



AGENDA REPORT

Meeting Date: April 17, 2012

Item Number: F-4

To: Honorable Mayor & City Council

From: Alan Schneider, Director of Project Administration
Charles Ackerman, Project Administrator

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS
AWARDING A CONTRACT TO UNITED MECHANICAL
CONTRACTORS, INC. FOR THE INFORMATION TECHNOLOGY
INTERIOR IMPROVEMENTS PROJECT AND AC UNIT
REPLACEMENT AND APPROVING PLANS AND SPECIFICATIONS
THEREFOR; AND

APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF
\$420,000 TO UNITED MECHANICAL CONTRACTORS, INC. FOR
THE CONTRACT WORK; AND

APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF
BEVERLY HILLS AND SYSTEMS SOURCE, INC. FOR FURNITURE
PURCHASE AND INSTALLATION AT INFORMATION TECHNOLOGY
IN THE AMOUNT OF \$256,423.38; AND

APPROVAL OF A PURCHASE ORDER IN THE AMOUNT OF
\$256,423.38 TO SYSTEMS SOURCE, INC. FOR THE WORK

Attachments:

1. Resolution
2. Form of Contract – United Mechanical Contractors, Inc.
3. Agreement – Systems Source, Inc.
4. Categorical Exemption

RECOMMENDATION

It is recommended that the "City Council approve the Award of a Contract to United Mechanical Contractors, Inc. for the Information Technology HVAC Unit Replacement & Interior Improvements", Bid No. 12-15, in the amount of \$382,000 approve the construction contingency of \$38,000 and delegate the authority to approve change orders to the Director of Public Works & Transportation, as defined in the purchasing ordinance; approve the plans and specifications for the Project, dated June 14, 2011, which are adopted and approved with respect to design criteria; and approve a purchase order in the amount of \$420,000.

It is also recommended that the "City Council move to approve an agreement between the City of Beverly Hills and Systems Source for the purchase and installation of furniture for Information Technology" in the amount of \$256,423.

INTRODUCTION

In 1996 the City developed the lower basement area (level B) in the Library for the City's data center and technology offices. The Information Technology Department (IT) is located in approximately 9,300 square feet on level B, of which the Data Center occupies 3,850 square feet and provides the City's essential data services.

Over the past 14-15 years minimal changes or upgrades have taken place to IT's space from a functional or staffing need. In 2010, a capital improvement project was introduced to the budget to address a variety of needed improvements.

The project scope involves replacement of air conditioning units in the Data Center that have reached the end of life cycle and are part of the City's critical infrastructure, general upgrade of the staff work area including replacing modular furniture, converting existing storage room to a double occupancy office, reconfigure the senior managers' offices plus minor improvements in the kitchen and conference room. The work also involves new flooring for IT's print shop on Level A and minor cosmetic work at the east stairway.

DISCUSSION

The architectural firm, RTK Architects was engaged to provide the design services for the renovation. Their fee of \$47,500 includes the complete design services, preparation of construction plans and specifications, and administration during construction. The plans and specifications call for the following scope of work:

- Replace two A/C units in the Data Center and related HVAC control equipment
- Replace ceiling tiles throughout the facility
- Replace carpeting
- Replace kitchen cabinets
- Reconfigure senior manager's offices
- Provide new office in Data Center
- Repaint throughout
- Replace modular furniture
- Add four new workstations at Data Center
- Upgrade lighting at selected rooms

Contract Work

The bid documents requested quotations for the base bid and four bid alternates. The alternate bids are described as follows:

- Alternate #1 – Diamond polish existing concrete floor at Level A in lieu of stain finish
- Alternate #2 – New wall covering over existing finish on demountable partitions
- Alternate #3 – Replace existing light fixtures with new direct/indirect fluorescents
- Alternate #4 – New resilient flooring at Level B lobby

The project was advertised in the local Beverly Hills newspapers and the construction trade plan room, McGraw-Hill Construction Information Group (Dodge Report). Twenty-four firms attended the mandatory job walk and obtained bid documents for this project.

On May 11, 2011, eleven bids were received and the results are as follows:

Bidder	Lump Sum Base Bid	Alt #1 Polished Floor Finish	Alt #2 New Wall Covering	Alt #3 New Lighting	Alt #4 New Lobby Flooring
CJ Pro, Inc.	\$288,800	\$8,300	\$11,500	\$7,500	\$3,800
United Mechanical Contractors	\$339,000	\$5,000	\$24,000	\$8,500	\$5,500
Pardess Air, Inc.	\$355,000	\$0	\$22,000	\$4,000	\$1,500
Horizons CCI	\$361,097	\$5,500	\$7,500	\$9,500	\$5,500
B-One Construction	\$371,796	\$1,860	\$7,440	\$4,216	\$1,488
BBS Construction	\$403,000	\$25,000	\$22,000	\$4,000	\$6,000
California Averland	\$410,000	\$7,000	\$16,000	\$10,000	\$900
Y.KO. Construction	\$439,000	\$17,000	\$10,000	\$4,700	\$1,000
McGowan Development	\$468,000	\$140,000	\$16,000	\$5,800	\$900
Ian Thomas Group	\$497,500	\$12,400	\$15,000	\$10,000	\$1,500
Two Brothers Company	\$752,000	\$43,000	\$12,000	\$3,200	\$2,300

The bid documents include the following language:

“SPECIFIC QUALIFICATIONS

Within the last five years, list at least three (3) HVAC unit installation and general tenant improvement projects exceeding \$500,000 your organization has completed involving public facilities, which include similar trade categories. On a separate sheet, provide the following project information for the projects listed:”

The apparent low bidder, C.J. Pro, Inc. listed just one project that complied with the listing for completed projects exceeding \$500,000 required for this project. Thus, staff, in consultation with the City Attorney’s office, recommends that the City Council find that C.J. Pro, Inc., bid is non-responsive and be rejected as it did not list three completed projects it has performed in the last five years that meets the minimum dollar amount.

The bid of the second lowest bidder, United Mechanical Contractors was reviewed by staff and found to be responsive to the bid requirements, and to the qualifications and experience requirements. As reported by the California State Contractors License Board, their license is current and in good standing. Review of the firm's references indicates that the firm has successfully executed similar work including the projects for UCLA, Simi Valley City Hall, and Thousand Oaks Community Center.

Staff recommends that the base bid and alternates #1, #2, #3 and #4 be accepted as the contract work. The total contract amount is \$382,000 including the above alternate bid items. In addition, a contingency of \$38,000 which may be approved by the City Manager or his designee (approximately 10% of the contract amount) is recommended for changes due to unforeseen conditions to complete the work. The architect’s pre-bid estimate was \$400,000.

The bid documents specify a 90 calendar day completion period for the work, resulting in completion of the project in July-August 2012.

Furniture Procurement

As part of the IT data center and offices development in 1996, the space was furnished with office and systems work station furniture. This furniture has provided adequate service for 16 years and has reached the end of its life cycle. The product needs to be replaced due to worn surfaces and ergonomic advances. The proposed agreement for work station and office furniture replacement includes 15 staff workstations, 2 offices for senior management, 2 new offices for 4 staff in the data center, conference tables and chairs.

The architect developed a furniture plan with IT management staff and based the product on Knoll. Knoll participates in the U.S. Communities Government Purchasing Alliance and the purchase price is based on Contract #4400000369. The specified Knoll AutoStrata and Dividends product lines are discounted 67.5% from the commercial price list.

Beverly Hills Municipal Code Section 3-3-205, Alternative Purchasing Procedures, provides that the City's purchasing agent may purchase equipment where competitive bid procedures have already been utilized such as purchases from federal, state or county governments as long as the City is supplied the equipment at the same or better price as was obtained through the competitive bid procedures.

The vendor, Systems Source, Inc. is an authorized Knoll dealer and listed as a Certified Government Dealer to offer the discounted pricing from the U.S. Communities Contract. The purchase and installation amount of \$246,423.38 reflects the discounted price. A contingency of \$10,000 is recommended for unforeseen conditions for a total agreement not to exceed \$256,423.38.

The Department of Community Development has reviewed the project for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills, and no further environmental assessment is necessary.

FISCAL IMPACT

Funding for this contract work has been budgeted from multiple funding sources, including the fiscal year 2011-12 Capital Improvement Program budget for IT Building Infrastructure Maintenance, project #0924 and the Equipment Replacement Program (Dept 31), Misc Technology Projects and Computer Acquisition.



Scott G. Miller
Finance Approval



David D. Gustavson
Approved By

Attachment 1

RESOLUTION 12-R-_____

RESOLUTION OF THE COUNCIL OF THE CITY OF
BEVERLY HILLS AWARDING A CONTRACT TO UNITED
MECHANICAL CONTRACTORS, INC. FOR THE
INFORMATION TECHNOLOGY INTERIOR
IMPROVEMENTS PROJECT AND AC UNIT REPLACEMENT
AND APPROVING PLANS AND SPECIFICATIONS
THEREFOR

The Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. The plans and specifications for the Information Technology HVAC Unit Replacement & Interior Improvements, dated December 16, 2011, ("Project") copies of which are on file in the Public Works & Transportation Department, are hereby adopted and approved with respect to design criteria.

Section 2. The City invited bids for the Project and eleven bids were received. The lowest bid submitted by C.J. Pro, Inc. is non-responsive because it failed to meet the experience qualifications by failing to provide evidence of at least three (3) comparable construction projects, as defined in the bid package, C.J. Pro, Inc. has completed in the last five-year period that demonstrates its capability to perform the work required by the bid. Therefore, the City Council finds that the lowest responsive bid was submitted by United Mechanical Contractors, Inc.

Section 3. In accordance with Beverly Hills Municipal Code Section 3.3.104 (d) (7), the City Council shall award the bid to the lowest responsible bidder.

Section 4. Upon reviewing the bids submitted for the work to be performed pursuant to contract and said plans and specifications, the City Council hereby rejects the C.J. Pro, Inc. bid as non-responsive and finds that United Mechanical Contractors, Inc., hereinafter "said Contractor", is the lowest responsible bidder for such work. The bid of said Contractor is hereby accepted in the total amount of \$382,000, which includes the Lump Sum Base Bid and Alternate Bid #1, #2, #3 and #4 and a contract for the performance of such work dated _____, and identified as Contract No. _____, a copy of which is on file in the Office of the City Clerk, is hereby approved and awarded to said Contractor.

Section 5. A construction contingency in the amount of \$38,000 is hereby approved for change orders to the contract as approved in writing by the City Mayor or his designee.

Section 6. The Mayor is authorized and directed to execute said Agreement on behalf of the City and the City Clerk is directed to attest thereto.

Section 7. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

Section 8. The City Clerk shall furnish a copy of said Agreement after it has been approved and fully executed by the City, along with a copy of this resolution, to: United Mechanical Contractors, Inc., 794 E. Los Angeles Avenue, Simi Valley, CA 93065.

Section 9. The City Clerk shall certify to the adoption of this Resolution and shall cause this Resolution and his certification to be entered in the Book of Resolutions of the Council of this City.

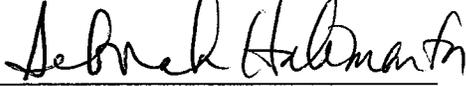
Adopted:

WILLIAM W. BRIEN, M.D.
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFERY KOLIN
City Manager



DAVID D. GUSTAVSON
Director of Public Works and Transportation



ALAN SCHNEIDER
Director of Project Administration

Attachment 2

APPENDIX A

FORM OF CONTRACT

This contract ("Contract") is entered into by and between the City of Beverly Hills ("City"), a California municipal corporation, and United Mechanical Contractors Inc., a corporation, whose address is 794 E. Los Angeles Ave. Simi Valley, CA.93065.

In consideration of the agreements herein contained, the parties agree as follows:

1. **WORK TO BE PERFORMED.** Contractor shall furnish at Contractor's own expense all labor, materials, supplies, equipment, tools, transportation and other items of expense necessary to complete in a workmanlike manner all Work in accordance with the terms and conditions of the Contract, except for the labor, materials, supplies, equipment, tools, transportation and other items of expense as may be required to be furnished by the City. The Work is defined in detail in the Contract Documents, which govern the interpretation and performance of this Contract, but may be generally described as follows:

INFORMATION TECHNOLOGY HVAC UNIT REPLACEMENT & INTERIOR IMPROVEMENTS

Item Description: Removal of existing and installation of new HVAC units for the Data Center and interior improvements at the Information Technology Department, located in Level "B" at 444 N. Rexford Drive, Beverly Hills, California 90210.

2. **CONTRACT DOCUMENTS.** This contract consists of this Form of Contract and the following Contract Documents, including all exhibits, appendices, addenda, drawings, specifications and documents therein and attachments thereto, all of which are by this reference incorporated herein and made a part of this Contract:

- SECTION 1: NOTICE INVITING BIDS**
- SECTION 2: INSTRUCTIONS TO BIDDERS**
- SECTION 3: SPECIAL CITY REQUIREMENTS**
- SECTION 4: GENERAL SPECIFICATIONS**
- SECTION 7: ADDITIONAL FORMS**
- APPENDIX B: SCOPE OF WORK**
- APPENDIX C: PAYMENT PROCEDURES**
- APPENDIX D: BID FORM**
- APPENDIX E: TECHNICAL SPECIFICATIONS**

as contained in City's Bid Document for Bid No. 12-15, dated December 16, 2011 and

- SECTION 5: BIDDER'S BID**
- SECTION 6: SIGNATURE PAGE AND LEGAL STATUS**

of Contractor's Bid in response thereto, all of which are incorporated herein by reference, and all of which shall comprise the Contract Documents for this Contract. If any item of the Scope of Work, Payment Schedule, or any other item of the Bid Package is modified by either of the parties or arrived at by negotiation between the parties, that item as finally agreed upon by the parties shall also become a Contract Document, it shall supersede the corresponding item of the Bid Package, if any, and it shall be subject to all terms and conditions of the Contract.

3. **PERFORMANCE PERIOD.** Contractor shall commence Work after execution of the Contract, and shall complete all Work in 90 calendar days from the date of Notice To Proceed as set forth in the Contract Documents.

4. PAYMENT. City shall pay Contractor as full consideration for the satisfactory performance by Contractor of all Work required under this Contract the sum of Three Hundred Eighty Two Thousand Dollars (\$382,000), payable as provided in the Contract Documents.

5. The City Manager or his designee shall administer the terms of the Agreement on behalf of the City.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed as of the date stated below.

DATED: _____

DATED: _____

CITY OF BEVERLY HILLS
"City"

"Contractor"

WILLIAM W. BRIEN M.D.
Mayor

By: _____

By: _____

ATTEST:

BYRON POPE
City Clerk

APPROVED TO FORM:

APPROVED AS TO CONTENT:

LAURENCE S. WIENER
City Attorney

JEFFREY KOLIN
City Manager

DAVID D. GUSTAVSON
Director of Public Works & Transportation

ALAN SCHNEIDER
Director of Project Administration

KARL KIRKMAN
Risk Manager

Attachment 3

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
SYSTEMS SOURCE, INC. FOR FURNITURE PURCHASE AND
INSTALLATION AT CITY HALL INFORMATION TECHNOLOGY OFFICES

NAME OF VENDOR: SYSTEMS SOURCE, INC.

RESPONSIBLE PRINCIPAL OF VENDOR: Rosemarie Correia, Chief Executive Officer

VENDOR'S ADDRESS: 6601 Center Drive West, Suite 650
Los Angeles, CA 90045
Attention: Rosemarie Correia, CEO

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Alan Schneider
Director of Project Administration

COMMENCEMENT DATE: Upon receipt of written Notice to Proceed

TERMINATION DATE: June 30, 2013

CONSIDERATION: Fee: \$246,423.38 as more particularly described in Exhibit A

Contingency for additional work not to exceed \$10,000.00, as more fully described in B-1

Total not to exceed \$256,423.38 (includes all applicable sales tax);

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
SYSTEMS SOURCE, INC. FOR FURNITURE PURCHASE AND
INSTALLATION AT CITY HALL INFORMATION TECHNOLOGY OFFICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Systems Source, Inc. (hereinafter called "VENDOR").

RECITALS

A. CITY desires to obtain services of a contractor to purchase and install furniture at City Hall Information Technology offices ("Project") as described in Exhibit A ("Project"), attached hereto and incorporated herein.

B. VENDOR represents that it is licensed, qualified and able to perform the services.

NOW, THEREFORE, the parties agree as follows:

Section 1. VENDOR's Services. VENDOR shall perform and complete in good and workmanlike manner the Scope of Work described in Exhibit A in a manner satisfactory to CITY.

Section 2. Time of Performance. VENDOR shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. VENDOR shall perform the services on or by the Termination Date set forth above, unless extended in writing by the City Manager or his designee pursuant to the same terms and conditions of the Agreement.

Section 3. Compensation.

(a) Compensation. CITY agrees to compensate VENDOR for the services and/or goods provided under this Agreement, and VENDOR agrees to accept in full satisfaction for such services, a sum not to exceed the Consideration set forth above and more particularly described in Exhibit B, attached hereto and incorporated herein.

(b) Expenses. The amount set forth in paragraph (a) shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement (including, but not limited to, all labor, materials, delivery, tax, assembly, and installation, as applicable). There shall be no claims for additional compensation for reimbursable expenses.

(c) Additional Services. CITY may from time to time require VENDOR to perform additional services not included in the Scope of Services. Such requests for additional services shall be made by CITY in writing and agreed upon by both parties in writing.

Section 4. Method of Payment. Unless otherwise provided for herein, VENDOR shall submit to CITY a detailed invoice, on a monthly basis or less frequently as approved by CITY, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period reflecting the actual amount of work completed or the percentage of the completed work and the amount due. Within 30 days of shipment of the deliverables and receipt of an invoice, CITY shall pay all undisputed amounts included on the invoice.

Section 5. Independent Contractor. VENDOR is and shall at all times remain, as to CITY, a wholly independent contractor. Neither CITY nor any of its agents shall have control over the conduct of VENDOR or any of VENDOR's employees, except as herein set forth. VENDOR shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

Section 6. Assignment. This Agreement shall not be assigned in whole or in part by VENDOR or CITY without the prior written approval of the other party. Any attempt by either party to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

Section 7. Responsible Principal(s)

(a) VENDOR's Responsible Principal set forth above shall be principally responsible for VENDOR's obligations under this Agreement and shall serve as principal liaison between CITY and VENDOR. Designation of another Responsible Principal by VENDOR shall not be made without prior written consent of CITY.

(b) CITY's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of CITY.

Section 8. Personnel. VENDOR represents that it has, or shall secure at its own expense, all personnel required to perform VENDOR's services under this Agreement. All personnel engaged in the work shall be qualified to perform such work.

Section 9. Changes to the Scope of Services. CITY may by written notice initiate any change to the scope of services. The cost of any change order must be agreed to by both parties in writing. CITY acknowledges that purchase orders once issued to manufacturers for product are valid obligations of CITY whether installed or not. Cancellation may not be allowed in some cases or may be subject to restocking fees of as much as one hundred percent of the purchase price.

Section 10. Interests of VENDOR. VENDOR affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having any such interest shall be employed by or be associated with VENDOR.

Section 11. Insurance.

(a) VENDOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by VENDOR.

(b) VENDOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by VENDOR in performing the services required by this Agreement.

(c) VENDOR agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation insurance as required by law.

(d) VENDOR shall require each of its sub-consultants or sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(e) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(f) VENDOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, CITY may take out the necessary insurance and pay, at VENDOR's expense, the premium thereon.

(g) At all times during the term of this Agreement, VENDOR shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. VENDOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability insurance required by this Agreement shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(h) The insurance provided by VENDOR shall be primary to any coverage available to CITY. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(i) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, VENDOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or VENDOR shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. VENDOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claims, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of VENDOR or any person employed by VENDOR in the performance of this Agreement.

Section 13. Termination.

(a) CITY shall have the right to terminate this Agreement for any reason or for no reason upon five (5) days written notice to VENDOR. VENDOR agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by CITY, due to no fault or failure of performance by VENDOR, VENDOR shall be paid based on the percentage of work satisfactorily performed at the time of termination. CITY acknowledges that purchase orders once issued to manufacturers for product are valid obligations of CITY whether installed

or not. Cancellation may not be allowed in some cases or may be subject to restocking fees of as much as one hundred percent of purchase price. In no event shall VENDOR be entitled to receive more than the amount that would be paid VENDOR for the full performance of the services required by this Agreement. VENDOR shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. Notice. Any notice, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designated in writing pursuant to this section.

Section 15. Prevailing Wages. In accordance with the provisions of Sections 1770 et seq., of the Labor Code, the Director of the Industrial Relations of the State of California has determined the general prevailing rate of wages applicable to the work to be done. VENDOR will be required to pay to all persons employed on the project by the VENDOR sums not less than the sums set forth in the documents entitled "General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to California Labor Code, part 7, Chapter 1, Article 2, Sections 1770, 1773, 1773.1." These documents can be reviewed in the office of the City Clerk or may be obtained from the State of California.

Section 16. Affirmative Action in Contracting Policy. CITY is an equal opportunity employer. Qualified firms owned by women, minorities and disabled persons are encouraged to submit bids or proposals. VENDOR expressly agrees to comply with the CITY's ordinances and regulations concerning Equal Opportunity Employment and Affirmative Action principles. VENDOR and every supplier of materials and services shall be an "Equal Opportunity Employer" as defined by Section 2000(E) of Chapter 21 of Title 42 of the United States Code and Federal Executive Order #11375, and as such shall not discriminate against any person by reason of race, creed, color, religion, age, sex or physical handicap with respect to the application for employment, hiring, tenure, or terms or conditions of employment of any person.

Section 17. Standard Specifications. In connection with contracts to which it may apply, and except as otherwise provided below, all public works construction Work shall be done in accordance with the provisions of the most current edition of "Standard Specifications for Public Works Construction" (commonly known as "the Green Book") including Supplements, prepared and promulgated by the Southern California Chapter of the American Public Works Association and the Associated General Contractors of California, which specifications are hereinafter referred to as the "Standard Specifications." The provisions of these General Specifications shall apply to and/or shall supersede, as the case may be, provisions of the above referenced Standard Specifications.

Section 18. Compliance with Labor Laws. VENDOR shall comply with and adhere to all applicable labor laws, such as, but not limited to, alien labor, prevailing wages, etc. VENDOR shall comply with the provisions of Sections 1770-1777.5 of the California Labor Code, and Section 7-2 of the Standard Specifications, entitled "Labor." The California Department of Industrial Relations has ascertained the general prevailing rate of wages in the county in which the Work is to be done. A copy of the general prevailing rate of wages is on file with the City Clerk of CITY and is available for inspection and reference during regular business hours.

Section 19. Materials and Workmanship. CITY shall have the right to inspect any material used. Material furnished shall be new, complete, ready-for-use and of the latest model, shall not have been used in demonstration or other services and shall have all the usual equipment as shown by its manufacturer's current specifications and catalogs, unless otherwise specified. Equipment, supplies or services that fail to comply with the Agreement requirements regarding design, material or workmanship may be rejected at the option of CITY. Any materials rejected shall be removed from CITY premises at the VENDOR's sole expense.

Section 20. Licenses and Permits. Except as provided herein below, VENDOR shall obtain and pay for all permits and licenses required by federal, state or local law, rule or regulation. Costs for obtaining CITY permits required under this Agreement will be waived. All requirements for obtaining permits (including CITY permits) remain in effect and are not waived; only the costs of CITY permits are waived.

Section 21. Assignment of Unfair Business Practices. In entering into a public works contract or subcontract to supply goods, services, or materials pursuant to a public works contract, VENDOR or its subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to VENDOR, without further acknowledgment by the parties.

Section 22. Safety and Protection of Workers. Pursuant to Public Contract Code Section 7104, if any work under this Contract involves digging trenches or other excavations that extend deeper than four feet below the surface:

(a) VENDOR shall promptly, and before the following conditions are disturbed, notify CITY, in writing, of any:

(i) Material that VENDOR believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, II, or Class III disposal site in accordance with provisions of existing law.

(ii) Subsurface or latent physical conditions at the site differing from those indicated.

(iii) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in the work of the character provided for in the Agreement.

(b) CITY shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in the VENDOR's cost of, or the time required for, performance of any part of the work shall be in the form of a written amendment to the Agreement.

(c) In the event that a dispute arises between the CITY and VENDOR, whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in VENDOR's cost of, or time required for, performance of any part of the work, VENDOR shall not be excused from any scheduled completion date provided for by the Agreement, but shall

proceed with all work to be performed under the Agreement. VENDOR shall retain any and all rights provided either by the Agreement or by law which pertain to the resolution of disputes and protests between the contracting parties.

Section 23. Special Conditions.

(a) Hours of Work. All construction activity shall be performed only between the hours of 8:00 a.m. and 6:00 p.m., Monday through Friday. For any construction activity to be performed after these hours or on weekends, VENDOR shall obtain the written approval of the CITY's representative.

(b) Conduct of the Work. Workmen shall behave, at all times, in a courteous, professional manner. While on site, or entering or exiting the site, there shall be no loud noise, shouting or other extraneous activity that might cause disruption to staff or patrons as the case may be. The operations City Hall Second Floor will remain open throughout the construction period.

(c) Storage will be limited to the Project area.

(d) VENDOR shall have a competent representative on the Project site at all times Work is in progress. Communication given to the representative shall be binding as if given to the VENDOR. VENDOR shall immediately replace any individual who ceases to perform his duties satisfactorily, in the opinion of the CITY's representative, with a qualified, competent replacement acceptable to the CITY's representative.

(e) VENDOR shall submit schedule information to the CITY's representative for integration into the overall Project schedule. Activity information shall be of sufficient detail to ensure adequate coordination, planning and execution of the work within the Time of Performance required by the Agreement.

(f) Rubbish, debris, waste, dust or surplus materials, shall not be allowed to accumulate and shall be removed continuously and disposed of by the VENDOR as the work progresses. The CITY may elect if required, upon written notice to the VENDOR, to perform cleanup, the cost for which will be deducted from the Agreement amount.

Section 24. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded

Section 25. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and VENDOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and VENDOR.

Section 26. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

Section 27. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 28. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than VENDOR.

Section 29. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

EXECUTED the ____ day of _____ 201__, at Beverly Hills, California.

CITY OF BEVERLY HILLS, a municipal corporation

WILLIAM W. BRIEN, M.D.
Mayor of the City of
Beverly Hills, California

ATTEST:

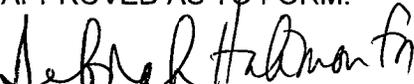
BYRON POPE
City Clerk

VENDOR: SYSTEMS SOURCE, INC.


ROSEMARIE CORREIA
Chief Executive Officer

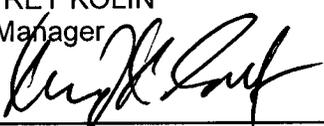


KEITH ANDERSON
Controller

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager


DAVID D. GUSTAVSON
Director of Public Works & Transportation

[Signatures continue]



ALAN SCHNEIDER
Director of Project Administration



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

VENDOR shall provide all materials, necessary equipment, and skilled labor to provide and perform the following services in connection with the purchase and installation of furniture at the CITY's Information Technology Offices ("Project"). VENDOR guarantees that the work shall be performed in accordance to the drawings and specifications dated November 11, 2011 prepared by CITY's architect, RTK Architects. VENDOR shall have at all times management on site familiar with the Project and with authority to direct its staff. In addition, VENDOR agrees to comply with all required regulations and safety procedures, and provide its services to CITY's full satisfaction.

SCOPE OF WORK

Supply all labor, materials and equipment to install furniture in accordance with the VENDOR'S proposal dated March 14, 2012:

Deliverables

WORK STATIONS

15 - Knoll Autostrada 49H with Frameless Glass – Laminate \$154,699.25
Finishes: V2 Wood - V440 Natural Hemlock
Grade 20 Fabric
Paint: P2 Paint Finishes and Clear

15 - Task Chairs - Generation (Base Grade Upholstery, Black base) \$8,620.50

MANAGEMENT OFFICES

2 - V2 Natural Hemlock Veneer V440 \$23,872.00
Desk Storage Mobile Pedestal & FF Pedestal
Freestanding 60x30 Autostrada Rectangular Table
Credenza 60wide x 20deep w/2 lateral files 2H - risers w/other storage
Storage
Work surfaces and support
2 – Task Chairs - Generation (Base Grade Upholstery, Black base)
2 - Guest Chairs - Moment (Grade 8 Upholstery Chrome frame)

OPEN AREA CONFERENCE

2 - Round Conference Table 48" Dia - Knoll Autostrada Table, Wood Top, \$1,172.00
V2 -V440 Natural Hemlock with Aluminum diamond legs 28"H

9 – Chairs - Moment Chrome Frame, Grade B Upholstery TBD \$3,036.96

STAFF OFFICES – BO-1 & BO-2

2 – Knoll Dividends Freestanding desks \$10,495.50
2 desks per office
Tops – Laminate
Storage – Metal in P1 Paint
Tack Boards – Grade 10 Upholstery Wall-mounted

- 2 – Task Chairs - Generation (Base Grade Upholstery, Black base)
- 2 – Guest Chairs - Moment Sled base Guest
- 3 – U-Desks
- 1 – L-Desk
- 1 – 3 Door Overhead Flipper Metal Wall-mounted unit
- 1 – 2 Door Overhead Flipper Metal Wall-mounted unit
- Task lights - Black 1 per desk.

Other Costs

Non-Union "Prevailing Wage" Installation. Single phase, Normal Hours M-F 7am to 5pm, free & clear access to docks, elevators, parking and site to be in ready to install furniture condition (all construction trades complete)	\$16,450.00
Project Management & CAD - Billed at \$75/hr actual time expended on project (estimate includes 2 changes to final client sign off on space plan)	\$8,250.00
Sales Tax (8.75%)	\$19,827.17

SCHEDULE OF WORK

- Start work upon receipt of approved agreement and Notice To Proceed
- Manufacturing Lead-time 8 Weeks (5 Week lead-time plus 3 weeks for special sized work surfaces)
- Shipping – 10 Days
- Installation 5 Days

WARRANTY

One (1) year materials and labor

EXHIBIT B-1

PAYMENT TERMS

CITY shall compensate VENDOR for the satisfactory performance of the work described in this Agreement in an amount not to exceed Two Hundred Forty-Six Thousand Four Hundred Twenty-Three Dollars and Thirty-Eight Cents (\$246,423.38).

A Contingency in an amount not to exceed Ten Thousand Dollars (\$10,000.00), is for additional, unforeseen and unanticipated work outside the scope of services described in Exhibit A, and shall not be undertaken without the express direction by CITY in writing. Compensation for said additional work shall be mutually agreed upon by the parties in writing.

In no event shall the Fee and Contingency exceed Two Hundred Fifty-Six Thousand Four Hundred Twenty-Three Dollars and Thirty-Eight Cents (\$256,423.38).

EXHIBIT B-2

SCHEDULE OF PAYMENT

VENDOR shall submit an itemized statement to CITY on a CITY approved form for its services performed, which shall include documentation setting forth in detail a description of the services rendered, and the hours of service, if appropriate. CITY shall pay VENDOR the amount of such undisputed billing within thirty (30) days of receipt of same. Payment shall be made upon the satisfactory completion and submission of the deliverables described in Exhibit A.



CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	B.I.	LIMITS	
					P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> VENDOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/>					

It is hereby understood and agreed that the **City of Beverly Hills**, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the **City of Beverly Hills** and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the **City of Beverly Hills**.

In the event of cancellation or material change in the above coverage, the company will give **30 days** written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY: _____
Authorized Insurance Representative

AGENCY: _____

TITLE: _____
ADDRESS: _____

RM02.DOC REVISED 10/14/96.

Attachment 4



455 N. Rexford Drive
Beverly Hills, CA 90210-4817
(310) 285-1123
FAX: (310) 858-5966

www.beverlyhills.org

CITY OF BEVERLY HILLS

Categorical Exemption

NAME OF PROJECT Information Technology Interior Improvements Project and AC Unit Replacement

LOCATION 444 N. Rexford Drive, Beverly Hills, California

TYPE OF BUSINESS (IF COMMERCIAL) City Information Technology Department

PROJECT DESCRIPTION Replace (2) A/C units, ceiling tiles throughout facility, carpet, kitchen cabinets, modular furniture. Upgrade Lighting at selected rooms, repaint throughout, replace wall covering on demountable partitions, new flooring level B elevator lobby. Reconfigure senior manager's office, provide new office in Data Center, add 4 new work stations at Data Center.

APPLICANT'S NAME City of Beverly Hills PHONE 310-285-1132

APPLICANT'S ADDRESS Project Administration 345 Foothill Road

CITY Beverly Hills, CA ZIP 90210

IF DIFFERENT, PROVIDE:

AGENT'S NAME _____ PHONE _____

AGENT'S ADDRESS _____

CITY _____ ZIP _____

The undersigned, having received this project for processing, has reviewed it for environmental impact and concluded that the project qualifies for a categorical exemption under the procedures adopted by the City of Beverly Hills and no further environmental assessment is necessary.

Applicable Exemption Class 1

COMMENTS Minor alterations and upgrades to an existing facility and its associated operating equipment.

REVIEWED BY *[Signature]* Date 4/4/2012