CARPINTERIA VALLEY WATER DISTRICT

PURCHASE ORDER TERMS AND CONDITIONS

PURCHASE ORDER REQUIRED: Carpinteria Valley Water District ("Buyer") WILL NOT be responsible for any goods received or services rendered without a purchase order authorizing the transaction.

<u>PAYMENT:</u> Payment terms are net 30 on receipt of goods which satisfy the terms and conditions of this purchase order unless this clause is superseded by written agreement. Payment will not be made unless Carpinteria Valley Water District has a current IRS W-9 Request for Tax Payer ID form on file.

ACCEPTANCE: This purchase order constitutes the Buyer's offer to the Seller. The Seller must accept the terms and conditions of this offer. Upon the failure of the Seller to acknowledge this purchase order in writing and agree to its terms, the commencement of performance required by this offer shall be conclusive evidence of the Seller's approval of, and consent to, the Terms and Conditions of purchase herein contained.

CONFLICT RESOLUTION: In the event of conflict with any terms of the Seller's proposal, direct negotiation with Carpinteria Valley Water District's Purchasing section of the Financial Services Department is the only approved method of resolution. In the event of a legal conflict related to any provision of this purchase order, the venue shall be Santa Barbara County, California, and, to the extent not inconsistent with the purchase order, the laws of the State of California shall govern.

INTEGRATION CLAUSE: This purchase order is limited to the terms and conditions contained on the face and the back hereof. Any additional or different terms in the Seller's form are hereby deemed to be material alterations and notice of objection to them and reflection to them is hereby given.

NO SUBSTITUTIONS: This order must be filled, or work performed as specified. Additions, deletions, substitutions or alternatives are not acceptable unless authorized by written change order by Purchasing. A "changed" purchase order will supersede any and all previous documents.

WARRANTY OF MERCHANDISE: The Seller warrants that the item will conform to its description and any applicable specifications, shall be of good merchantable quality and fit for the known purpose for which it is sold. This warranty is in addition to any expressed warranty given by the Seller to the Buyer. The Seller warrants that the item is free and clear of all liens and encumbrances and that the Seller has a good and marketable title at the time title passes to the Buyer.

INDEMNIFICATION: The Seller shall defend, hold harmless, and indemnify the Buyer, its Board members, administrators, employees, agents, attorneys and volunteers (collectively, "Buyer's Persons") from and against all claims, injuries, damages, losses or suits, including attorney fees, arising out of or in connection with the performance of this Purchase Order by the Seller, except for injuries and damages caused by the sole negligence of the Buyer's Persons.

INSPECTION AND PAYMENT: Articles purchased hereunder are subject to final inspection and approval at the Buyer's plant, notwithstanding any other inspection, unless otherwise specifically stated on this order. Neither compliance by the Seller with instruction or suggestions by any employee of the Buyer nor the Buyer's payment of the Seller's invoice for any article prior to final

inspection shall be deemed an acceptance of the article or a waiver of the right of inspection or any other right herein reserved or relieve the Seller of any obligation or liability under the terms and conditions of this contract.

DELAYS IN SHIPMENT: The Seller must advise Carpinteria Valley Water District immediately of any shortage or delay in shipment.

SHIP TO LOCATION: Ship, deliver or provide services to locations as specified. Receiving Hours: 8:00 a.m. - 5:00 p.m. Monday through Friday, excluding holidays, at 1301 Santa Ynez Avenue, Carpinteria, CA 93001 unless otherwise directed.

RISK OF LOSS WITH SELLER: Title to and risk of loss or damage to goods in transit shall remain with the Seller (F.O.B. Destination), until delivered as specified, unless otherwise confirmed in writing by Carpinteria Valley Water District.

DEFECTIVE PRODUCTS: Carpinteria Valley Water District will reject defective products and the unit prices thereof will be debited against the invoice covering the shipment in which such products were included. Articles rejected will be held at the Seller's risk and subject to the Seller's risk, and subject to the Seller's disposal for a reasonable time, and, if not disposed of by the Seller, will be sold or otherwise disposed of by Carpinteria Valley Water District for the Seller's account.

OPEN PURCHASE ORDERS: For purchase orders which authorize Carpinteria Valley Water District staff to charge goods and services against it, only those employees identified on that purchase order have that authority. Carpinteria Valley Water District reserves the right to refuse payment if an unauthorized person makes charges against the purchase order.

RIGHT OF CANCELLATION: Carpinteria Valley Water District shall have the right to cancel this order at any time for the Seller's breach of any provision of this order. If the Seller fails to deliver the goods, materials or services by the time promised, provided herein, or material/equipment is found to be defective in quality, performance workmanship, or fails to comply with any terms of this order, or is otherwise in default hereunder, Carpinteria Valley Water District may terminate this agreement and contract with an alternate supplier to complete the order. The Seller shall be liable to Carpinteria Valley Water District for the difference in price plus expenses of enforcing its rights hereunder, including reasonable attorney's fees. Carpinteria Valley Water District may charge the Seller's account for any such costs.

INVOICES: The Seller SHALL NOT give invoices to Carpinteria Valley Water District employees. All invoices shall be mailed to: Accounts Payable, Carpinteria Valley Water District, 1301 Santa Ynez Avenue, Carpinteria, CA 93001 or preferrably submitted via email to CVWD.AP@CVWD.NET. Failure to comply WILL delay payment. Payment of invoices with discrepancies will be delayed until corrected or approved as amended by the Accounting Department. All invoices received for goods or services must require payment to supplier specified on purchase order. Carpinteria Valley Water District WILL NOT accept any invoices requiring payment to a second party.

TRANSPORTATION CHARGES: Transportation charges to Carpinteria Valley Water District, if authorized, must be prepaid and added to the invoice. Any other transportation charges, including inbound freight, must be authorized prior to purchase order issuance. A copy of the actual freight bill must accompany the invoice to Carpinteria Valley Water District.

NO PACKAGING OR CARTAGE CHARGES: Carpinteria Valley Water District will allow no boxing, packaging or cartage charges unless specifically authorized on the purchase order.

FEDERAL, STATE AND LOCAL TAXES: All prices stated herein include, unless otherwise specified, all federal, State or local taxes that may be levied or assessed as a result of this purchase order or are otherwise applicable to this purchase order.

DISCOUNT TERMS: Carpinteria Valley Water District may take cash discount terms when appropriate and deducted from the invoiced amount. The determining date shall be the date of correct receipt of goods/services or receipt of correct invoice, whichever is later.

FURNISHED ITEMS: Carpinteria Valley Water District furnished or paid for artwork, negatives, specifications, tools, equipment or any other items furnished to the Seller and property of Carpinteria Valley Water District shall (A) remain Carpinteria Valley Water District property; (B) be protected by the Seller and maintained in good usable condition; (C) shall not be provided to any other person or entity without prior written approval of Carpinteria Valley Water District; and (D) be returned promptly to Carpinteria Valley Water District upon request.

MANUALS: The Seller shall furnish Carpinteria Valley Water District two shop Maintenance/Operation Manuals on all equipment supplied hereunder. Manuals shall include wiring schematics, parts lists and diagrams, and all pertinent information necessary for proper installation and maintenance of purchase equipment. Copyright permission to Carpinteria Valley Water District to make facsimile copies of a manual (or set of manuals) may substitute for the second set of manuals for internal use.

REPLACEMENT PARTS: The Seller shall make available replacement parts for a minimum 10-year period following date of purchase.

PATENTS: In the event any article, service or process sold, delivered, performed or installed hereunder shall be covered by any patent or copyright, or application for either, the Seller shall indemnify and hold harmless Carpinteria Valley Water District, its Directors, agents and employees, from any and all loss, cost or expense on account of any and all claims, suits or judgments on the use or sale of such article, services or processes in violation of rights under such patent, copyright, or applications for either.

NO RELEASE OF ADVERTISING COPY: The Seller shall not release any advertising copy mentioning Carpinteria Valley Water District or quoting the opinion of any Carpinteria Valley Water District employee without the prior written consent of Carpinteria Valley Water District.

INSOLVENCY AND BANKRUPTCY: In the event the Seller shall become insolvent, or makes a general assignment for the benefit of creditors, or has filed against it a petition of bankruptcy or for reorganization, or pursues any other remedy under any law relating to the relief of debtors, or in the event a receiver be appointed of the Seller's property or business, Carpinteria Valley Water District may, at its option, cancel this order.

NOTICE OF LABOR DISPUTES: Whenever an actual or potential labor dispute is delaying or threatening to delay the performance of this order, the Seller will immediately give notice thereof including all relevant information with respect thereto to the Buyer.

COMPLIANCE WITH LAWS: To the extent applicable hereto, the Seller shall, in the performance of this order, comply with all federal, state, and local laws and regulations and orders issued under any applicable law.

SAFETY AND HEALTH: The Seller agrees that all articles of equipment purchased hereunder will comply with the requirements of the Federal Occupational Safety and Health Act of 1971, the California Occupational Safety and Health Act of 1973, and any amendments thereto and all other applicable laws regarding safety and health of the Buyer. The Seller shall use all reasonable precautions in the performance of the work under this order to protect the Health & Safety & Fire protection regulations and requirements of Carpinteria Valley Water District. The Seller may be required to file certificates of the Seller's Liability and Workers' Compensation insurance.

INSURANCE: Purchase Orders resulting in work at any District facility require the Seller to file certificates of Commercial General Liability Insurance, Automobile Liability Insurance, Worker's Compensation Insurance, and Professional Liability Insurance. Certificates shall be filed with Carpinteria Valley Water District prior to work commencing.