

PERFORMANCE UNDER THIS PURCHASE ORDER CONSTITUTES CONTRACTOR'S ACCEPTANCE OF ALL TERMS AND CONDITIONS: A Contractor may be suspended and removed from Louisville Water Company's ("the company") list of authorized Vendors for failing to perform the terms under this purchase order.

1. **CERTIFICATION:** By fulfilling this purchase order, Contractor certifies:
 - A. The submission of the pricing did not involve collusion or other anti-competitive practices.
 - B. The Contractor has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer.
2. **GRATUITIES:** The Louisville Water Company may, by written notice to the Contractor, cancel this Contract if it is found that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the Louisville Water Company amending, or making of any determinations with respect to the performing of such Contract.
3. **SUSPENSIONS:** A Contractor may be suspended and removed from the Company's list of authorized Contractors for failing to perform the terms of their Contract. Suspensions will occur for reasons including, but not limited to, rescinding an accepted purchase order, canceling a Contract, poor quality of work and non-performance. The length of the suspension will be determined by the Bid Selection Committee and a notice will be sent to the Contractor citing the reason for the suspension.
4. **IDEMNIFICATION:** Contractor shall indemnify the Company harmless against all claims, demands, liens, taxes, loss or damages of any character suffered by the Company and shall save the company harmless from all liability growing out of or incurred in the prosecution of said work or arising from any operations, acts or omissions of Contractor.
5. **PRODUCT PERFORMANCE:** Items will be disqualified that do not meet performance specifications. If a product is purchased and it is later established that said product fails to comply with these specifications and conditions, the item will be rejected and returned to the Contractor at the Contractor's expense. Any costs incurred by the company associated with delivery of inferior or unsatisfactory materials, equipment, or supplies shall be paid by the Contractor. Such costs include, but are not limited to, removal and/or replacement charges, labor, shipping, handling, storage, etc. No item shall be considered satisfactory that does not conform to our usual accepted methods, use, application, storage, handling and delivery. The decision concerning the satisfactory use and performance of any items on this bid shall be that of the Bid Selection Committee of the Louisville Water Company. All funds dispersed by the Company to the Contractor to pay for the defective product will be refunded to the Company or, in the event other funds are owed to the Contractor, shall be credited against any such balances. Contractors desiring to submit a bid on items not previously used and approved by Louisville Water Company will be required to submit samples and/or descriptive literature.
6. **WARRANTIES:** All warranties provided by the laws of the Commonwealth of Kentucky or manufacturer's warranty, whichever provides the greatest benefit to the Company, shall apply to material supplied or services provided.
7. **FIRM PRICING:** Except as otherwise instructed, bid prices must be firm as provided for in the Price & Delivery sheet. Prices submitted subject to qualifications (e.g., in effect on receipt of Contract/order, escalation, or other variables) may be disqualified from consideration.

8. **INDEPENDENT CONTRACTOR:** Contractor shall be an independent Contractor having responsibility for and control over the details and means for performing the work and not an agent of Louisville Water Company.
9. **LIENS:** All materials, services, and other deliverables supplied to the Company under this Contract shall be free of all liens other than the security interest held by the Contractor until payment in full is made by the Company. Upon request of the Company, the Contractor shall provide formal release of all liens and shall certify that all labor, equipment, materials or other providers are paid in full.
10. **TERMS AND PAYMENTS:** The Company may withhold payments for goods until it has received, has inspected and has determined they are conforming to specifications and requirements in the purchase order. Payment for materials and services delivered will be thirty (30) days from the date of the invoice. Contractor shall be paid, upon the submission of proper invoices, to attention of Accounts Payable at the prices stipulated for supplies delivered and accepted, or services rendered. Invoices must be submitted in duplicate, contain the purchase order number and person who made the request.
11. **CERTIFIED MINORITY, WOMEN, AND HANDICAPPED BUSINESS ENTERPRISE PROGRAM:** The Louisville Water Company and/or its Contractors will not discriminate on the basis of race, color, national origin, sex, or disability in the award and performance of Contracts. It is the policy of Louisville Water Company to take all necessary and reasonable steps to provide Minority, Women, and Handicapped-owned businesses an opportunity to compete on an equal basis with all other Contractors/suppliers in the marketplace, and to assist in developing and strengthening minority business.

Qualified Minority, Women, and Handicapped Business Enterprises are encouraged to submit bids in response to this Invitation. General Contracting firms and vendors are encouraged to select qualified Minority, Women, and Handicapped Business Enterprises to engage as subcontractors to perform work as part of this Contract.

12. **EQUAL OPPORTUNITES CLAUSE**

- A. During the performance of this Contract, the contractor agrees to comply with the provisions of KRS Section 45.570 (2), and Executive Order 11246, as supplemented below to include persons with disabilities.
 1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age (over forty), national origin, physical or mental disability which, with or without reasonable accommodation, does not prevent the performance of essential job functions;
 2. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, age (over forty), national origin, physical or mental disability which, with or without reasonable accommodation, does not prevent the performance of essential job functions. Such action shall include, but not limited to, the following: employment, upgrading, demotion, transfer, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training. However, when layoffs occur, employees shall be laid off according to seniority with the youngest employee being laid off first. When employees are recalled, this shall be done in the reverse of the way the employees were laid off.
 3. The Contractor will state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, (over

forty), national origin, physical or mental disability which, with or without reasonable accommodation, does not prevent the performance of essential job functions;

4. The Contractor will send a notice to each labor union or representative of workers with which he has a collective bargaining agreement or other Contract or understanding advising the labor union or worker's representative of the Contractor's commitments under the above nondiscrimination clauses and will post notices in conspicuous places, available to employees and applicants for employment, setting forth the above clauses; and the Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor.
5. The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and order of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or any such rules, regulations, or orders, this Contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government Contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or Contractor.
8. Unless exempt, the Contractor certifies that he does not and will not maintain any facilities for his employees to perform any services at any location under his control, where segregated facilities are maintained.

B. The Contractor certifies that the affirmative action clauses set forth by the U.S. Department of Labor, 41 CFR Part 60-2504 is hereby incorporated by reference insofar as such clauses are required by such regulations and unless exempt by applicable statutes, rules, regulations or otherwise.

C. The Contractor agrees that affirmative action clause set forth by Para. 503 of the Rehabilitation Act of 1973, as amended, 41 CFR Part 60-741.1, is hereby incorporated by reference herein insofar as such clauses are required by such regulations and unless exempt by applicable statutes, rules, regulations, or otherwise.

13. K.O.S.H.A. STANDARDS AND HAZARD COMMUNICATION STANDARD 1910.1200: If applicable, all material and services must meet or exceed K.O.S.H.A. (Kentucky Occupational Safety & Health Act) Standards, and must comply with the Hazard Communications Standard 1910.1200 of the Occupational Safety & Health Administration.

14. RIGHT TO AUDIT: Contractor shall maintain during the course of work and retain for not less than four years after completion thereof, complete and accurate records of all Contractor's costs which are chargeable to Louisville Water Company under this contract; and the Company shall have the right at any reasonable time, to inspect and audit those records by an authorized representative of its

own or any public accounting firm selected by Louisville Water Company. The record to be maintained and retained by the Contractor shall include (without limitation), (a) payroll records accounting for total time distribution of Contractor's employees working full or part-time on the Work (to permit tracing to payroll and related tax returns), as well as cancelled payroll checks, or signed receipts for payroll payments in cash; (b) invoices for purchases, receiving and issuing items; paid invoices and cancelled checks for materials purchased and for subcontractors and for any other third parties' charges.

15. **GOVERNING LAW:** This contract shall be governed by the laws of the Commonwealth of Kentucky. All actions shall be brought in the courts, whether federal or state, located in Jefferson County, Kentucky.
16. **COMPLETE CONTRACT:** This contract states the entire understanding and agreement between the parties and supersedes any and all written or oral representations, statements, negotiations, or agreements previously existing between parties with respect to the subject matter of this Contract. The Contractor recognizes that any representations, statements or negotiations made by the Company staff do not suffice to legally bind the Company in a Contractual relationship unless they have been reduced to writing and signed by an authorized Company representative. This Contract shall inure to the benefit of and shall be binding upon the parties, their respective assigns, and successors in interest.

The Contract can only be modified in writing signed by the successful Bidder and an authorized Company representative. The Company will not be bound by any standard Contract, purchase orders or other forms or documents submitted by the successful bidder.

17. **TAXES:** The Louisville Water Company is exempt from Kentucky Sales and Usage Tax. Any taxes paid by the Vendor must be contained in the price for each item covered by this Purchase Order. The Company's tax exemption number is CT-056-127. 02/08/2000