

San Juan Water District

Purchase Order Terms and Conditions

1. **Acceptance.** By accepting this Purchase Order ("PO"), Vendor agrees to comply with these terms and conditions. Vendor shall sell and deliver, and District shall purchase, the goods, material and/or items described above (the "Goods"). The Goods must comply with this PO and the notice inviting bids/quotes and information to bidders, (if any). The Goods shall be sold and purchased at prices set forth above. Vendor's acceptance of this PO or shipment of all or any portion of the Goods covered by this PO shall constitute unqualified acceptance of all its terms and conditions.
2. **Delivery.** Vendor's carrier shall deliver the Goods FOB at the location designated by District in this PO. Vendor to pay all packing, freight and other shipping costs unless otherwise noted in this PO. Goods shall be delivered no later than the date stated above. Vendor shall notify District of delivery of the Goods in writing or by telephone at least 24 hours before the time set estimated for delivery.
3. **Compliance with Law.** The design and manufacture of the Goods shall comply with all applicable federal, state and local laws and regulations and all District specifications. Vendor shall comply with all applicable laws and regulations including, but not limited to, all applicable requirements of the California Labor Code including Section 3700 regarding Workers' Compensation Insurance. All questions of validity, interpretation or performance of any of the terms or of any rights or obligations of the parties to this PO shall be governed by California law; and any action brought by either party to enforce any of the terms of this PO shall be filed in the superior court or federal district court for the County of Placer, California.
4. **Risk of Loss.** Vendor shall bear all risk of loss of or damage to the Goods until such time as District takes actual possession of the Goods by moving them from the point of delivery.
5. **Substitutions.** No substitution will be permitted without the advance written consent of District. If Vendor proposes any substitution, Vendor guarantees that the substitution is equal in quality, capacity, durability, ease of maintenance, and ease of installation to the Goods originally specified.
6. **Changes.** District, by written order, may delete Goods to be supplied under this PO, and the PO price will be equitably reduced. District, by written order, may order an increase in Goods to be supplied, and the PO price will be equitably increased. If unit prices are stated, the reduction or increase shall be calculated at the unit prices stated in the PO. If no unit prices are stated, Vendor shall promptly, at the request of District, quote prices, and District shall promptly accept or reject the quote.
7. **Inspection and Testing.** All Goods will be subject to final inspection/testing and approval after delivery. District's payment for the Goods will not constitute final acceptance. Vendor at its cost shall remove and replace any Goods that District determines are nonconforming or defective.
8. **Indemnification.** Vendor shall indemnify, defend, protect, and hold harmless District, and its directors, officers, employees, and agents from and against any and all liability, losses, claims, damages, expenses, demands, lawsuits, administrative proceedings, arbitrations, and costs (including, but not limited to, attorney, expert witness and consultant fees, and litigation costs) of every nature arising out of breach of this PO or the negligent or wrongful conduct of Vendor in the performance of this PO. This indemnification provision shall not apply to claims, liability, loss or damage caused by the sole negligence or willful misconduct of District.
9. **Warranty.** Vendor warrants that all Goods and related services to be supplied by it under this PO are fit and sufficient for the purpose intended; that all Goods will conform to the specifications, drawings, samples or other descriptions specified by the District; that the Goods are new, merchantable, good quality and free from defects (whether patent or latent) in material and workmanship; that all workmanship and Goods to be provided are of the best workmanship, grade and quality; and, that Vendor has good and clear title to all Goods to be supplied by it and the same are free and clear from all liens, encumbrances and security interests. For a period of one year after delivery of the Goods, Vendor shall at its own expense replace or repair defective Goods at the request of District.
10. **Records.** Vendor shall maintain records and documents relating to delivered Goods and services for a minimum of three years after final payment, or longer as required by law; for District review and audit by the State of California or federal agency having interest.
11. **Payment.** Payment will be made after delivery. Payment Terms are net 30 days upon acceptance of the Goods and District's receipt of a complete and accurate invoice presented by Vendor. District may withhold 5% of the price until the Goods are installed, tested, and operating. District shall pay all applicable sales and use taxes. Invoices shall contain the following information: Vendor's PO number, invoice date and number, item number, description of the Goods provided, quantities and units of measure, unit prices and extended totals. Sales and use tax, if any, must be shown on the invoice as a separate line item.
12. **Termination.** District may terminate this PO in any of the following circumstances: if Vendor fails to deliver the Goods within the time specified; if Vendor fails to perform any other provision of this PO; if Vendor is adjudged bankrupt or makes a general assignment for the benefit of its creditors; or if a receiver is appointed for Vendor.
13. **Integration.** This PO constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of the contract between District and Vendor concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this PO, except for any other documents that are expressly referenced in this PO. The terms of any proposal prepared by Vendor and accepted by District for the Goods is expressly incorporated into and made a part of this PO to the extent it specifies the Goods ordered, the price for the Goods, and the terms of their delivery, and then only to the extent that the proposal's terms are consistent with the terms and conditions of this PO.
14. **Waiver.** The waiver at any time by any party of its rights with respect to a default or other matter arising in connection with this PO shall not be deemed a waiver with respect to any subsequent default or matter. No payment by District to Vendor shall be considered or construed to be an approval or acceptance of any defective goods or any other breach or default.
15. **Insurance.** Vendor and any common carrier hired by vendor shall have insurance coverages sufficient in scope and amount to cover all risks or loss or damages to the Goods, including their transportation and delivery to District's designated point of delivery. Additional insurance may be required. If so, it will be stated on front of this PO or an authorized attachment. District reserves the right to require Vendor to provide insurance certificates and endorsements evidencing the insurance coverages required in this paragraph.