FEDERAL, STATE, AND LOCAL LAWS** - SELLER warrants that, in the performance of this agreement, it shall comply with all applicable Federal, State and local laws and ordinances and all lawful orders, rules and regulations thereunder.
7. **INFRINGEMENT INDEMNITY** - In lieu of any other warranty by AUTHORITY or SELLER against infringement, statutory or otherwise, it is agreed that SELLER shall defend, at its expense, any claim or suit against AUTHORITY based on a claim that any item furnished under this agreement or the normal use or sale thereof infringes any United States Letters patent or copyright, and SELLER shall pay all costs and damages finally awarded in any such suit or claim, provided that SELLER is notified in writing of the suit or claim and given authority, information, assistance at SELLER's expense for the defense of same. If the use or sale of said item is enjoined as a result of such suit, SELLER, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell said item, or shall substitute an equivalent item acceptable to AUTHORITY, and extend this patent indemnity hereto.
8. **TITLE AND RISK OF LOSS** - Unless otherwise provided in this agreement, SELLER shall have title to and bear the risk of any loss of or damage to the items purchased hereunder until they are delivered in conformity with this agreement at the F.O.B. point specified herein, and upon such delivery, title shall pass from SELLER, and SELLER's responsibility for loss or damage shall cease, except for loss or damage resulting from SELLER's negligence. Passing of title upon such delivery shall not constitute acceptance of the item by AUTHORITY.
9. **NOTICE OF LABOR DISPUTE** - Whenever SELLER has knowledge that any actual or potential labor dispute may delay this agreement, SELLER shall immediately notify and submit all relevant information to AUTHORITY. SELLER shall insert the substance of this entire clause in any subcontract hereunder as to which a labor dispute may delay this agreement.

However, any subcontractor need give notice and information only to its next higher-tier subcontractor.

10. **EQUAL EMPLOYMENT OPPORTUNITY** - In connection with the execution of this agreement, the SELLER shall not discriminate against any employee or applicant because of race, religion, color, sex or national origin. The SELLER shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment without regard to their race, religion, color, sex or national origin. Such actions shall include pay, or other forms of compensation and selection for training, including apprenticeship.
11. **TERMINATION FOR CONVENIENCE - AUTHORITY** may terminate this agreement for its convenience at any time, in whole or in part, by giving written notice to SELLER of such termination, effective on the date of such notice. Upon receipt of said notice, SELLER shall immediately take action not to incur any further obligations, costs, or expenses, except as may be reasonably necessary to terminate its activities. AUTHORITY shall pay SELLER its allowable costs incurred to date of termination and those costs determined by AUTHORITY to be reasonably necessary to effect such termination. All finished or unfinished documents and other materials procured or produced by SELLER hereunder shall, at the option of AUTHORITY, become AUTHORITY property upon the date of such termination.
12. **AUDIT AND INSPECTION OF RECORDS** - SELLER shall provide AUTHORITY such access to SELLER's books, records, and facilities as may be deemed necessary to examine, audit, and inspect all work data, documents, and activities related to the goods or services described herein. SELLER shall maintain such books, records, data and documents on a generally accepted accounting basis and shall clearly identify and make such items readily accessible to such parties during SELLER's performance hereunder and for a period of four (4) years from the date of final payment by AUTHORITY hereunder.
13. **TIME IS OF THE ESSENCE** - Time is of the essence in the performance of this agreement. SELLER's delivery of the items and related data and/or documentation and/or performance of required services in accordance with the schedule are a material requirement of this agreement.
14. **WARRANTY** - SELLER warrants to AUTHORITY, its successors and customers that all items furnished to AUTHORITY will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications and samples, will meet all functional and performance requirements and, to the extent this order calls for services to be performed, that such services will be free from defects in workmanship, will meet all of the requirements of this agreement and will be performed to the highest standards of workmanship in the industry. These warranties are in addition to all other warranties, express, implied or statutory. In addition, the warranties set forth in this section shall survive any inspection, delivery, acceptance or payment by AUTHORITY.
15. **FORCE MAJEURE** - Either party shall be excused from performing its obligations under this agreement during the time and to the extent that it is prevented from performing by an unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products, plants or facilities by the federal, state or local government; national fuel shortage; or a material act or omission by the other party; when satisfactory evidence of such cause is presented to the other party, and provided further that such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the party not performing.
16. **GOVERNING LAW** - The laws of the State of California and applicable local and federal laws, regulations and guidelines shall govern this agreement.
17. **SEVERABILITY** - If any term, provision, covenant or condition of this agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this agreement shall not be affected thereby, and each term, provision, covenant or condition of this agreement shall be valid and enforceable to the fullest extent permitted by law.
18. **NOTICES** - All notices hereunder and communications regarding the interpretation of the terms of this agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in the agreement.
19. **COMPLETE AGREEMENT** - This agreement, the purchase order, and any attachments thereto or referenced therein, constitute the complete and exclusive statement of the term(s) and condition(s) of this agreement between SELLER and AUTHORITY and supersede all prior representations, understandings, and communications