



AGENDA REPORT

Meeting Date: August 17, 2010
Item Number: F-9
To: Honorable Mayor & City Council
From: Scott Miller, Director of Administrative Services and CFO
Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: **APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN**
Attachments: Agreements (2)

Item A. APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND RUSSELL NEESE D.B.A. GREAT AMERICAN CLEANING FOR CLEANING CITY VEHICLES AND CITY FACILITIES

RECOMMENDATION

Staff recommends that the City Council approve the agreement with Russell Neese D.B.A. Great American Cleaning, for cleaning City vehicles and facilities. The agreement is for a not-to-exceed amount of \$98,310 for three years.

INTRODUCTION

The pressure washing services provided under this contract are needed to maintain the appearance and cleanliness of City refuse vehicles, sidewalks, common areas of parking garage lease space, walkways and colonnades of the Gardens Building and the 331 Foothill Office Building.

DISCUSSION

In June of 2010 bid specifications were prepared for the Cleaning of City Vehicles and Facilities service contract, bid requests were sent out to several cleaning contractors with three responding as follows:

Russell Neese	\$18.75 labor rate per hour
	\$30.00 truck cleaning rate

Able Building Maintenance	\$20.39 labor rate per hour \$61.17 truck cleaning rate
K Sweeping Service	\$24.00 labor rate per hour \$65.50 truck cleaning rate

Russell Neese is the lowest responsive bidder and staff recommends that Russell Neese continue to provide these cleaning services under the new agreement.

FISCAL IMPACT

Funds were budgeted and are available in the Capital Assets Internal Service Fund, Vehicle Maintenance Internal Service Fund and Parking Enterprise fund for this purpose.

Item B. APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND CALIFORNIA WATERS, LLC FOR FOUNTAIN CLEANING SERVICES

RECOMMENDATION

Staff recommends that the City Council approve the agreement with California Waters, LLC for fountain cleaning services. The total agreement is not to exceed \$87,624 for three years.

INTRODUCTION

Facilities Services manages the contract for fountain cleaning services, which provides for the twice weekly cleaning of City decorative fountains including the 439 N. Canon Dr. (Beverly/Canon Parking Structure), Wilshire Fountain, all fountains at Greystone Park, Coldwater Park stream, and the two new fountains at Coldwater Canyon Reservoir. Regular cleaning is necessary to prevent the growth of algae and to maintain the appearance of the fountains to the public and City visitors.

DISCUSSION

In June 2010, bid specifications were prepared and sent out to qualified fountain service companies; three vendors submitted bids with the results as follows:

California Waters	\$29,208.00 per year
Great American Cleaning	\$33,600.00 per year
Ben's Fountain Care	\$63,160.00 per year

California Waters, LLC is the lowest responsive bidder and staff recommends that California Waters, LLC continue to provide these cleaning services under the new agreement.

FISCAL IMPACT

Funds were budgeted and are available in the Capital Assets Internal Service Fund for this purpose.

Item C. APPROVAL TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF \$1,888,000 FOR LEGAL SERVICES WITH RICHARDS, WATSON & GERSHON, A PROFESSIONAL CORPORATION

RECOMMENDATION

Staff recommends that the City Council approve the purchase order in the amount of \$1,888,000 to Richards, Watson & Gershon, for legal services.

DISCUSSION

On June 22, 2010, the City Council approved Amendment No. 2 to the Agreement between the City of Beverly Hills and Richards, Watson & Gershon, a professional corporation, for legal services. At that time, the purchase order was not included with the agreement amendment because the City Attorney's Office was in the process of adjusting their budgets to tailor their services to meet the specific needs of the City.

FISCAL IMPACT

The total amount for legal services includes \$1,105,800 for the legal retainer, \$12,200 for miscellaneous legal services, \$25,000 for services outside of the legal retainer, and \$745,000 for litigation and special services. Funds were budgeted and are available in the Policy Administration and Legal (PAL) Internal Service Fund for this purpose.

Item D. APPROVAL TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF \$128,000 TO THE DAVIS COMPANY FOR CLASSIFICATION AND COMPENSATION STUDIES

RECOMMENDATION

Staff recommends that the City Council approve a purchase order in the amount of \$128,000 to the Davis Company for classification and compensation studies for FY 2010/11.

INTRODUCTION

Eight of the City's nine labor agreements require a third party to perform total compensation studies to set salary rates for City positions. For the last four years, the Davis Company has provided professional classification and compensation services by performing various studies as necessary. During the next fiscal year, the City is required to conduct compensation studies that will be used during negotiations with the Police Officers Association, Firemen's Association, and the Police Management Association. In addition, the Davis Company may be called upon to verify and/or perform other classification and compensation studies. The current agreement with the Davis Company continues until canceled by either party.

DISCUSSION

The Davis Company has the skills, knowledge and ability to provide professional classification and compensation studies. The cost of these services is a not to exceed amount of \$128,000.

FISCAL IMPACT

Funds were budgeted and are available in the Policy Administration and Legal (PAL) Internal Service Fund for this purpose.

Item E. APPROVAL TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF \$52,100 TO LIEBERT CASSIDY WHITMORE FOR EMPLOYEE RELATIONS AND NEGOTIATIONS SERVICES

RECOMMENDATION

Staff recommends that the City Council approve the purchase order in the amount of \$52,000 to Liebert Cassidy Whitmore for labor relations and negation services.

INTRODUCTION

The Human Resources (HR) Division of Administrative Services requires legal counsel for labor relations. Liebert Cassidy Whitmore has provided legal services for the City, is familiar with the City's legal needs and has the required legal expertise necessary for upcoming negotiations with the Police Officers Association, the Firemen's Association and the Police Management Association, as well as other labor-related issues. The current agreement with Liebert Cassidy Whitmore expires June 30, 2011, unless cancelled sooner.

DISCUSSION

Liebert Cassidy Whitmore has the expertise to provide the necessary services. The cost of these services is not to exceed \$52,100 for FY 2010/11.

FISCAL IMPACT

Funds were budgeted and are available in the Policy Administration and Legal (PAL) Internal Service Fund for this purpose.



Noel Marquis
Finance Approval



Scott G. Miller
Approved By

**AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND RUSSELL NEESE
D.B.A. GREAT AMERICAN CLEANING FOR CLEANING CITY VEHICLES AND CITY
FACILITIES**

NAME OF CONTRACTOR:	Russell Neese d.b.a. Great American Cleaning
RESPONSIBLE PRINCIPAL OF CONTRACTOR:	Russell Neese, Owner
CONTRACTOR'S ADDRESS:	740 Maryland Street El Segundo, A 90245
CITY'S ADDRESS:	City of Beverly Hills 455 N. Rexford Drive Beverly Hills, CA 90210 Attention: Terry Wagner Facilities Maintenance Manager
COMMENCEMENT DATE:	July 1, 2010
TERMINATION DATE:	June 30, 2011, unless extended pursuant to Section 2
CONSIDERATION:	Not to exceed \$32,770 per year as more specifically set forth in Exhibit B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND RUSSELL
NEESE D.B.A. GREAT AMERICAN CLEANING FOR CLEANING CITY
VEHICLES AND CITY FACILITIES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Russell Neese d.b.a. Great American Cleaning (hereinafter called "CONTRACTOR").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in Exhibit A (the "Scope of Work"), attached hereto and incorporated herein.

B. CONTRACTOR represents that it is qualified and able to perform the Scope of Work.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Scope of Work.

CONTRACTOR shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. CITY shall have the right to order, in writing, changes in the Scope of Work. Any changes in the Scope of Work by CONTRACTOR must be made in writing and approved by both parties. The cost of any change in the Scope of Work must be agreed to by both parties in writing.

Section 2. Time of Performance.

CONTRACTOR shall commence its services under this Agreement upon receipt of a written notice to proceed from CITY. CONTRACTOR shall complete the performance of services by the Termination Date set forth above and/or in conformance with the project timeline established by the City Manager or his designee.

The City Manager or his designee may extend the time of performance in writing for two additional one-year terms or such other term not to exceed two years from the date of termination pursuant to the same terms and conditions of this Agreement.

Section 3. Compensation.

(a) Compensation

CITY agrees to compensate CONTRACTOR for the services and/or goods provided under this Agreement, and CONTRACTOR 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 CONTRACTOR 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, CONTRACTOR shall submit to City a detailed invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within 30 days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit B, attached hereto and incorporated herein.

Section 5. Independent Contractor. CONTRACTOR 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 CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR 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 CONTRACTOR without the prior written approval of CITY. Any attempt by CONTRACTOR 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) CONTRACTOR's Responsible Principal set forth above shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. Designation of another Responsible by CONTRACTOR 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. CONTRACTOR represents that it has, or shall secure at its own expense, all personnel required to perform CONTRACTOR's Scope of Work under this Agreement. All personnel engaged in the work shall be qualified to perform such Scope of Work.

Section 9. Permits and Licenses. CONTRACTOR shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

Section 10. Interests of CONTRACTOR. CONTRACTOR 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 Scope of Work contemplated by this Agreement. No person having any such interest shall be employed by or be associated with CONTRACTOR.

Section 11. Insurance.

(a) CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

(1) A policy or policies of Comprehensive General Liability Insurance, with minimum limits of One Million Dollars (\$1,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CONTRACTOR.

(2) 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 CONTRACTOR in performing the Scope of Work required by this Agreement.

(3) Workers' compensation as required by the state of California.

(b) CONTRACTOR shall require each of its sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(c) 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.

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

(e) At all times during the term of this Agreement, CONTRACTOR 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. CONTRACTOR shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The general liability and auto liability 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.

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

(g) Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the

deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

Section 12. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council and each member thereof, and every officer, employee and agent of CITY, from any claim, 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 CONTRACTOR or any person employed by CONTRACTOR 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 calendar days' written notice to CONTRACTOR. CONTRACTOR 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 CONTRACTOR, CONTRACTOR shall be paid based on the percentage of work satisfactorily performed at the time of termination. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the services required by this Agreement. CONTRACTOR shall have no other claim against CITY by reason of such termination, including any claim for compensation.

Section 14. CITY's Responsibility. CITY shall provide CONTRACTOR with all pertinent data, documents, and other requested information as is available for the proper performance of CONTRACTOR's Scope of Work.

Section 15. Information and Documents. All data, information, documents and drawings prepared for CITY and required to be furnished to CITY in connection with this Agreement shall become the property of CITY, and CITY may use all or any portion of the work submitted by CONTRACTOR and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 16. Changes in the Scope of Work. The CITY shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by CONTRACTOR must be made in writing and approved by both parties.

Section 17. Notice. Any notices, 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, designate in writing pursuant to this section.

Section 18. 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 19. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, 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 CONTRACTOR.

Section 20. 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 21. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 22. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONTRACTOR.

Section 23. 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

JIMMY DELSHAD
Mayor of the City of
Beverly Hills, California

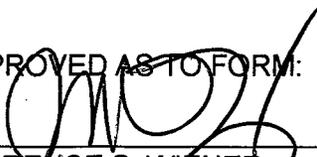
ATTEST:

BYRON POPE
City Clerk

CONTRACTOR: RUSSELL NEESE D.B.A.
GREAT AMERICAN CLEANING

RUSSELL NEESE
Owner

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager

[Signatures continue]



DAVID D. GUSTAVSON
Director of Public Works & Transportation



KARL KIRKMAN
Risk Manager

EXHIBIT A
SCOPE OF WORK

CONTRACTOR shall clean CITY refuse vehicles as directed by CITY at the CITY facility selected by CITY on an as needed basis. CONTRACTOR's services shall include the following:

Vehicle Cleaning Service shall include hand washing of external surfaces only of designated vehicles by using CONTRACTOR's equipment and supplies, including water, at a location designated by CITY representative. CITY water shall be used only when approved by the Water Division Manager. At a minimum, hand washing shall include, but not be limited to the following:

- Applying high-pressure water to the entire external surfaces (including roofs of hoppers and cabs, outside tires, and wheels) of the vehicle to knock off heavy dirt. CONTRACTOR may use water pre-mixed with soap to break down firmly caked on dirt.
- Manually scrubbing entire surfaces by using medium-bristled scrubber with standard automotive "foamy" soap. Industrial soap that is too harsh for automotive paint shall not be used. Soap shall be approved by CITY representative.
- Rinsing entire surfaces by using clean water until completely free of soapy film residue.
- Drying surfaces by wiping or blow drying. Surfaces shall be considered clean only when no dirt is transferred to the finger after touching the washed surface.
- Cleaning glass surfaces (windshields, windows, mirrors, and headlights) by using standard glass cleaner and wiping surfaces dry.

Exceptions regarding Vehicle Cleaning:

- Only CITY employees shall drive or move vehicles
- CONTRACTOR shall not wash or clean inside hoppers or cargo beds, cabs or engine compartments.

CONTRACTOR shall pressure wash all upper and lower walkway areas of Civic Center on monthly basis. Additionally, CONTRACTOR shall pressure wash ceiling and arcades of the Civic Center and the courtyard at the Roxbury Community Center ("facilities") twice annually.

CONTRACTOR shall pressure wash all parking facility entries monthly.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

REFUSE VEHICLE:	\$30.00 per vehicle	Not to exceed: \$15,000 per year
CIVIC CENTER:	\$1,000 per month	Not to exceed: \$12,000 per year
FACILITIES (The Gardens Building & 331 N. Foothill Office Building)	\$166.66 per month	Not to exceed \$ 2,000 per year
PARKING FACILITY ENTRIES:	\$1,147.50 per month	Not to exceed \$13,770 per year

CITY shall compensate CONTRACTOR a total amount not to exceed Thirty-Two Thousand Seven Hundred Seventy Dollars (\$32,770) per year for all services required under this Agreement.

CONTRACTOR shall submit an itemized invoice to CITY for its services performed for the prior month, which shall include documentation setting forth in detail a description of the services rendered and the hours of service. CITY shall pay CONTRACTOR the amount of such billing within thirty (30) days of receipt of same.



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	LIMITS		
				B.I.	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"/> CONTRACTOR'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 _____

: _____

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
CALIFORNIA WATERS, LLC FOR FOUNTAIN MAINTENANCE
SERVICES

NAME OF VENDOR: California Waters, LLC

RESPONSIBLE PRINCIPAL OF VENDOR: Jeffrey Barman, President

VENDOR'S ADDRESS: 2909 W. Warner Avenue
Santa Ana, CA 92704

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Terry Wagner
Facilities Maintenance Manager

COMMENCEMENT DATE: July 1, 2010

TERMINATION DATE: June 30, 2012, unless extended pursuant to
Section 2

CONSIDERATION: Not to exceed \$29,208.00 per year based
on the rates set forth in Exhibit B-1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
CALIFORNIA WATERS, LLC FOR FOUNTAIN MAINTENANCE
SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and California Waters, LLC (hereinafter called "VENDOR").

RECITALS

A. CITY desires to have certain services provided (the "services") as set forth in Exhibit A, attached hereto and incorporated herein.

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

NOW, THEREFORE, the parties agree as follows:

Section 1 VENDOR's Services. VENDOR shall perform the services as described in Exhibit A to the full satisfaction of CITY.

Section 2 Time of Performance. VENDOR shall perform the services on or by the Termination Date set forth above. The City Manager or his designee may, in writing, extend the time of performance for one additional one-year period pursuant to the same terms and conditions of this Agreement.

Section 3 Compensation. CITY agrees to compensate VENDOR, and VENDOR agrees to accept in full satisfaction for the services required by this Agreement an amount not to exceed the Consideration set forth above and based on the rates set forth in Exhibit B-1, attached hereto and incorporated herein. Said Consideration shall constitute reimbursement of VENDOR's fee for the services as well as the actual cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, delivery, tax, assembly, and installation, as applicable). CITY shall pay VENDOR said Consideration in accordance with the schedule of payment set forth in Exhibit B-2, attached hereto and incorporated herein.

Section 4 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 5 VENDOR: Responsible Principal. The 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 the prior written consent of CITY.

Section 6 Personnel. VENDOR represents that it has, or shall secure at its own expense, all personnel required to perform VENDOR's services under this Agreement.

Section 7 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 8 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 One Million Dollars (\$1,000,000) 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 Contractor 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 and employer's liability insurance as required by law.

(d) 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.

(e) 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.

(f) 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 policies of 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.

(g) 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.

(h) 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.

(i) In the event CITY approves the use of subcontractors in accordance with Section 7 of this Agreement, subcontractors shall be required to comply with all insurance requirements set forth in this Section.

Section 9 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 claim, 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 10 Termination.

(a) CITY may cancel this Agreement at any time 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 full compensation for all services performed by VENDOR, in an amount to be determined as follows: For work done in accordance with all of the terms and provisions of this Agreement, VENDOR shall be paid an amount equal to the amount of services performed prior to the effective date of termination or cancellation based on the rates set forth in Exhibit B-1; provided, in no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid VENDOR for the full performance of the services required by this Agreement.

Section 11 Notice. Any notice required to be given to VENDOR shall be deemed duly and properly given upon delivery, if sent to VENDOR postage prepaid to the VENDOR's address set forth above or personally delivered to VENDOR at such address or other address specified to CITY in writing by VENDOR.

Any notice required to be given to CITY shall be deemed duly and properly given upon delivery, if sent to CITY postage prepaid to CITY's address set forth above or personally delivered to CITY at such address or other address specified to VENDOR in writing by CITY.

Section 12 Licenses and Permits. VENDOR agrees to maintain in effect at all times valid local, state and federal licenses and permits.

Section 13 Successors and Assigns. VENDOR shall not assign or attempt to assign any portion of this Agreement without the written approval of CITY.

Section 14 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 15 Attorney's Fees. In the event that CITY or VENDOR commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorney's fees.

Section 16 Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 17 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 this _____ day of _____, 20 ____, at Beverly Hills, California.

"CITY"
CITY OF BEVERLY HILLS, a municipal corporation

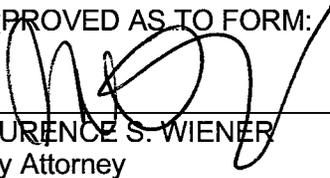
JIMMY DELSHAD
Mayor of the City of Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

"VENDOR"
CALIFORNIA WATERS

JEFFREY BARMAN
President

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


KARL KIRKMAN
Risk Manager

EXHIBIT A

Scope of Services

VENDOR shall provide the following fountain cleaning services at the locations set forth below:

Maintenance Schedule

Monthly Service: 2 service visits per week
Full Service Day: Monday and Thursday
Minimum Service Day: Inclement weather
No Service Day: Major Holidays and Storming Weather

Cleaning Maintenance

Perform vacuuming of the basins once per week or as needed.
Remove all floating and visible submerged litter and debris from basins.
Brush and clean at the waterline.
Brush and clean off residual on the walls and the basin floor.
Clean out all sprayer jet nozzles free of debris and adjust the valves and nozzles as needed.
Retrieve all coins from the fountain and deliver to representative as directed.

Equipment

Check all pressure gauges to determine if systems are operating properly.
Backwash all sand filters each visit to maintain proper flow rates for filters.
Inspect the pumps, filters, and exposed plumbing for any visible leaks.
Ensure all electrical devices are operating.

Check all light fixtures and maintain proper positioning.
Verify that the operating water level in the basins is correct and add water manually if necessary.

Water Treatment Maintenance

Test the water for sanitizer and pH levels and adjust to maintain proper chemical balancing.
All standard chemicals (sanitizer, muriatic acid, clarifiers, defoamer, algaecides, bromine) to be included in monthly cost.
Monitor ozone systems for optimum system output
Maintain the water fountain at a high quality level that meets or exceeds the County of Los Angeles Health Department of Health Services dictates.

Equipment Evaluation

VENDOR shall promptly notify CITY of any equipment malfunction or safety compromise noted by Vendor.

VENDOR shall provide a written estimate for any necessary repair work outside this Scope of Services, and VENDOR will perform such work upon receipt of CITY's written approval.

Locations	Address	Monthly Cost
Beverly/Canon Parking 2 story wall fountain with small pool	438 N. Beverly Dr.	\$171.00
Beverly/Canon Parking Second floor large wall fountain	439 N. Canon Dr.	\$171.00
Coldwater Park 50' stream	1100 Coldwater Canyon	\$341.00
Coldwater Reservoir Fountain with stream	1101 Coldwater Canyon	\$171.00
Coldwater Reservoir stream	1101 Coldwater	\$171.00
Greystone Park Reflection pond	905 Loma Vista Dr	\$171.00
Greystone Park Courtyard fountain large		\$341.00
Greystone Park Gargoyle fountain		\$171.00
Greystone Park Large formal garden fountain		\$171.00
Maltz Park Medium size fountain with small pool	9800 Sunset Blvd.	\$171.00
Wilshire Blvd/Santa Monica Blvd Fountain Very large fountain with large pool		\$341.00
Doheny & Santa Monica Blvd Fountain Large fountain with pool.		\$341.00
Beverly Gardens Gargoyle style fountain	Alpine & Santa Monica Blvd..	\$171.00
Beverly Hills Sign Fountain Small reflection pond	Canon & Santa Monica Blvd.	\$171.00
Reeves Park Fountain Small wall fountain with small water pool	Reeves Dr. & Wilshire Blvd.	\$171.00
City Hall Fountains (2)	450 N. Crescent Dr.	<u>out of service</u>
Public Works Fountain	345 Foothill Road	<u>out of service</u>
Total:		\$3,245.00
25% discount for receiving all stops above		(\$ 811.00)
TOTAL MONTHLY COST:		\$2,434.00

EXHIBIT B-1

Rate Schedule

Two (2) visits per fountain per week at a rate of \$2,434.00 per month.

EXHIBIT B-2

Schedule of Payment

VENDOR shall submit an itemized statement to CITY for its services performed for the prior month, which shall include documentation setting forth in detail a description of the services rendered. CITY shall pay VENDOR the amount of such billing within thirty (30) days of receipt of same.

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	LIMITS		
				B.I.	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"/> CONTRACTOR'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.