



GARLAND

PROCUREMENT

CITY OF GARLAND, TEXAS

STANDARD TERMS AND CONDITIONS FOR GOODS

(1) Entire Agreement: These Standard Terms and Conditions, together with the City's Request for Bid/Proposal (RFx), the Purchase Order (PO), Exhibit A – City of Garland standard insurance requirements, Exhibit B – Federal Terms Addendum (if applicable for grant-funded purchases), and the Vendor's response to the RFx that is accepted by the City, shall be incorporated into and become part of the complete and exclusive agreement ("Agreement") between the City of Garland ("City" or "Buyer") and the Vendor (also referred to as "Bidder," "Contractor," "Consultant," or "Supplier" in the RFx or other documents). All these documents are intended to be read together and incorporated into the final agreement among the parties. Any terms or conditions proposed by Vendor in its bid, proposal, quote, invoice, or other document that add to or conflict with these terms will not form part of the Agreement unless expressly agreed in writing and signed by authorized representatives of both parties.

(2) Order of Precedence: In the event of a conflict between components of the Agreement, the following order of precedence applies: **(i)** the Federal Terms Addendum (if applicable), **(ii)** the City's RFx (Bid or Proposal request and its specifications), if applicable, **(iii)** the PO, **(iv)** these Standard Terms and Conditions (including Exhibit A), and **(v)** the Vendor's response (proposal, quote, or invoice). No other terms (such as click-wrap or shrink-wrap agreements included with products or services) shall alter this Agreement unless expressly agreed to in writing by both parties.

(3) Additional Terms: No additional **browse-wrap, shrink-wrap, click-wrap**, or similar non-negotiated terms or conditions provided by Vendor (for example, included with software, subscriptions, or services) will become part of this Agreement or be binding on the City. Even if City is required to indicate acceptance of such terms (by clicking "accept," etc.) as a condition of access or use, those terms are deemed rejected and void unless the City expressly agrees to them in a written amendment to this Agreement.

(4) Paragraph Headings & Construction: Paragraph headings in this Agreement are for convenience only and do not affect the meaning or scope of the provisions. Both parties have participated in the preparation of this Agreement, and thus it will not be construed for or against either party based on authorship.

(5) Official Bid Notification: The City's official methods for posting bid opportunities are the City's e-procurement portal (<http://garlandtx.ionwave.net>) and the *Commercial Daily Record* of Dallas County. These are the only City-authorized sources for bid information. The City is not responsible for information about bids that is received from any other source. It is the Vendor's responsibility to verify the accuracy and validity of bid information obtained from any source other than the City. (Note: The City's e-procurement portal is provided at no cost for Vendors to use in submitting bids or proposals.)

(6) Fraud Policy: The City is committed to preventing fraud, waste, abuse, and unethical conduct. Vendors should review the City's Fraud Policy (available on the City website at <https://www.garlandtx.gov/819/Fraud-Reporting>) and are expected to report any known or suspected fraudulent or unethical activity. Reports may be made using one of the following methods:

- Calling the City's Fraud Hotline at 972-205-2739.
- Writing to the City's Fraud Hotline at P.O. Box 469002, Garland, TX 75046.
- Emailing the City at **FraudHotline@garlandtx.gov**.
- Submitting an online report via the City's Fraud Hotline web form (accessible on the City website's Internal Audit/Fraud Hotline page).

(7) Interlocal Agreement: The Vendor agrees that any pricing and terms offered to the City in this Agreement can be extended to other governmental entities that have entered or may enter into interlocal purchasing agreements with the City, as permitted under Chapter 791 of the Texas Local Government Code. The City is a member of several cooperative purchasing programs and may request the Vendor to provide the goods at the same prices and terms to other participating governmental entities. Any such extension of pricing shall be at the discretion of the Vendor and the other entity, and the City is not responsible for any separate agreements with those entities.

(8) Right to Audit: The City has the right to examine and audit, upon reasonable notice, any and all books, records, and documents of the Vendor that relate to the performance of this Agreement. This includes the records of the Vendor's employees, agents, and subcontractors. All such records must be maintained in accordance with generally accepted accounting principles (GAAP). Upon the City's request, the Vendor shall produce these records for review at a location designated by the City within five (5) business days of the request (unless otherwise agreed by the parties). The Vendor shall bear all costs of producing and providing access to these records, except that the City will pay any copying costs at standard rates. The requirements of this paragraph survive the termination or expiration of the Agreement.

(9) Amendment and Waiver: This Agreement may be amended or supplemented only by a written instrument signed by authorized representatives of both parties. No oral modifications are permitted. The failure of either party to enforce any right or to require compliance with any term of this Agreement is not a waiver of that party's right to enforce the same (or any other term) in the future. No waiver of any term shall be effective unless in writing and signed by the party waiving compliance.

(10) Risk of Loss: The risk of loss or damage to goods remains with the Vendor until the goods have been delivered to, and accepted by, the City (free on board destination, unless otherwise specified). Any loss or damage to the goods in transit or otherwise, until City's acceptance, shall be borne by the Vendor.

(11) Severability: If any provision of this Agreement is held unenforceable or invalid by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. Invalid or unenforceable provisions will be interpreted or reformed to the extent necessary to achieve the intended purpose of the Agreement in compliance with the law.

(12) Correspondence: The City's bid/RFX number must be referenced on all Vendor correspondence and inquiries related to the RFX. After award, the City's PO number must appear on all invoices and correspondence relating to the Agreement.

(13) INDEMNIFICATION: THE VENDOR SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF GARLAND, ITS OFFICERS, AGENTS, AND EMPLOYEES (PAST AND PRESENT), FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, DEMANDS, LIENS, DAMAGES, CAUSES OF ACTION, LOSSES, AND LIABILITY OF ANY KIND, INCLUDING EXPENSES AND ATTORNEYS' FEES, FOR INJURY TO OR DEATH OF ANY PERSON (INCLUDING WITHOUT LIMITATION CITY'S EMPLOYEES OR AGENTS) OR FOR DAMAGE TO ANY PROPERTY, ARISING OUT OF OR RESULTING FROM: (A) THE PERFORMANCE OF THIS CONTRACT BY THE VENDOR (INCLUDING THE WORK AND ACTIVITIES CONDUCTED IN CONNECTION WITH OR INCIDENTAL TO THIS AGREEMENT); AND (B) ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION OF THE VENDOR OR ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, INVITEES, OR ANY OTHER PERSONS DIRECTLY OR INDIRECTLY EMPLOYED BY, ASSOCIATED WITH, OR INVOLVED BY CONTRACT WITH THE VENDOR. THIS INDEMNIFICATION COVERS, WITHOUT LIMITATION, CLAIMS BASED IN WHOLE OR IN PART ON ANY NEGLIGENT OR INTENTIONAL ACT OR FAULT OF THE VENDOR OR ITS AGENTS, AND ALL SUCH CAUSES OF ACTION BASED ON COMMON LAW, CONSTITUTIONAL PROVISIONS, OR STATUTE. THE VENDOR AGREES IT SHALL AT ALL TIMES EXERCISE REASONABLE PRECAUTIONS FOR THE SAFETY OF ITS EMPLOYEES, AGENTS, SUBCONTRACTORS, AND INVITEES, AS WELL AS THE PROPERTY OF ALL THE FOREGOING, WHILE ON CITY PROPERTY OR PERFORMING WORK FOR THE CITY. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT THE CITY SHALL NOT BE LIABLE OR RESPONSIBLE FOR THE NEGLIGENCE OR FAULT OF THE VENDOR, ITS OFFICERS, AGENTS, EMPLOYEES, SUBCONTRACTORS, INVITEES, OR ANY OTHER PERSON ASSOCIATED WITH THE VENDOR. THE VENDOR SHALL INDEMNIFY AND HOLD HARMLESS THE CITY OF GARLAND FROM ALL LIENS, CLAIMS, OR DEMANDS OF SUBCONTRACTORS, LABORERS, MECHANICS, MATERIAL SUPPLIERS, AND FURNISHERS OF EQUIPMENT OR OTHER GOODS OR SERVICES THAT THE VENDOR HAS HIRED IN PERFORMANCE OF THIS AGREEMENT. UPON REQUEST BY THE CITY, THE VENDOR SHALL PROVIDE SATISFACTORY EVIDENCE THAT ALL SUCH OBLIGATIONS HAVE BEEN PAID OR OTHERWISE SATISFIED. THESE INDEMNIFICATION OBLIGATIONS SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

(14) Third-Party Indemnifications: Notwithstanding anything to the contrary in this Agreement, the City cannot indemnify or hold harmless any third party. Any provision in this Agreement or any document requiring the City to indemnify any party is void and of no effect, as it would create a debt contrary to Article XI, Section 7 of the Texas Constitution.

(15) Confidentiality: In the course of performing under this Agreement, the Vendor may need access to certain City information that is confidential or proprietary, including but not limited to inventions, employee or personnel information, trade secrets, know-how, business plans or processes, financial information, or other information the City designates as confidential ("Confidential Information"). Vendor agrees that Confidential Information is valuable property of the City and/or its licensors, and unauthorized use or disclosure would cause substantial harm to the City. Vendor shall hold all Confidential Information in strict confidence and shall not disclose, copy, distribute, or use any Confidential Information except as necessary to perform its obligations under this Agreement or as authorized in writing by the City. Vendor shall use at least the same level of care to protect Confidential Information as it uses to protect its own confidential information of a similar nature, but no less than reasonable care. If Vendor is required by law or court order to disclose Confidential Information, Vendor shall give prompt written notice to the City before such disclosure (if legally permitted) so that the City may seek a protective order or other appropriate remedy. Vendor's confidentiality obligations shall survive termination of this Agreement. This provision does not supersede the requirement to disclose certain information under the Texas Public Information Act, which is addressed in other sections of this Agreement.

(16) Rights to Bid, Proposal, and Contractual Material: All materials, documents, and information submitted by Vendor in response to a City solicitation (bid, proposal, quote) or provided by Vendor during the term of the Agreement are the property of the City upon receipt. Vendor may identify information that it considers proprietary or confidential by clearly marking those portions. The City will endeavor to respect legitimate proprietary markings, but Vendor acknowledges that all materials may be subject to public disclosure under the Texas Public Information Act (Chapter 552 of the Texas Government Code) and will be handled in accordance with that law. The City is not responsible for notifying Vendor or obtaining Vendor's consent before releasing information that is not marked proprietary or that is required to be released by law.

(17) Delivery: All goods or commodities shall be delivered **F.O.B. (Free on Board Destination)** to the location specified by the City, unless otherwise explicitly authorized by the City. The City will not accept C.O.D. (Cash on Delivery) shipments. Delivery shall not be deemed complete until the goods have been received, inspected, and accepted by the City at the specified destination.

(18) Specifications and Samples: If the Vendor offers an item other than exactly what the City specified in the RFX, the Vendor must clearly identify the offered item by trade name, manufacturer name, catalog number, or other distinguishing information, and must certify that the item is equivalent to the specified item. Descriptive literature or specifications for the alternate item should be provided with the offer. Samples of alternate or substitute

items shall be provided to the City upon request, at no cost to the City, and if not destroyed in evaluation may be returned at Vendor's expense.

(19) Tie Bids: In the event that identical low bids are received from multiple Vendors (tie bids), the City will make the award in accordance with Texas Local Government Code Chapter 271 or other applicable state law. Generally, the City will resolve tie bids by considering factors such as best value, compliance with specifications, delivery terms, or by casting lots (drawing lots or flip of a coin) if required by law.

(20) Error in Quantity: Bids must be submitted in the unit of measure and quantities specified in the RFX. In case of an error in extended pricing, the unit price shall govern and the extended totals and overall total will be corrected accordingly. Vendors are responsible for ensuring their calculations are correct; the City is not liable for errors in Vendor's bid.

(21) Acceptance: The City reserves the right to accept or reject any or all offers, and to accept the offer(s) that it determines provides the best value and is in the City's best interest. The City may choose to award by individual line item, by groups of items, or in total, and may reject any portion of an offer. No contractual rights arise until the City sends a Notice of Award or Purchase Order to the successful Vendor.

(22) OEM Parts: If the procurement is for vehicles or equipment and the specifications require OEM (Original Equipment Manufacturer) parts or components, the Vendor must supply only OEM factory-installed parts unless otherwise stated in the Vendor's offer and agreed by the City. Any exceptions must be clearly noted in the bid and approved by the City.

(23) Substitution: The Vendor is obligated to deliver products and services exactly as specified in the Agreement (including all requirements, specifications, schedule, quality, and quantity). Delivering items or services that do not conform to contract requirements constitutes a breach. The Vendor has no authority to substitute items or services without prior written approval from the City. Any unauthorized substitution may be rejected by the City at Vendor's cost.

(24) Bid List Removal: The City reserves the right to remove a Vendor from any bidders' or vendors' mailing list for City solicitations if the Vendor repeatedly does not respond to City solicitations or fails to perform on awards. Causes for removal from bid lists include, but are not limited to:

- A) Failure to respond to solicitations (lack of responsiveness).
- B) Repeated failure to deliver merchandise or services within the promised time.
- C) Delivery of substandard merchandise or services.
- D) Failure to comply with any material requirement of a contract with the City.

Vendors may be reinstated to bid lists at the City's discretion if they correct the issues and request reinstatement.

(25) Delivery Times: Deliveries to City of Garland facilities (e.g., the City Warehouse or other designated City buildings) will be accepted only during the City's normal business hours: **8:00 A.M. to 5:00 P.M., Monday through Friday**, excluding City holidays (see Term 47 for holidays). If Vendor needs to make a delivery outside of these times, prior arrangements must be made with the City department receiving the goods. For deliveries directly to a City work site or job location, the Vendor shall coordinate with the City's on-site personnel to ensure delivery is received properly.

(26) Packaging: Unless otherwise specified, all items must be new and in first-class condition. Items are to be packaged in a manner adequate to protect them from damage during shipment, handling, and storage. No used, refurbished, or reconditioned items will be accepted unless expressly permitted by the City.

(27) Warranty: By accepting this Agreement, the Vendor warrants that all goods furnished shall: (a) conform to the City's specifications, drawings, and descriptions; (b) be of good material and workmanship, free from defects; (c) be merchantable and fit for ordinary use; and (d) be fit for any particular purpose expressly or implicitly made known to Vendor by the City. These warranties are in addition to all other warranties, express or implied, provided by law or by the Vendor. The Vendor shall not limit or exclude any implied warranties, and any attempt to do so will be ineffective. If Vendor breaches any warranty, the City may, at its option, take any corrective action provided under this Agreement or by law, including rejection of goods, requirement of repair or replacement, or termination of the Agreement.

(28) Term Contracts: If this Agreement is a term or requirements contract (for example, a contract spanning a set period for recurring purchases): Unless otherwise stated, prices shall remain firm for the entire Agreement period, including any agreed renewal or extension periods. If the Agreement provides for renewal options, any renewal will be exercised solely by mutual agreement of the City and the Vendor. If either party does not wish to renew, the Agreement will expire at the end of the current term with no penalty or liability. At the time of renewal, the City or Vendor may request a price adjustment for the upcoming term **due to economic changes** (such as documented changes in market prices, inflation, supply costs, etc.). Any request for price adjustment must include detailed justification and supporting documentation. Both parties must agree in writing to any price adjustments, and no increase will take effect until approved in writing by the City.

(29) Term Contract Quantities: If the Agreement is for goods on a requirements basis (quantities based on City's needs over time), any quantities stated in the RFX or Agreement are **estimates only**. The City reserves the right to increase, decrease, or delete any item or quantity from the Agreement if requirements change. The City does not guarantee any minimum purchase. The Vendor shall not be entitled to any adjustment in unit price or any other compensation for differences between the estimated quantities and the quantities actually ordered, and the City shall not be liable for any Vendor loss of anticipated profit on unused quantities.

(30) Term Contract Shipments: The Vendor shall make shipments or deliveries under this Agreement only as requested by the City. The City will request goods by issuing

orders (such as release orders against a blanket contract) when needed. The Vendor is not entitled to ship or bill for any quantity of goods unless and until a specific request or order is made by the City. If the Vendor has any minimum shipment requirements or standard packaging requirements that could affect orders, the Vendor must clearly notify the City of those requirements in the bid or proposal.

(31) Contract Renewal Options: If the RFX or Agreement documents include an option for the City to renew or extend the contract for an additional period, any such renewal will be at the City's sole option and subject to the agreement of the Vendor. Renewal may also depend on factors such as appropriation of funds. The terms of the Agreement during any renewal period shall remain in accordance with the original terms unless modified by mutual written agreement. If the City offers to renew and the Vendor declines, the Agreement will terminate at the end of the current term.

(32) Taxes – Exemption: The City of Garland is exempt from payment of federal excise taxes and Texas state sales taxes on direct purchases of tangible personal property. The Vendor's prices shall not include such taxes. The City will provide a tax exemption certificate to the Vendor upon request. Vendor is responsible for any taxes it incurs in performing the Agreement (e.g., its own franchise or income taxes).

(33) Assignment: The Vendor shall not assign, transfer, or convey this Agreement or any rights or obligations under it, in whole or in part, without the prior written consent of the City. Any attempted assignment without the City's written consent shall be void. This includes any assignment by operation of law or merger. The City's consent to one assignment shall not constitute consent to any future assignment.

(34) Invoicing: The Vendor must submit invoices to the address or electronic address designated on the PO. The preferred method is to send **original invoices** to the address indicated on the PO or to email them to **contracts@garlandtx.gov**, unless otherwise directed. Invoices should reference the City's PO number and clearly describe the goods provided, the quantity, unit price, and extended price for each line item. If a cash discount for prompt payment is offered, the discount period will be calculated from the date a correct invoice is received by the City. Freight or delivery charges (if allowed) should be itemized separately on the invoice. Incomplete or incorrect invoices may be returned to the Vendor for correction.

(35) Inspection: All goods provided under this Agreement are subject to inspection and approval by the City. The City reserves the right to examine the goods upon delivery and to reject any goods that do not meet the requirements of the Agreement or the City's specifications. If any goods are rejected, the Vendor will be notified and shall promptly remedy the non-conformance at its own expense. Rejected goods may be returned to the Vendor at the Vendor's risk and expense. Payment by the City for goods prior to inspection does not constitute acceptance, and any payment will be refunded by the Vendor for goods that are rejected.

(36) Electronic Signature: The City of Garland, in accordance with Chapter 322 of the Texas Business & Commerce Code (Uniform Electronic Transactions Act), accepts legally

binding electronic signatures and records. The parties agree that this transaction may be conducted by electronic means, and that electronic signatures or affirmations (for example, digital signatures or confirmatory email consents) have the same effect as handwritten signatures for the purpose of executing this Agreement or any amendment, provided they comply with the requirements of Texas law.

(37) Funding Out Clause: The City's obligations under this Agreement are subject to appropriation and availability of funds. If the Garland City Council does not appropriate funds to continue this Agreement in any future fiscal year, or if funds for this Agreement are otherwise not available or are withdrawn (for example, if expected grant or other third-party funding is denied), the City may terminate this Agreement by providing ten (10) days' written notice to Vendor. Such termination shall be without penalty or liability to the City for any future payments, but Vendor will be paid for goods delivered and accepted by the City through the date of termination. This clause is required by Article XI, Section 7 of the Texas Constitution and supersedes any conflicting term.

(38) Dispute Resolution: Except in the instance of injunctive or emergency relief, before either party files a lawsuit or initiates other legal action for breach of contract, the parties agree to attempt to resolve any dispute as outlined in this section. This dispute resolution process is a prerequisite to filing suit by the Vendor for breach of contract. The steps are as follows:

A. Notice of Claim: The Vendor must deliver to the City a written notice of any claim for breach of contract no later than one hundred eighty (180) days after the date the issue giving rise to the claim occurred. This notice must describe the nature of the dispute, the legal basis of the claim, and the relief or corrective action requested from the City. The City will respond in writing to the notice of claim within 14 business days after receipt, stating the City's position and/or proposing a resolution.

B. Negotiation Between Representatives: If the Vendor is not satisfied with the City's response, the Vendor shall notify the City in writing. Each party will then appoint a representative with authority to negotiate and settle the dispute. These representatives shall meet in person within a reasonable time (not to exceed 30 days after the City's response to the claim notice) to attempt to resolve the dispute through negotiation.

C. Senior Management Review: If the dispute remains unresolved after the initial meeting, each party shall escalate the issue to a higher level of management. A meeting (in person or via conference) shall be held between a top management official of the Vendor and a City senior management official or assistant city manager, within an additional 30 days, to attempt in good faith to resolve the claim.

If the dispute is not resolved through the above steps, either party may then consider pursuing available legal or equitable remedies. Compliance with this procedure is a condition precedent to a Vendor instituting a lawsuit against the City for breach of contract.

(39) Disclosure of Certain Relationships (Texas Local Govt. Code Chapter 176): Chapter 176 of the Texas Local Government Code requires vendors and others seeking to

do business with local governments to disclose certain relationships they may have with local government officers. If applicable, the Vendor shall complete and file a **Conflict of Interest Questionnaire (Form CIQ)** with the City's Records Administrator no later than the 7th business day after the date the Vendor becomes aware of facts that require the filing. (See Texas Local Government Code § 176.006.) The CIQ form and Chapter 176 are available on the City's website (for example, via the Purchasing department page). Failure to file the required disclosure is a Class C misdemeanor under Texas law. By submitting a response to the City's RFX and by doing business with the City, the Vendor affirms that it is in compliance with the requirements of Chapter 176.

(40) Performance: If the Vendor fails to comply with any term or condition of this Agreement, including any specifications or requirements in the RFX or any supplemental terms, the City may, at its option and in addition to any other remedies available under Texas law, cancel this Agreement by written notice. In the event of such cancellation for breach, the City retains all rights and remedies for such breach. The City's acceptance of goods or delay in enforcing any remedy shall not waive any rights in the event of the Vendor's default.

(41) Warranty Against Infringement: The Vendor represents and warrants that: (i) it will convey good and indefeasible title to all goods, products, or other deliverables provided to the City under this Agreement, and (ii) none of the deliverables, nor the City's use of them, will infringe upon any patent, copyright, trademark, trade secret, or other intellectual property right of any third party. Vendor further warrants that it is not aware of any claims or potential basis for any claim that the deliverables or City's use of them infringe any third-party rights. **Vendor, at its sole expense, shall defend and indemnify the City against any and all claims, suits, or proceedings alleging that the City's use of the goods or deliverables infringes a patent, copyright, trademark, trade secret or other intellectual property right of a third party,** provided the claim arises from Vendor's breach of the warranties and representations in this section. In the event of any such claim, the City will promptly notify Vendor, and Vendor will provide the defense. The City may, at its option and expense, participate in the defense with its own counsel. If any deliverable is held to infringe and its use by the City is enjoined, Vendor shall, at its expense, either procure for the City the right to continue using it, or replace or modify the deliverable so that it becomes non-infringing while providing equivalent functionality. The Vendor's obligations under this section are in addition to any other remedies the City may have. The City makes no representation or warranty that its specifications for any deliverable do not infringe any intellectual property rights, and Vendor shall not rely on the City's specifications in determining whether an infringement would occur.

(42) Applicable Law: This Agreement is governed by the **Uniform Commercial Code (UCC)** as adopted in Texas (Texas Business & Commerce Code) for goods, and by Texas law generally for other aspects. Whenever a term defined by the Texas UCC is used, the UCC definition shall apply, unless otherwise defined in this Agreement.

(43) Venue and Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the **State of Texas**. Exclusive venue for any legal action arising from this Agreement shall be in a court of competent jurisdiction located in **Dallas**

County, Texas. The parties agree that this Agreement is performable in Garland, Dallas County, Texas.

(44) Termination: The City has the absolute right to terminate this Agreement, in whole or in part, for **cause or for convenience**, upon ten (10) days' written notice to Vendor. If termination is for cause (for example, due to Vendor's failure to perform or breach of contract), the notice will specify the cause. In case of termination for cause, Vendor shall be liable to the City for any and all damages incurred by the City as a result of the breach, and the City may withhold any payments to Vendor for the purpose of set-off until such damages are determined. If termination is for convenience, the Vendor shall be compensated for goods delivered and accepted up to the effective date of termination, and for any materials or work in process that were ordered by the City and cannot be reasonably diverted to other purposes, but no amount will be allowed for anticipated profit on the terminated portion. Upon receiving a termination notice, Vendor shall cease providing goods under the Agreement on the effective termination date and take reasonable steps to mitigate any costs. Vendor shall deliver to the City all finished or partially finished goods and materials prepared for performance of this Agreement, as well as any work product, as of the termination date. The City's termination of the Agreement shall not waive any other rights or remedies it may have at law or in equity.

(45) Force Majeure: To the extent either party is wholly or partially prevented from fulfilling its obligations by causes beyond its reasonable control, that party will be excused from performance (other than payment obligations) for the duration of the force majeure event. Causes that may excuse performance include, but are not limited to: acts of God; natural disasters; strikes or labor disturbances; war or acts of terrorism; riots; fires; floods; epidemics or pandemics; government orders or laws; or court injunctions that make performance impossible. The affected party must promptly notify the other party in writing of the force majeure event and make all reasonable efforts to resume performance as soon as possible. If the Vendor is the affected party, the City may elect to extend the time for performance or terminate all or part of the Agreement if the delay significantly impairs the usefulness of the Agreement to the City. **The sole remedy for delays or failure of performance caused by a force majeure event shall be an extension of time for the party's performance, without any additional compensation.** Under no circumstances will Vendor be entitled to an increase in price or payment of any kind for delays due to force majeure. Economic hardship, changes in market conditions, inflation, and/or tariffs do not constitute force majeure events.

(46) Statutorily Mandated Provisions: The following provisions are required by Texas law and apply to this Agreement:

A. Verification – No Boycott of Israel: Pursuant to **Section 2271.002, Texas Government Code**, if the Vendor (a company, not a sole proprietor) has **10 or more full-time employees** and the value of this Agreement is **\$100,000 or more** to be paid from public funds, then by executing this Agreement, the Vendor certifies that it **does not currently boycott Israel** and will **not boycott Israel** during the term of this Agreement. "Boycott Israel" is defined in Texas Government Code Section 808.001(1). If Vendor is not

required to make this certification (for example, if Vendor is a sole proprietor or if the contract is below the threshold), this provision will not apply.

B. Verification – No Discrimination Against Firearm/Ammunition Industries: Pursuant to **Section 2274.002, Texas Government Code**, if the Vendor (company) has **10 or more full-time employees** and the value of this Agreement is **\$100,000 or more** and is paid from public funds, then by executing this Agreement, the Vendor certifies it **does not discriminate against the firearm or ammunition industries** and will not do so during the term of this Agreement. Specifically, Vendor verifies it does not and will not refuse to do business with any firearm entity or firearm trade association solely because of its status as such. (This provision does not apply if Vendor is a sole proprietor, a non-profit, or if the contract is below the monetary threshold.)

C. Verification – No Boycott of Energy Companies: Pursuant to **Section 2276.002, Texas Government Code**, if the Vendor has **10 or more full-time employees** and the value of this Agreement is **\$100,000 or more** and is paid from public funds, then by executing this Agreement, the Vendor certifies it **does not boycott certain energy companies** and will not boycott such companies during the term of this Agreement. “Boycott energy company” is defined in Texas Government Code Section 809.001 to include refusing to deal with a company because it engages in the exploration, production, utilization, transport, sale, or manufacturing of fossil fuel-based energy. (This provision does not apply if Vendor is a sole proprietor or the contract is below the threshold.)

D. Prohibition on Contracts with Certain Foreign Companies (Iran, Sudan, Foreign Terrorist Organizations): Vendor represents that neither it nor any parent company, subsidiary, or affiliate is engaged in business with Iran, Sudan, or any organization designated as a foreign terrorist organization, as defined in Chapter 2252, Texas Government Code. Vendor also certifies that it is **not listed** on any list prepared by the Texas Comptroller of Public Accounts as a company known to do business with Iran or Sudan or known to have contracts with or provide supplies or services to a foreign terrorist organization (per Texas Gov’t Code §§ 2252.153 and 2270.0201). The relevant lists are available at the Texas Comptroller’s website (e.g., the Sudan List, Iran List, and Foreign Terrorist Organization List). By law, the City is prohibited from contracting with any company on such lists. By entering into this Agreement, Vendor certifies that it meets the requirements of Texas Government Code §2252.152 and is not barred from contracting with the City under those provisions.

E. Foreign Ownership of Critical Infrastructure: In compliance with **Texas Senate Bill 2116 (87th Legislature, 2021)**, codified in relevant part in the Texas Business & Commerce Code, the Vendor certifies that, if this Agreement relates to a contract for a project involving critical infrastructure (as defined by Texas Business & Commerce Code § 113.001(2)), the Vendor is **not owned or controlled** by citizens or entities of China, Iran, North Korea, Russia, or any other country designated by the Texas Governor as a threat to critical infrastructure under Texas Business & Commerce Code § 113.003. Vendor further certifies it is not **headquartered** in any of those countries. This certification applies regardless of whether Vendor’s securities are publicly traded or Vendor is listed on a public

stock exchange. The Vendor shall notify the City immediately if it becomes owned or controlled by citizens or entities of any such country during the term of the Agreement.

F. Public Information Act – Contracting Information Requirements: This Agreement may be subject to the disclosure requirements of Subchapter J, Chapter 552, Texas Government Code (the Texas Public Information Act). If this Agreement has a value of at least \$1 million **or** if the Agreement results in the expenditure of public funds for the provision of services by the Vendor (e.g. functions traditionally provided by the City), the following applies: Vendor is required to preserve all contracting information related to this Agreement as defined by Texas Government Code § 552.003(7), and promptly provide such information to the City if requested. Vendor must comply with the requirements of Texas Government Code §§ 552.371–552.376. Failure to do so constitutes a breach of contract and could result in termination of this Agreement. Vendor acknowledges that the Agreement and related information may be subject to public disclosure unless an exception under law applies. Without limiting the foregoing, pursuant to §552.372 of the Government Code, the City has the right to terminate the Agreement if Vendor knowingly or intentionally fails to comply with Subchapter J of Chapter 552. Vendor shall ensure that any subcontractor agreements necessary for performance of this Agreement include similar requirements.

G. Disclosure of Interested Parties (Form 1295): If Texas Government Code § 2252.908 applies to this Agreement (generally, for contracts that require approval by the City Council or have a value of at least \$1 million), the Vendor must submit a Disclosure of Interested Parties form (Form 1295) to the City at the time the contract is signed. The Vendor shall complete Form 1295 electronically on the Texas Ethics Commission website and furnish the executed form with a certificate of filing to the City. The City cannot execute a contract requiring Council approval until the Vendor submits a correct Form 1295. Vendor acknowledges this statutory requirement and agrees to comply promptly if it is applicable. (Form 1295 is not required for contracts exempted by law, such as those with publicly traded corporations or electric/gas utilities, or contracts of minimal value that do not require Council action.)

H. Prohibition on Contracts with Abortion Providers or Affiliates: In accordance with **Chapter 2273, Texas Government Code** (previously codified as Chapter 2272), the City is prohibited from entering into a taxpayer resource transaction (which includes contracts) with an abortion provider or an affiliate of an abortion provider. By entering into this Agreement, Vendor certifies that it is **not an abortion provider or an affiliate** (as those terms are defined in Texas Government Code § 2273.001), and that this Agreement will not violate the prohibition described in Texas Government Code § 2273.003. This provision does not apply to the extent (if any) the Vendor is a hospital or licensed physician office exempt under the law, or the contract is subject to a conflicting federal requirement.

(47) Working Days and Hours: The City of Garland observes the following **legal holidays**, on which City offices are generally closed and on which Vendor may not be able to deliver or perform services (except for emergency services or unless otherwise directed):

- New Year's Day (January 1)
- Martin Luther King, Jr. Day (3rd Monday in January)
- Memorial Day (last Monday in May)
- Juneteenth Day (June 19)
- Independence Day (July 4)
- Labor Day (1st Monday in September)
- Thanksgiving (2 days – Thanksgiving Day and the Friday after)
- Christmas (2 days – December 24 and 25)

City normal **business hours** are 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding the above holidays. If the Vendor's performance will be affected by these holidays (for example, delivery schedules or on-site work), the Vendor must accommodate the City's schedule or coordinate exceptions with the City in advance.

(48) Qualifications for Doing Business with the City (Convicted Felon & Discrimination Policy):

A. Definition of "Person" for this policy: For the purposes of this policy, a "person" includes: **(a)** an individual; **(b)** a majority owner or principal of a corporation, partnership, association, or limited liability company; **(c)** shareholders in a business entity that has five or fewer shareholders; and **(d)** any affiliates of the business that are majority-owned by any of the foregoing.

B. Policy – No Contracts with Certain Convicted Persons: It is the policy of the Garland City Council that the City shall not enter into or renew a contract for goods or services with any person who has been convicted of a state or federal felony offense, except as provided under certain conditions. In addition, the City shall not contract with any person who has been **convicted and fined in excess of \$50,000** for certain state or federal discrimination offenses (where the charges involve discrimination on the basis of race, gender, or religion). For purposes of this policy, "conviction" includes a conviction on a plea or verdict, including cases resulting in probation, deferred adjudication, or similar outcomes.

C. Exceptions: This policy **does not apply** if any of the following conditions are met: **(a)** At least three (3) years have elapsed between the conviction and the City Council's approval of the Agreement; **(b)** The Agreement does not require City Council approval (for example, contracts within the City Manager's authority or low-value purchases); **(c)** The Agreement involves payments to a person as an informant or participant in a crime stopper program; or **(d)** The City Council, by affirmative vote of at least six (6) of its members, waives the policy upon determining that applying the policy would cause a financial hardship to the City for a particular contract.

For solicitations that may result in a contract awarded by the City Council, the Vendor must include with its bid/proposal a certification of compliance with this policy (i.e., certifying that none of the owners or principals of the business has a disqualifying conviction that would bar the contract under this policy, or identifying an applicable exception or prior waiver).

The City may terminate the contract if this certification is false or if a disqualifying conviction is discovered that is not exempt under this section.

(49) Doing Business with Delinquent Account Holders: It is the policy of the Garland City Council that the City shall not do business with any person or business entity that is delinquent on monies owed to the City. Examples of delinquent accounts owed to the City include unpaid property taxes, unpaid assessments or fees (such as impact fees or utility service bills), unpaid EMS (emergency medical service) bills, or any other debt to the City that is past due. City departments will review whether prospective contractors are delinquent on any City accounts. If a Vendor is found to be delinquent on an amount owed to the City, the City may decline to award a contract or may refuse to execute or renew a contract until the delinquency is resolved. If a delinquency is discovered after a contract is executed, the City may exercise remedies up to and including termination for cause for breach of this policy.

(50) Prohibition Against Personal Interest in Contracts: In accordance with Chapter 171 of the Texas Local Government Code and the City's Code of Ethics, no City of Garland officer or employee shall have a direct or indirect financial interest in any contract with the City. Furthermore, City officers and employees are prohibited from being directly or indirectly financially interested in the purchase of any land, materials, supplies, or services by the City. Any potential conflict of interest on the part of a City officer must be disclosed and addressed in accordance with the law (including public disclosure and abstention from voting on the matter). The Vendor warrants that it has not knowingly participated in any conduct that would cause a City officer or employee to violate these conflict of interest laws in the award or performance of this contract.

(51) Prevailing Wage Rates: For contracts that involve construction of public works (as defined by Texas law), the Vendor (and any subcontractors) must comply with **Chapter 2258 of the Texas Government Code** regarding prevailing wage rates. The City of Garland has adopted the current prevailing wage rates for Dallas County, Texas as determined by the United States Department of Labor in accordance with the federal Davis-Bacon Act (40 U.S.C. § 3141 *et seq.*). These rates are incorporated into this contract. The Vendor and its subcontractors shall pay not less than these specified prevailing wages to workers on the project. The current wage decisions are available on the federal **SAM.gov** website for wage determinations. The Vendor shall keep records showing the names and occupations of all workers employed on the project and the wages paid, as required by law, and shall make those records available for inspection by the City or regulatory authorities. If the Vendor fails to comply with the required prevailing wage rates, it will be in breach of contract and subject to any applicable penalties under state law.

(52) Prompt Payment: This Agreement is subject to the Texas Prompt Payment Act (Chapter 2251, Texas Government Code). Under that law, for any goods or services provided and accepted under a contract, the City's payment is due **no later than the 30th calendar day** after the later of: **(A)** the date the City receives the goods (or the date the services are completed), or **(B)** the date the City receives an invoice for the goods or services. If the City fails to timely pay an undisputed amount, interest will accrue on the

late payment at the rate specified by law (which is generally 1% per month). The Vendor must ensure that any subcontractors are paid promptly in accordance with Texas Government Code Chapter 2251. Specifically, the Vendor is required to pay any subcontractor not later than ten (10) days after the Vendor's receipt of payment from the City, for the proportionate share of the payment received for subcontracted work, or else inform the City and subcontractor of a good cause for delay. These prompt payment requirements are mandated by state law.

(53) Waste Minimization and Recycling: The City of Garland promotes environmental sustainability. In purchasing products, the City will give preference, where feasible, to products that are made of recycled materials or that can be recycled after use, provided those products meet the required specifications and are of comparable quality and price. The Vendor is encouraged to offer recycled or environmentally preferable products if they meet the City's needs and to minimize unnecessary packaging or waste in fulfilling the order.

(54) Immigration Reform and Control Act Compliance: The Vendor confirms that it is in compliance with the Immigration Reform and Control Act of 1986 (IRCA), which includes ensuring that all employees it provides on City work are legally authorized to work in the United States. The Vendor has properly completed I-9 employment eligibility verification forms for each of its employees and maintains appropriate records as required by federal law. The Vendor further acknowledges that any misrepresentation or violation of IRCA by the Vendor during the term of this Agreement is a material breach, which may result in termination of the Agreement by the City. The Vendor shall indemnify the City for any penalties, liabilities, or losses incurred by the City due to the Vendor's violation of this provision.

(55) Vendor Compliance – Reciprocity on Non-Resident Bidders: Pursuant to **Section 2252.002, Texas Government Code**, the City must give preference to Texas resident bidders over nonresident bidders in the award of contracts, to the extent that nonresident bidders receive a preference in their home state. A "nonresident bidder" means a bidder whose principal place of business is not in Texas. Vendor certifies that if it is a nonresident bidder, it has disclosed in its bid/proposal any fact that would give it an advantage in its home state (or country) over a Texas resident bidder, and acknowledges that the City will apply any such out-of-state preference in determining the best bid. Essentially, the City will evaluate bids in accordance with Texas law: a non-Texas company's bid will be increased by the same percentage or amount that a Texas company would be required to underbid that company in the bidder's home jurisdiction to win an equivalent contract. This requirement does not apply to contracts involving federal funds (where federal rules supersede). By entering this Agreement, Vendor affirms that it is in compliance with Texas Government Code Chapter 2252 regarding this issue.

(56) Debarred Vendor: Vendor certifies that neither it nor any of its principals or affiliated companies is currently debarred, suspended, or otherwise excluded from contracting with the **State of Texas** or the **U.S. Federal Government**. Vendor certifies that it is not listed on the Texas Comptroller of Public Accounts' Debarred Vendor List and not listed on the U.S. government's System for Award Management (SAM) exclusions. If the Vendor

becomes debarred or suspended by the state or federal government during the term of this Agreement, the Vendor shall notify the City in writing within five (5) business days. The City may immediately terminate this Agreement in the event that Vendor becomes debarred or ineligible to perform federal, state, or local government contracts. Termination under this clause will be considered “for cause” due to Vendor’s breach.

(57) Americans with Disabilities Act (ADA) Compliance: The City of Garland does not discriminate on the basis of disability in the admission or access to, or treatment or employment in, its programs or activities. In performing this Agreement, the Vendor shall not discriminate against any qualified individual with a disability, as defined in the ADA, and shall ensure that its products are provided in compliance with the ADA and all applicable federal regulations. Specifically, the Vendor agrees to comply with Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101–12213) and the implementing regulations at 28 CFR Part 35, as well as any other applicable state or federal law pertaining to disability nondiscrimination. All contractors and suppliers to the City must abide by the provisions of the ADA in their dealings with the City and in the goods they provide to the City.

(61) Title VI of the Civil Rights Act: The City of Garland, in accordance with **Title VI of the Civil Rights Act of 1964** (42 U.S.C. §§ 2000d to 2000d-4) and related federal regulations, hereby notifies all Vendors that the City will affirmatively ensure that disadvantaged business enterprises (DBEs) and minority or female-owned businesses have a full and fair opportunity to participate in City contracts. **The Vendor shall not discriminate** against any person or company on the grounds of race, color, national origin, sex, religion, age, or disability in consideration for an award or in the performance of this Agreement. If federal funds are involved in this procurement, the Vendor agrees to comply with all applicable federal nondiscrimination requirements, including but not limited to Title VI. The Vendor also agrees that it will include a clause substantially similar to this nondiscrimination provision in any subcontracts it enters into for the performance of this Agreement.

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GARLAND
PROCUREMENT

EXHIBIT A: CITY OF GARLAND STANDARD INSURANCE REQUIREMENTS

Vendors providing goods, materials and services for the City of Garland (the “City”) shall, during the term of the contract with the City or any renewal or extension thereof, provide and maintain the types and amounts of insurance set forth herein. All certificate(s) of insurance shall contain the following provisions:

1. Name the City, its officers, representatives, and employees as additional insureds as to all applicable coverage as noted.
2. Provide for at least thirty (30) days prior written notice to the City for cancellation, non-renewal, or material change or modification of any policies, evidenced by return receipt or United States Mail.
3. Provide for a waiver of subrogation in favor of the City.

Insurance Company Qualification: All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least “A- VII” by A.M. Best’s Key Rating Guide, or other equivalent rating service(s).

Certificate of Insurance: A certificate of insurance evidencing the required insurance shall be submitted with the Vendor’s bid or response to proposal. A certificate of insurance shall also be provided to the City prior to the date the contract is executed, renewed or extended.

Insurance Types and Limits: Standard Insurance Terms under “All Contracts” apply unless a more specific Contract type is applicable and modifies the insurance limits.

Type of Contract

Type and amount of Insurance

All Contracts

General Liability for bodily injury, property damage, and advertising injury with a minimum limit of \$1,000,000 per occurrence and \$2,000,000 aggregate, including a separate aggregate of \$2,000,000 for products and completed operations.

Automobile Liability with a minimum limit of \$500,000 per occurrence or combined single limit.

Texas Statutory Workers' Compensation and Employers Liability with a minimum limit of \$100,000 for Each Accident, Disease – Each Employee and Disease – Policy Limit. Non-Subscribers must provide proof their non-subscriber status with the Texas Department of Insurance (Form – DWC 005)

Special Events

If the Vendor serves, sells, or otherwise provides alcoholic beverages, Liquor Liability with a minimum of \$1,000,000 per Occurrence and \$2,000,000 Aggregate.

If the City, in its sole determination, considers activities of the Special Event to be high risk or dangerous activities, Umbrella Coverage or Excess Liability Excess Coverage commensurate with the risk, but in no event less than \$2,000,000.

If a transportation hire for service is provided, Automobile Liability with a minimum of \$1,000,000 combined single limit.

Public Works and Construction

Texas Statutory Workers' Compensation and Employers Liability with a minimum limit of \$1,000,000 for Each Accident, Disease – Each Employee and Disease – Policy Limit. Non-Subscribers must provide proof their non-subscriber status with the Texas Department of Insurance (Form – DWC 005)

Professional Services

Professional Liability Insurance with a minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate. Must be on an Occurrence Form. If coverage is provided on a Claims-Made Form, then it must have a retroactive date at least to the first date of the applicable contract for which coverage is provided.

Software, SAAS, and IT Services

Errors & Omissions \$1,000,000
Cyber Liability \$1,000,000
Privacy & Network Security \$1,000,000

The above limits are standard. The City of Garland's Risk Management Department reserves the right to amend these limits and coverages based on the exposures in the subject contract.

Certificate Holder Address:

City of Garland

Attn: Procurement Department
200 N. Fifth Street

Garland, TX 75040

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GARLAND

PROCUREMENT

EXHIBIT B: COG FEDERAL TERMS & CONDITIONS ADDENDUM

(Applicable to Contracts/Purchases funded in whole or in part by Federal grant funds)

This Addendum is incorporated into the contract between the City of Garland, Texas (“City”) and the Vendor whenever federal grant funds are used. It is intended to ensure full compliance with **2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)** and other applicable federal laws and regulations. All provisions below are in addition to, and **will prevail over any conflicting terms** in, the Agreement. The term “**Vendor**” is used throughout this Addendum to refer to the contracted party (including any bidder, contractor, supplier, or consultant). The Vendor **must flow down** these requirements to any lower-tier subcontractors as required by federal law.

1. Debarment and Suspension Certification

This Agreement is a covered transaction for purposes of federal debarment and suspension rules (see **2 CFR Part 180** and **2 CFR Part 3000**). Accordingly, the Vendor must verify that none of the Vendor’s principals or affiliates (as defined in 2 CFR §§180.995 and 180.905) are presently excluded or disqualified from participation in federally funded contracts (as defined at 2 CFR §§180.940 and 180.935). The Vendor shall comply with all applicable requirements of 2 CFR Part 180 subpart C and 2 CFR Part 3000 subpart C, including requiring compliance from any lower-tier subcontractors it enters into.

Certification. By entering into this Agreement, the Vendor certifies as a material fact that it is not debarred or suspended and is in compliance with the above regulations. If it is later determined that the Vendor failed to comply with 2 CFR Part 180, subpart C or 2 CFR Part 3000, subpart C, the City may terminate this Agreement and the Federal Government may pursue all available remedies, including suspension and debarment. The Vendor agrees to maintain compliance with these requirements throughout the Agreement period and to include a similar provision in any lower-tier covered transactions.

2. Violation or Breach of Agreement Terms

For contracts in excess of the Simplified Acquisition Threshold (as defined in 2 CFR §200.1, and periodically adjusted for inflation, currently \$250,000), federal law requires contract provisions addressing remedies for breach of contract by the contractor.

Accordingly, the City's Standard Terms and Conditions (to which this Exhibit is attached and which are incorporated by reference) include provisions governing Vendor default, breaches, and associated administrative, contractual, or legal remedies and sanctions. These remedies are in addition to any other rights and remedies available to the City under law or equity. By submitting a proposal or bid and by entering into this Agreement, the Vendor agrees to the City's terms regarding violation and breach of contract and acknowledges that it is subject to such remedies and penalties in the event of a breach.

3. Termination for Cause or Convenience

For any City of Garland purchase or contract in excess of \$10,000 financed in whole or in part with federal funds, the City retains the right to terminate the contract for cause or convenience. The City may terminate or cancel any purchase order or contract under this Agreement, in whole or in part, at any time **with or without cause**, by providing at least **seven (7) business days'** advance written notice to the Vendor. In the event of termination without cause, the Vendor is entitled only to payment for goods and services actually delivered to (and accepted by) the City before the effective termination date and not returned under the Vendor's return policy. The Vendor must promptly refund to the City any payments for goods/services the City paid for but which were not provided as of the termination date.

If a specific termination clause (addressing method of termination and basis for settlement) is included in the City's Purchase Order, construction contract, or other agreement with the Vendor, then that clause **shall supersede** the above term to the extent of any difference.

4. Equal Employment Opportunity (EEO)

Except as otherwise provided under 41 CFR Part 60, for every City of Garland contract that meets the definition of a "**federally assisted construction contract**" (as defined in 41 CFR §60-1.3), the equal opportunity clause set forth in 41 CFR §60-1.4(b) is incorporated herein by reference. This clause, required by Executive Order 11246 as amended by E.O. 11375 and implemented by 41 CFR Part 60, prohibits discrimination in employment and requires affirmative action to ensure equal opportunity in all aspects of employment. The Vendor agrees to comply with all applicable and operational provisions of the equal opportunity clause and acknowledges that it may apply to any federally-assisted construction contract funded by this Agreement.

5. Davis-Bacon Act and Copeland "Anti-Kickback" Act

When required by federal program legislation, for all prime construction contracts/purchases in excess of \$2,000, the Vendor shall comply with the **Davis-Bacon Act** (40 U.S.C. §§3141–3144 and 3146–3148) and its implementing regulations (29 CFR Part 5). Under this Act, the Vendor must pay prevailing wages to laborers and mechanics as determined by the U.S. Department of Labor, and must pay workers at least once a week. Current applicable wage determinations can be found at **beta.sam.gov**, and the Vendor's acceptance of a Purchase Order or contract is

conditioned upon its acceptance of the current prevailing wage determination issued for the project.

The Vendor further agrees to comply with the **Copeland “Anti-Kickback” Act** (40 U.S.C. §3145), as supplemented by Department of Labor regulations at 29 CFR Part 3. The Copeland Act prohibits the Vendor or any subcontractor on a construction contract from inducing any employee to give up any part of the compensation to which they are entitled by law. The Vendor shall ensure all workers are paid in full and that no unlawful deductions or kickbacks are taken.

6. Contract Work Hours and Safety Standards Act

For all contracts in excess of \$100,000 that involve the employment of laborers or mechanics, the Vendor must comply with the **Contract Work Hours and Safety Standards Act** (40 U.S.C. §§3701–3708). Under 40 U.S.C. §3702, the Vendor shall compute the wages of every mechanic and laborer on the basis of a standard 40-hour work week, and shall pay workers at least one and one-half times their regular pay rate for all hours worked over 40 in a week. Pursuant to 40 U.S.C. §3704, the Vendor shall not require any laborer or mechanic to work in surroundings or under conditions that are unsafe, hazardous, or unsanitary. (These requirements do not apply to the purchase of supplies or materials or articles ordinarily available on the open market, or to transportation or transmission contracts.)

7. Rights to Inventions Made Under a Contract or Agreement

If this Agreement is funded by a federal award that meets the definition of a “**funding agreement**” under 37 CFR §401.2(a) (i.e. the federal award is for the performance of experimental, developmental, or research work) and the City or its subrecipient (Vendor) enters into a contract with a small business firm or nonprofit organization for the performance of a portion of that work, the parties must comply with the requirements of **37 CFR Part 401** (implementing the **Bayh-Dole Act** on rights to inventions made by nonprofit and small business contractors under federal grants). In such cases, the Vendor agrees to adhere to all applicable invention disclosure, allocation of rights, and intellectual property provisions required by 37 CFR Part 401 and the awarding agency.

8. Clean Air Act and Federal Water Pollution Control Act

For any contract or subgrant in excess of \$150,000, the Vendor shall comply with all applicable standards, orders, or regulations issued pursuant to the **Clean Air Act** (42 U.S.C. §7401–7671q) and the **Federal Water Pollution Control Act** (33 U.S.C. §1251–1387), as amended. Any violations of these Acts by the Vendor must be reported to the City, the federal awarding agency, and the Regional Office of the EPA. The Vendor agrees to include this requirement in all subcontracts above \$150,000.

9. Byrd Anti-Lobbying Amendment

For any federally-funded contract exceeding \$100,000, the Vendor must sign and submit to the City a certification that it will not use and has not used any federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee

of a member of Congress in connection with obtaining the federal contract, grant, or award. The Vendor must also disclose any lobbying with non-federal funds that occurs in connection with obtaining any federal award. Such disclosures shall be forwarded up the chain from tier to tier all the way to the federal awarding agency. The Vendor agrees to provide any required certifications and disclosures to the City and to otherwise comply with the requirements of the Byrd Anti-Lobbying Amendment (31 U.S.C. §1352) and its implementing regulations.

10. Procurement of Recovered Materials

In the performance of this Agreement, the Vendor must comply with **Section 6002 of the Solid Waste Disposal Act**, as amended by the Resource Conservation and Recovery Act (RCRA). Accordingly, the Vendor shall, to the maximum extent practicable, procure recycled and recovered materials as described in Section 6002. Specifically, for any procurement of items where the purchase price exceeds \$10,000 or the total value of such items purchased in the prior fiscal year exceeded \$10,000, the Vendor shall make good-faith efforts to procure EPA-designated items (published at 40 CFR Part 247) that contain the highest practicable percentage of recovered materials, consistent with maintaining a satisfactory level of competition. The Vendor also agrees to maximize the use of recycled content in the provision of services and shall establish an affirmative procurement program for recovered materials identified in applicable EPA guidelines. The Vendor shall provide information and certifications to the City upon request to document compliance with this requirement.

11. Domestic Preferences for Procurements

Where applicable, and to the extent consistent with law, the City will apply a **preference for domestically produced** goods, products, and materials in its procurements, as permitted by **2 CFR §200.322** (Domestic preferences for procurements). The Vendor agrees to support the City's compliance with any such domestic preference requirements. When requested by the City, the Vendor shall provide information about the origin of goods, products, or materials provided (e.g. whether they are produced in the United States) to assist in documenting compliance with **Buy American** or other domestic sourcing mandates.

12. Prohibition on Certain Telecommunications and Video Surveillance Equipment

The Vendor shall **not use** federal funds (nor provide to the City as part of its performance) any covered telecommunications equipment or services, as defined and prohibited by **2 CFR §200.216**. 2 CFR §200.216 generally bans the procurement or use of telecommunications and video surveillance equipment or services produced by Huawei Technologies Company, ZTE Corporation, or any of their subsidiaries or affiliates, as well as certain equipment or services produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or their subsidiaries/affiliates). If the Vendor's offered products or services include telecommunications or video surveillance equipment, the Vendor must certify and provide evidence that such equipment is not covered (e.g. not from a prohibited

manufacturer or provider). The Vendor agrees to provide any information reasonably requested by the City to ensure compliance with this prohibition.

13. Profit as a Separate Element of Price

In compliance with **2 CFR §200.324(b)**, for procurements using federal funds that exceed the Simplified Acquisition Threshold, the City may be required to negotiate profit separately as an element of the price. If the City determines that such a negotiation is necessary, the Vendor agrees to provide sufficient cost information and to negotiate in good faith regarding the profit component of the contract price. The Vendor further agrees that the total price, including profit, charged to the City shall not exceed the pricing set forth in the Vendor's underlying contract or proposal (including any applicable discounts under a cooperative purchasing agreement, if used).

14. General Compliance and Cooperation with the City

In addition to the specific requirements set forth above, the Vendor shall comply with all other applicable federal laws, regulations, and requirements for the federal award funding this contract. By accepting a Purchase Order or contract with the City, the Vendor commits to work in good faith with the City to provide any additional information or assurances needed to satisfy federal requirements for the procurement. This includes, but is not limited to, complying with recordkeeping and record retention requirements, providing access to records for audit or review, and executing further documents or certifications as may be required by the federal awarding agency or by the City to fulfill its obligations under the federal award.

15. Drug-Free Workplace Requirements

The Vendor must comply with the **Drug-Free Workplace Act of 1988** (41 U.S.C. Chapter 81) and certify that it will maintain a drug-free workplace throughout the term of this contract. The Drug-Free Workplace Act requires recipients of federal grants to agree to provide drug-free workplaces as a precondition of receiving the grant. The Vendor shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in performing any work under this Agreement, and will ensure that its employees, while on City premises or engaged in performance of the Agreement, comply with the Act. The Vendor further agrees to satisfy the requirements of any regulations or rules issued by the federal awarding agency regarding a drug-free workplace (e.g., HUD's rules at 24 CFR part 24, subpart F, or equivalent provisions), including notifying the City and federal agency of any employee convictions for drug-related violations in the workplace as required by law.

16. Buy America(n) Act (Applicable to Specific Federal Grants)

If this contract is funded by a federal program that requires compliance with **Buy America or Buy American Act** provisions (such as certain U.S. Department of Transportation or infrastructure grants), the Vendor agrees to adhere to all applicable domestic sourcing requirements. In particular, the following provisions apply when required by the federal awarding agency:

(a) Definitions. For purposes of this section, the following definitions apply:

- **Commercially available off-the-shelf (COTS) item** – Any item of supply (including construction material) that is sold in the commercial marketplace in substantial quantities and is offered to the government without modification in the same form as available to the general public. *Note:* COTS items do not include bulk cargo, such as agricultural or petroleum products, as defined in 46 U.S.C. §40102(4).
- **Component** – An article, material, or supply incorporated directly into an end product.
- **Cost of components** – (1) For components purchased by the Vendor: the acquisition cost (including transportation to the place of incorporation into the end product), plus any applicable duty (whether or not a duty-free entry certificate is issued); or (2) For components manufactured by the Vendor: all costs associated with manufacturing the component (including transportation and allocable overhead costs), but excluding profit. *Note:* The cost of components does not include any costs associated with the manufacture of the end product.
- **Critical component** – A component that is mined, produced, or manufactured in the United States and determined to be critical to the U.S. supply chain (as determined by the applicable federal regulations, e.g., see FAR 25.105 for a list of critical components).
- **Domestic end product** – (1) An unmanufactured end product mined or produced in the United States; or (2) an end product manufactured in the United States, provided that (i) the cost of its U.S.-made components exceeds 60% of the cost of all components (this threshold increases to 65% for items delivered in calendar years 2024–2028, and 75% for items delivered from calendar year 2029 onward), or (ii) the end product is a **COTS item**. *Note:* If the end product consists predominantly of iron or steel, then in order to qualify as a domestic end product, the cost of all foreign iron and steel must be less than 5% of the cost of all components.
- **End product** – The final articles, materials, or supplies that are acquired for public use under the Agreement.
- **Fastener** – A hardware device that mechanically joins or affixes two or more objects together (examples: nuts, bolts, pins, rivets, nails, clips, screws).
- **Foreign end product** – Any end product other than a domestic end product.
- **Foreign iron and steel** – Iron or steel products not produced in the United States. (For purposes of this definition, “produced in the United States” means that all manufacturing processes of the iron or steel took place in the United States, except metallurgical processes involving refinement of steel additives.)
- **Predominantly of iron or steel** – The cost of the iron and steel content in the item exceeds 50% of the total cost of all its components.
- **Steel** – An alloy that includes at least 50% iron, between 0.02% and 2% carbon, and may include other elements.
- **United States** – The 50 States, the District of Columbia, and the outlying areas of the U.S. (as defined in federal regulations).

(b) Domestic Preference. In accordance with **41 U.S.C. Chapter 83 (Buy American Act)**, and other applicable domestic preference laws, the Vendor is expected to supply

domestic end products for use in the United States. The Buy American Act, as implemented by federal regulations, generally provides a preference for domestic end products in federal procurements. Under **41 U.S.C. §1907** (as implemented by federal acquisition regulations), the domestic content test is waived for COTS items (with the exception that, for end products that are predominantly of iron or steel, the domestic content test applies to the iron and steel portion of the product, excluding COTS fasteners). The Vendor shall ensure that it is familiar with and complies with any specific domestic content requirements applicable to the federal funds used.

(c) Non-Availability and Exceptions. If the Vendor believes that a particular article, material, or supply required for this Agreement is not available in the U.S. in sufficient quantity or quality, it may submit a request to the City (Purchasing Department) for a determination of non-availability. The City will consult with the federal awarding agency as needed. The City may provide the Vendor a list of items for which the federal government has determined that domestic production is not available or sufficient, which items will be treated as domestic for purposes of this contract (per any applicable exceptions granted under the law).

(d) Required Compliance. The Vendor shall deliver only domestic end products under this contract, except to the extent that the Vendor specified the delivery of foreign end products in its bid or offer, as permitted by the solicitation's "Buy American Certificate" provision. If the Vendor has been permitted to deliver any foreign end products, those will be listed in the Agreement or PO. In all other cases, the Vendor must furnish domestic products. The Vendor's compliance with this requirement is subject to verification. Failure to comply may constitute a material breach of contract, subjecting the Vendor to remedies up to and including termination.

17. Compliance with Texas Law (Municipal Grant Funds)

In addition to the federal requirements above, the City of Garland (a Texas home-rule municipality) and the Vendor must also comply with any applicable Texas state laws governing the expenditure of grant funds by local governments. Key state requirements include:

- **Uniform Grant and Contract Management Act:** The City is subject to the Texas Uniform Grant and Contract Management Act (Texas Government Code Chapter 783) and the related Texas Grant Management Standards (TxGMS) issued by the Texas Comptroller. These state standards align with 2 CFR Part 200 and establish uniform rules for administration of grants and contracts by local governments in Texas. The Vendor agrees to cooperate with the City in fulfilling any obligations under TxGMS or other state grant management rules (for example, providing necessary assurances or supporting documentation).
- **Procurement Laws:** The City must follow Texas procurement laws except where preempted by federal law. This includes compliance with Texas Local Government Code Chapter 252 (Purchasing and Contracting Authority of Municipalities) and other applicable statutes that require competitive bidding or proposals for municipal contracts. When federal funding imposes additional or

stricter procurement requirements than state law, the City will follow the federal requirements, but where state law is stricter or specific (and not in conflict), those state requirements will also be observed. The Vendor shall ensure that its services and deliverables allow the City to remain in compliance with any relevant state procurement mandates (such as advertising, bonding, or HUB requirements) as notified by the City.

- **Other State Requirements:** The Vendor acknowledges that certain Texas laws applicable to public contracts will apply to this Agreement. Examples include provisions of the Texas Government Code prohibiting conflicts of interest, requiring disclosure of interested parties (Form 1295) for certain contracts, and restricting contracting with entities boycotting Israel or doing business with terrorist organizations (Texas Gov't Code Chapters 2270, 2252). The Vendor agrees to comply with any such requirements to the extent they are applicable to this Agreement.

All the above state-law requirements are intended to supplement the federal terms in this Addendum. In the event of a direct conflict between a mandatory requirement of federal law and a requirement of Texas law, the federal requirement shall prevail (per the Supremacy Clause of the U.S. Constitution and applicable federal regulations), due to the use of federal funding. Otherwise, the Vendor must ensure full compliance with both state and federal laws in carrying out this contract.

By signing the Agreement or accepting a PO, the Vendor certifies its agreement to comply with all the terms and conditions in this Exhibit B. These provisions are material terms of the Agreement. The Vendor's failure to adhere to them may be treated as a breach of contract and could result in Agreement termination, ineligibility for reimbursement, or other remedies as appropriate. The City of Garland reserves the right to audit, monitor, or require documentation from the Vendor to ensure compliance with these federal and state requirements.

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