

## PURCHASE ORDER TERMS AND CONDITIONS

THESE PURCHASE ORDER TERMS AND CONDITIONS (these “Terms and Conditions”) are incorporated by reference into the purchase order (“PO”) offered by the city of Boulder, Colorado (the “City”) to the party from which the City desires to purchase certain materials and/or services (“Contractor”). Together, the PO and these Terms and Conditions constitute a contract between the City and Contractor (the “Contract”). Contractor’s acceptance of the PO is evidence of Contractor’s acceptance of the Contract, including these Terms and Conditions. These Terms and Conditions shall apply only in those circumstances in which no other contract/agreement has been executed by the City and Contractor with regard to the same materials and/or services identified in the PO. If a separate contract/agreement has been fully executed, the terms and conditions included in the executed contract/agreement shall apply and shall supersede these Terms and Conditions. The City and Contractor may hereinafter be referred to individually as a “Party” or collectively as the “Parties.”

### **TERMS AND CONDITIONS APPLICABLE TO PURCHASE ORDERS FOR MATERIALS**

1. DELIVERY; INSPECTION; WARRANTIES. Contractor agrees to deliver materials to the place as designated by the City. Risk of loss, destruction, or damage to the materials shall be borne by Contractor until title passes to the City. Shipments must be F.O.B. City of Boulder, Boulder, CO. Materials are subject to City inspection on arrival, however, final acceptance is dependent upon completion of all applicable required inspection procedures. Materials delivered shall conform to the specifications included in the PO and the City shall not be liable for payment for non-conforming materials. Title to the materials shall pass to the City upon the City’s final acceptance of the materials. The warranties of merchantability and fitness for a particular purpose shall apply to the materials. Contractor warrants and guarantees to the City that it possesses full, clear and unrestricted title to all equipment, materials, and items furnished under the PO, free and clear of any and all liens, restrictions, reservations, security interest encumbrances and claims of others and that the individual executing the PO on behalf of Contractor is properly authorized to bind Contractor to this Contract.

2. DELAYS. Contractor shall not be liable for any delay or non-performance due to the failure of the source of supply from which Contractor obtains materials to make delivery, or due to delays in transportation, labor strikes, floods, fires, acts of God, or to the acts or regulations of any governmental authority or any branch or agency thereof. In the event of delay or non-performance by the Contractor for any reason except as set forth above, the City shall be free to obtain said materials from other sources without incurring liability or damages to Contractor.

3. PAYMENT. The City agrees to pay the purchase price for the materials listed on the PO. Payment by the City shall be made within 30 days following the receipt of an invoice from the Contractor, subject to final acceptance of the materials, including verification as to quantities and qualities. Each invoice shall include the City’s PO number and reference the City staff member who initiated the purchase.

TAX EXEMPTION. By statute the City is exempt from state and local taxes. The City's State Tax Exemption Number is 98-03489.

**TERMS AND CONDITIONS APPLICABLE TO  
PURCHASE ORDERS FOR SERVICES**

1. PAYMENT. The City shall pay Contractor the amounts agreed to in the PO within thirty (30) days following receipt of Contractor's invoice for the services. The City may withhold payment of fees and charges that the City disputes in good faith. If the City in good faith disputes all or any portion of an invoice for fees and charges, the City shall notify Contractor of such disputed amount and the basis for the City's dispute together with any appropriate information supporting the City's position. If the City withholds any disputed fees and charges, the City shall pay the undisputed portion of the invoice by the due date and shall notify Contractor of the disputed portion of the invoice. The Parties shall then attempt to resolve the disputed portion of such invoice as soon as possible. Upon resolution of the disputed portion, the City shall pay to Contractor the resolved amount. Neither the failure to dispute any fees or charges or amounts prior to payment nor the failure to withhold any amount shall constitute, operate or be construed as a waiver of any right the City may otherwise have to dispute any fee or charge or amount or recover any amount previously paid. Contractor shall be reimbursed only for out-of-pocket expenses that are expressly provided for in the PO or which have been approved in advance in writing by the City, provided Contractor has furnished such documentation for authorized expenses as the City may reasonably request.

2. INSURANCE.

(a) Limits. Contractor shall procure and maintain in force while Contract is in effect, at its own cost, the following minimum coverages:

(1) Workers' Compensation and Employers' Liability:

State of Colorado: Statutory

(2) General Liability:

(i) General Aggregate Limit: \$2,000,000

(ii) Each Occurrence Limit: \$1,000,000

(3) Automobile Liability:

Bodily Injury & Property Damage

Combined Single Limit:<sup>1</sup> \$1,000,000

(4) Professional Liability (errors and omissions)<sup>2</sup>

(i) Each Claim/Loss: \$1,000,000

(ii) Aggregate: \$1,000,000

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<sup>1</sup> Applicable only if Contractor, its agents, employees, or representatives will be using motor vehicles in Colorado while performing the services.

<sup>2</sup> Applicable only to licensed professionals.

The City of Boulder may require that this coverage remain in place for one year after the Services have been project is completed.

- (b) Coverage. Insurance required by these Terms and Conditions shall:
- (1) Be primary coverage;
  - (2) Include the **City, its officials, and its employees as additional insureds as their interest may appear** (except for Worker's Compensation and Professional Liability). Additional insured endorsement should be at least as broad as ISO form CG2010 for General Liability coverage and similar forms for auto liability;
  - (3) Include a waiver of subrogation for General Liability coverage.
  - (4) Be issued from a company licensed to do business in Colorado having an AM Best rating of at least A-VI; and
  - (5) Be procured and maintained in full force and effect for duration of work.
- (c) Certificates of Insurance evidencing the coverages described herein, shall be forwarded to City's Purchasing Department. **Certificate Holder shall be: City of Boulder, 1777 Broadway, Boulder, CO 80302.**
- (d) Cancellation. Within seven days after receiving insurer's notice of cancellation or reduction in coverage, Contractor, or its insurance broker, shall notify the City. In either such case, Contractor shall promptly obtain and submit proof of substitute insurance complying with the City's insurance requirements.

3. COMPLIANCE WITH C.R.S. SECTION 8-17.5-101, *et seq.*<sup>3</sup> Contractor certifies that it shall comply with the provisions of C.R.S. § 8-17.5-101, *et seq.* Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Further, Contractor represents, warrants, and agrees (i) that it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this contract through participation in either the E-Verify or the Department Program; (ii) that Contractor is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the public contract for services is being performed; and (iii) if Contractor obtains actual knowledge that a subcontractor performing work under the public contract for services knowingly employs or contracts with an illegal alien, Contractor shall be required to:

- (a) Notify the Subcontractor and the City within three days that Contractor has actual knowledge that the Subcontractor is employing or contracting with an illegal alien; and

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<sup>3</sup> This section does not apply to agreements relating to securities, financial services, investment advisory services, fund management services, intergovernmental agreements, information technology services and/or products, or other services excluded from the definition of "public contract for services" pursuant to C.R.S. § 8-17.5-101(6)(b).

- (b) Terminate the subcontract with the Subcontractor if, within three days of receiving the notice required pursuant to C.R.S. § 8-17.5-102(2)(b)(III)(A), the Subcontractor does not stop employing or contracting with the illegal alien; except that Contractor shall not terminate the contract with the Subcontractor if during such three days the Subcontractor provides information to establish that the Subcontractor has not knowingly employed or contracted with an illegal alien.

Contractor further agrees that it shall comply with all reasonable requests made in the course of an investigation under C.R.S. § 8-17.5-102(5) by the Colorado Department of Labor and Employment. If Contractor fails to comply with any requirement of this provision or C.R.S. § 8-17.5-101, *et seq.*, the City may terminate this Contract for breach and Contractor shall be liable for actual and consequential damages to the City.

4. **Laws to be Observed.** Contractor shall be cognizant of all federal and state laws and local ordinances and regulations that in any manner affect those engaged or employed in the services or affect the conduct of the services, and of all such orders and decrees of bodies or tribunals having any jurisdiction over the same; shall defend and at all times observe and comply with all such existing laws, ordinances, regulations and decrees; and shall indemnify and hold harmless the City against any claim or liability to the extent caused by the intentional or negligent violation of any such law, ordinance, regulation, order, or decree, whether by itself, its subcontractors, agents, or employees.

#### **TERMS AND CONDITIONS APPLICABLE TO ALL PURCHASE ORDERS**

1. **ENTIRE AGREEMENT; AMENDMENT; ASSIGNMENT; NO THIRD-PARTY BENEFICIARIES.** The Contract is the complete integration of all understandings between the City and Contractor. Any additional or different terms and conditions proposed by Contractor are objected to and hereby rejected. The Contract explicitly supersedes any additional or different terms and conditions. No subsequent notation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a writing executed and approved by the parties to the Contract. Contractor shall not assign the Contract without the written consent of the City, which may withhold such consent in its sole discretion. The Contract is solely for the benefit of the Parties and shall not confer any rights upon any person or entity not a party to the PO.

2. **APPLICABLE LAW.** The Contract shall be construed in accordance with the laws of the State of Colorado. Any action or proceeding brought to interpret or enforce the provisions of the Contract shall be brought before the state or federal court for Boulder County, Colorado and each Party consents to jurisdiction and venue before such courts.

3. **INDEMNIFICATION.** Contractor shall indemnify, defend and hold harmless the City, its directors, officers, employees, and agents and the heirs, executors, successors, and permitted assigns of any of the foregoing from and against any and all losses, claims, obligations, demands, assessments, fines and penalties (whether civil or criminal), liabilities, expenses and costs (including reasonable attorneys' fees and costs of defense), bodily and other personal

injuries, damage to tangible property, and other damages, of any kind or nature, arising from or related to: (i) any negligent or intentional act or omission by Contractor or its representatives in the performance of Contractor's obligations under the Contract, or (ii) any material breach in a representation, warranty, covenant or obligation of Contractor contained in the Contract. Contractor is not obligated to indemnify the City in any manner whatsoever for the City's own negligence. Contractor's obligation to indemnify the City as set forth in the Contract shall survive the termination or expiration of the Contract. If the Contract is for architectural, engineering, or surveying services; design; construction; alteration; repair; or maintenance of any building, structure, highway, bridge, viaduct, water, sewer, or gas distribution system, or other works dealing with construction, or any moving, demolition, or excavation connected with such construction, Contractor's obligation to indemnify or hold harmless the City shall be limited to the amount represented by the degree or percentage of negligence or fault attributable to Contractor or its agents, representatives, subcontractors or suppliers. If the Contract is for architectural, engineering, surveying, or other design services, then the extent of Contractor's obligation to indemnify or hold harmless the City may be determined only after its liability or fault has been determined by adjudication, or otherwise resolved by mutual agreement between Contractor and the City..

4. **GOVERNMENTAL IMMUNITY.** Nothing herein shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, Section 24-10-101 *et seq.*, C.R.S., as now or hereafter amended. The Parties understand and agree that liability for claims for injuries to persons or property arising out of negligence of the City, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the provisions of C.R.S. § 24-10-101 *et seq.*, as now or hereafter amended.

5. **INDEPENDENT CONTRACTOR.** The relationship between Contractor and the City is that of an independent contractor. Contractor shall supply all personnel, equipment, materials and supplies at its own expense, except as specifically set forth herein. Contractor shall not be deemed to be, nor shall it represent itself as, an employee, partner, or joint venturer of the City. No employee or officer of the City shall supervise the Contractor. **Contractor is not entitled to worker's compensation benefits and is obligated to directly pay federal and state income tax on money earned under the purchase order.**

6. **TERMINATION.** If either Party materially defaults in the performance of any term of this Contract (other than by nonpayment) and does not substantially cure such default within thirty (30) days after receiving written notice of such default, then the non-defaulting Party may terminate this Contract by providing ten (10) days prior written notice of termination to the defaulting Party. In addition to the foregoing, the City may, at any time, terminate services for its own convenience and without cause of any nature by giving Contractor written notice at least seven days in advance of the termination date. City shall pay all outstanding invoices for materials delivered and accepted and/or services provided prior to the date of termination. Upon such payment, all obligations of the City to Contractor shall cease. The waiver of any breach of a term, provision or requirement of these terms and conditions shall not be construed as or deemed to be a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision or requirement.

7. **TABOR.** The Parties understand and acknowledge that the City is subject to Article X, § 20, of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of the Contract. It is understood and agreed that the Contract does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, notwithstanding anything in the Contract to the contrary, all payment obligations of the City are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the City's current fiscal period ending upon the next succeeding December 31. Financial obligations of the City payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of the City and applicable law. Upon the failure to appropriate such funds, the Contract shall be deemed terminated.

8. **NO REQUIREMENTS CONTRACT.** Nothing in the Contract shall be construed as a requirements contract, and notwithstanding anything to the contrary contained herein, the Contract shall not be interpreted to prevent the City from obtaining from third parties, or providing to itself, any or all of the materials or services identified in the PO.

9. **MEDIA RELEASES.** Except for any announcement intended solely for internal distribution by Contractor or any disclosure required by legal, accounting, or regulatory requirements beyond the reasonable control of Contractor, all media releases, public announcements, or public disclosures (including, but not limited to, promotional or marketing material) by Contractor or its employees or agents relating to this Contract or its subject matter, or including the name, trade mark, or symbol of the City, shall be coordinated with and approved in writing by the City, at the City's sole discretion, prior to the release thereof. Contractor shall not represent directly or indirectly that any Services provided by Contractor to the City has been approved or endorsed by the City or include the name, trade mark, or symbol of the City on a list of Contractor's customers without the City's express written consent.

10. **WAIVER.** The failure of either Party at any time to require performance by the other party of any provision of the Contract shall not affect in any way the full right to require such performance at any subsequent time, nor shall the waiver by either Party of a breach of any provision of the Contract be taken or held to be a waiver of the provision itself.

11. **TIME OF PERFORMANCE.** Time is expressly made of the essence with respect to each and every term and provision of the Contract.

12. **SURVIVAL.** Any and all provisions of the Contract that, by their nature, would reasonably be expected to be complied with or performed after the expiration or termination of the Contract shall survive any expiration or termination of the Contract.

13. **NO LIMITATION OF LIABILITY.** There shall be no limitation on Contractor's liability for damages resulting from the acts or omissions of Contractor, its directors, officers, subcontractors, employees, agents, representatives, or assigns.