



AGENDA REPORT

Meeting Date: November 15, 2011
Item Number: G-9
To: Honorable Mayor & City Council
From: Cheryl Friedling, Deputy City Manager for Public Affairs
Megan Roach, Marketing & Economic Sustainability Manager
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND SWAROVSKI NORTH AMERICA LIMITED FOR HOLIDAY DÉCOR ON RODEO DRIVE; AND APPROVAL OF A PURCHASE ORDER IN A NOT-TO-EXCEED AMOUNT OF \$225,000 FOR THESE SERVICES
Attachments: 1. Agreement

RECOMMENDATION

It is recommended that the City Council approve an agreement between the City of Beverly Hills and Swarovski North America Limited for holiday décor on Rodeo Drive and approve a purchase order in a not-to-exceed amount of \$225,000 for these services.

INTRODUCTION

This item requests the City Council approve the agreement with Swarovski North America Limited for holiday décor on Rodeo Drive as part of the City's 2011 Holiday Program. The City is partnering with Swarovski to create a crystal "Let It Sparkle" décor theme for Rodeo Drive this holiday season.

DISCUSSION

The Holiday/Special Events Liaison Committee (Mayor Brucker and Councilmember Bosse) have met over the past several months to discuss the City's 2011 holiday décor program. On September 8th, the City Council approved an agreement with Utopia Entertainment, Inc. for décor elements to be installed throughout the city that will complement the Swarovski décor program planned for Rodeo Drive. On October 18th, the City Council received a presentation from Swarovski on the holiday décor program for Rodeo Drive. The presentation included an overview of key program elements as outlined below.

Swarovski Holiday Décor for Rodeo Drive Key Program Elements:

- Crystal Décor on Rodeo Drive – Swarovski has hired David Rodgers, a Los Angeles based designer, to design and construct five metal and crystal helix sculptures for the Rodeo Drive medians (one on the 200 block, two on the 300 block, and two on the 400 block) with lighting and electronic tickering for three of the sculptures. Individuals can send holiday greetings via text message and Twitter and the greetings will be displayed on the helix ticker tape. Swarovski will also install crystal strands on the palm trees in the Rodeo Drive medians to complement the crystal helix sculptures.
- Light Pole Banners – Swarovski has designed “Let It Sparkle” artwork for new light pole banners for Rodeo Drive and the City’s other commercial areas. Utopia Entertainment will bid and manage the contract for the fabrication and installation of the banners through its agreement with the City.
- Décor Launch Event – The holiday crystal décor on Rodeo Drive will be unveiled on November 21, 2011, in the presence of the Mayor and City Council, celebrities, press, and partners.
- Communication Material – Swarovski will launch tools dedicated to informing visitors and shoppers about activities on Rodeo Drive to generate traffic at partners’ stores.
- Press and Online Activities – Swarovski has hired a public relations firm that specializes in internet, social media and mobile applications to create an interactive experience on Rodeo Drive.
- In-Store Décor – Swarovski is working with the Rodeo Drive retailers to maximize exposure and the patron shopping experience by creating unique, crystal couture gowns and other décor customized for each partner’s store.

FISCAL IMPACT

For Fiscal Year 2011/12, the City Council designated \$450,000 of the tourism and marketing budget for holiday décor and special events. This agreement with Swarovski North America Limited is for \$225,000. Of the \$225,000, the City’s base contribution is \$180,000. The Rodeo Drive Committee requested (and the Council Liaison Committee agreed) that \$45,000 of City funding that they were allocated at the beginning of the fiscal year (but have not yet spent) be redirected to the Swarovski program thereby increasing the City’s contribution to \$225,000. This combined with Swarovski’s contribution of \$400,452 in funding and services, brings the total budget for the Rodeo Drive holiday program to \$625,452. In addition to the agreement with Swarovski, the City Council approved an agreement with Utopia Entertainment, Inc. for \$333,276 for the City’s other commercial areas to complement the Swarovski program on Rodeo Drive. Thus, the City’s total contribution for this year’s holiday décor program is \$558,276.



Scott Miller
Finance Approval

Cheryl Friedling 

Approved By

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
SWAROVSKI NORTH AMERICA LIMITED FOR HOLIDAY DECOR ON
RODEO DRIVE

| | |
|--------------------------------------|--|
| NAME OF CONTRACTOR: | Swarovski North America Limited |
| RESPONSIBLE PRINCIPAL OF CONTRACTOR: | Reinhard Mackinger, Executive Vice President of Operations for Swarovski North America Limited |
| CONTRACTOR'S ADDRESS: | 29 West 57th Street, 8th Floor New York, NY 10019 Attention: Kisha Reid, Senior Communications Manager, Events |
| CITY'S ADDRESS: | City of Beverly Hills 455 N. Rexford Drive Beverly Hills, CA 90210 Attention: Cheryl Friedling, Deputy City Manager |
| COMMENCEMENT DATE: | Upon Fully Executed Agreement |
| TERMINATION DATE: | January 8, 2012 |
| CONSIDERATION: | Not-to-exceed \$225,000.00 as further described in Exhibit C, unless amended pursuant to Section 3 |

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
SWAROVSKI NORTH AMERICA LIMITED FOR HOLIDAY DECOR ON
RODEO DRIVE

THIS AGREEMENT ("Agreement") is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Swarovski North America Limited (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 Works.

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 (including the creation and installation of holiday décor elements as described in Exhibit C hereto) 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 the CITY in advance before any change order work is to commence. The holiday décor elements (the "Holiday Décor Elements") includes the helix sculptures for the Rodeo Drive medians, crystal strands for the palm trees on the Rodeo Drive medians, the design and artwork for the light pole banners for Rodeo Drive and the City's commercial areas.

Section 2. Time of Performance.

(a) CONTRACTOR shall commence its services under this Agreement upon receipt from CITY of this Agreement fully executed.

(b) CONTRACTOR shall perform all services in conformance with a project schedule mutually agreed upon by the parties and attached hereto and incorporated herein as Exhibit B. Any changes to the project schedule shall be made in writing by the City Manager or his designee, on behalf of the CITY, in consultation with CONTRACTOR. All Holiday Décor Elements, as described in Exhibit C, shall be completed, installed, tested, and fully operational by November 21, 2011.

(c) CONTRACTOR shall remove all Holiday Décor Elements by January 3, 2012. If CONTRACTOR fails to remove all Holiday Décor Elements by January 3, 2012, CITY may, at CONTRACTOR's expense, remove all Holiday Décor Elements. In the event CITY must remove any Holiday Décor Elements, CITY shall deduct the cost of removal from the last payment due to CONTRACTOR pursuant to paragraph 4 in "Exhibit D – Schedule of Payment," attached hereto and incorporated by reference herein.

(d) CITY and CONTRACTOR acknowledge that time is of the essence with respect to the services provided by CONTRACTOR hereunder. CITY may approve changes to the project schedule caused by weather conditions which make it unsafe to install the Holiday Décor Elements or by delays in CITY permit processing or approvals.

Section 3. Compensation. CITY agrees to compensate CONTRACTOR for the services and/or goods provided under this Agreement and more particularly described in Exhibit C, and CONTRACTOR agrees to accept in full satisfaction for such services, a sum not to exceed \$225,000.00. Such compensation shall constitute reimbursement of CONTRACTOR's fee for the service 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) and any other out-of-pocket costs, including payment of monies to third parties directly engaged by CONTRACTOR to provide services under this Agreement. CITY shall pay CONTRACTOR said Consideration in accordance with the schedule of payment set forth in Exhibit D, attached hereto and incorporated herein. CONTRACTOR agrees to directly bill the CITY for the actual costs incurred for any equipment, materials, or supplies necessary to provide the services under this Agreement, with no mark up. CONTRACTOR shall pass through to the CITY any savings associated with the scope of work outlined in Exhibit A. CONTRACTOR shall be the owner of all Holiday Décor Elements other than the light pole banners, which shall be owned by CITY.

Section 4. 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 5. Assignment. This Agreement shall not be assigned in whole or in part, by CONTRACTOR without the prior written approval of CITY. The CITY acknowledges that certain Holiday Décor Elements may be performed by third party contractors engaged by CONTRACTOR.

Section 6. CONTRACTOR and CITY: Responsible Principal

(a) The Responsible Principal of CONTRACTOR set forth on the cover page hereof shall be principally responsible for CONTRACTOR's obligations under this Agreement and shall serve as principal liaison between CITY and CONTRACTOR. CONTRACTOR shall notify CITY of any change in the Responsible Principal; provided, however, such replacement Responsible Principal shall have the same knowledge, experience and qualifications as to the matters covered herein as the Responsible Principal set forth on the cover page hereof.

(b) The Responsible Principal of CITY shall be Megan Roach, Marketing and Economic Sustainability Manager, and shall serve as principal liaison between CITY and CONTRACTOR. CITY shall notify CONTRACTOR of any change in CITY's Responsible Principal.

Section 7. Personnel. CONTRACTOR represents that it has, or shall secure at its own expense, the services of David Rodgers which are required to perform CONTRACTOR's Scope of Work under this Agreement. David Rodgers shall be qualified to perform such Scope of Work.

CITY has approved David Rodgers to be used in the provision of services under this Agreement. CONTRACTOR, however, shall be solely responsible for the work performed by David Rodgers, including timely performance and payment.

Section 8. Force Majeure. CONTRACTOR shall not be held responsible for delays or cancellation caused by events beyond the control of CONTRACTOR. Such events include the following: acts of god, fire, epidemic, earthquake, flood or other natural disaster, acts of government, riots, strikes, war, civil disorder, or other man-made disaster.

Section 9. Permits and Licenses. CONTRACTOR and David Rodgers are responsible for obtaining the permits and licenses required by federal, state or local law, rule or regulation, including, but not limited to, CITY permits as listed in Exhibit E, attached hereto and incorporated herein. As it pertains to CITY permits only, the CITY shall waive the cost of any such CITY permit fees necessary for the installation, maintenance and removal of Holiday Décor Elements, including any permit fees required for the wiring and/or electrical components of the same. In addition, the CITY shall waive the cost of any regular CITY permit fees necessary for the unveiling ceremony (such as those contained in Exhibit E); provided, however, the CITY reserves the right to charge for any unexpected permit fees with respect to such unveiling ceremony.

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 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 CONTRACTOR.

(b) CONTRACTOR 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 Scope of Work required by this Agreement.

(c) CONTRACTOR 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) CONTRACTOR shall require David Rodgers to maintain insurance coverage which meets all of the requirements of this Agreement unless otherwise reasonably determined by the CITY's Risk Manager.

(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) If CONTRACTOR fails to keep the aforesaid insurance in full force and effect, CITY shall notify CONTRACTOR that it is in breach of the Agreement and CONTRACTOR has three (3) days to cure such breach. If such breach is not cured by CONTRACTOR as required in this paragraph, CITY may terminate the 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.

(g) 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 F, 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 and auto liability insurance 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 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.

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, reasonable attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR in the performance of this Agreement. CONTRACTOR shall request that its agreement with David Rodgers provide the indemnification in favor of the CITY as set forth in this paragraph; provided, however, if David Rodgers is unwilling to indemnify CITY as set forth in this paragraph, then CONTRACTOR hereby agrees to indemnify CITY for such acts, errors or omissions of David Rodgers.

Section 13. Time is of the Essence. The parties hereto agree that time is of the essence with respect to each term and condition set forth in this Agreement.

Section 14. Termination.

(a) In the event that CONTRACTOR has not performed its obligations under this Agreement, including the requirement that all Holiday Décor Elements meet the standards outlined in the design plans and specifications, CITY shall give written notice to CONTRACTOR to correct any such deficiencies. If CONTRACTOR does not cure any such deficiencies within three business days or such other period of time as agreed to in writing by CITY, CITY may cancel this Agreement upon five business days written notice to CONTRACTOR. CONTRACTOR agrees to cease all work under this Agreement on the effective date of such notice.

(b) In the event of termination by CITY, CONTRACTOR shall be paid for all services satisfactorily performed prior to the effective date of termination or cancellation, provided, in no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid CONTRACTOR for the full performance of the services required by this Agreement.

(c) CONTRACTOR shall ensure and require that any agreements with David Rodgers for the provision and/or installation of Holiday Décor Elements contain a contractual clause to allow the agreement to be assigned to the CITY (upon the CITY's written request) if this Agreement with CONTRACTOR shall be terminated or cancelled at any time during its term.

Section 15. 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 16. 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. City acknowledges and agrees that all trademarks, service marks, logos, trade names, other insignia or symbols of CONTRACTOR and its affiliates, and all designs and other work product resulting from this Agreement and all rights thereto, and the good will pertaining thereto belong exclusively to CONTRACTOR and any use thereof shall insure solely to the benefit of CONTRACTOR.

Section 17. Records and Inspections. CONTRACTOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of 3 years. City shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make copies and transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

Section 18. 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 19. 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 20. 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 21. Term of Agreement. This Agreement shall terminate on the termination date set forth on the cover page hereof. If the CITY and CONTRACTOR are satisfied with the Holiday Décor Elements and the Program (as defined in Exhibit A) provided under this Agreement, it is the intention of CITY and CONTRACTOR to negotiate in good faith to enter into a similar agreement for the installation, maintenance and display of the Holiday Décor Elements for the 2012 and 2013 holiday season.

Section 22. 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 23. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 24. City Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONTRACTOR.

Section 25. 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.

Section 26. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

EXECUTED the ____ day of _____ 2011, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

BARRY BRUCKER
Mayor of the City of Beverly Hills,
California

ATTEST:

BYRON POPE
City Clerk

(SEAL)

CONTRACTOR:

SWAROVSKI NORTH AMERICA
LIMITED



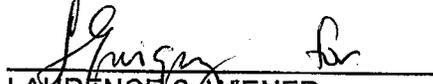
REINHARD MACKINGER
Executive Vice President

SWAROVSKI NORTH AMERICA
LIMITED



~~DOUGLAS BROWN~~ Executive Vice President
Edward Capobianco
Corporate Secretary

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

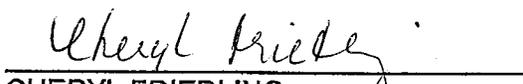
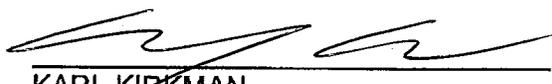

JEFFREY KOLIN
City Manager
CHERYL FRIEDLING
Deputy City Manager
KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK – RODEO DRIVE HOLIDAY DÉCOR

A. Description of Program and General Services

1. CONTRACTOR shall, at the request of CITY, provide all design, development, technical and artistic direction, program and contract management, liaison and general program oversight necessary to create, produce and execute a comprehensive holiday décor program (the "Program") on Rodeo Drive as described herein.
2. Services provided by CONTRACTOR include all materials, labor, supplies, equipment, tools, transportation and other items necessary for installation and execution of the Program.
3. The implementation of the Program shall be conducted in the following project phases: design, fabrication, installation, maintenance, removal and storage.

B. Project Management

This scope of work requires that CONTRACTOR oversee the design, fabrication and installation of the various Holiday Décor Elements on Rodeo Drive including their maintenance and removal. Accordingly, CONTRACTOR shall provide overall project management for the implementation of the Program. Project management includes, but is not limited to:

1. Coordinate and oversee all phases of the project: design, fabrication, installation, removal and storage.
2. Coordinate and oversee personnel, artistic and technical, for the duration of the Program as described in this Exhibit A.
3. Coordinate with CITY's representatives for the duration of the Program.
4. Regularly inform and update the CITY's representatives during all phases of the Project. Frequency of update meetings to be determined by mutual agreement of CONTRACTOR and the CITY.

C. Artistic Direction

1. CITY and CONTRACTOR shall work closely during the design phase of each Holiday Décor Element. CONTRACTOR shall ensure to the greatest extent possible that all Holiday Décor Elements, specifically those that utilize electricity, minimize the use of power and utilize LED or such other projects and materials designed for efficiency and longevity.

2. As of the date of this Agreement, CONTRACTOR has submitted to CITY the design of the Holiday Décor Elements which the CITY has approved prior to their fabrication.

D. Technical Direction

CONTRACTOR shall provide technical direction for the Program. This includes, but is not limited to:

1. Oversee the Design Phase.
2. Oversee the Fabrication Phase.
3. Oversee the Installation Phase.
4. Oversee the Maintenance Phase.
5. Monitor, Regulate and Coordinate all Vendors in regards to technical schedules.
6. Coordinate with the CITY's Technical representative(s) during all phases of the Project including coordination with the CITY's Representative in regards to budget issues impacted by technical issues.

E. Minimum Specifications for Holiday Décor Elements on Rodeo Drive

The Holiday Décor Elements provided by CONTRACTOR shall comply with the following specifications:

1. The Holiday Décor Elements and all components thereof, for manufacture and installation pursuant to this Agreement, shall have a useful life of three (3) years. All Holiday Décor Elements shall be manufactured and installed so as not to create an unsafe condition on the public street or public right of way. All Holiday Décor Elements shall also be manufactured to meet with all applicable laws and regulations regarding the construction of such decorations. Specifically, but not by way of limitation, such decorations shall be manufactured and installed to withstand rain, wind gusts and other inclement weather and shall be located and installed in such a manner as to avoid, to the greatest extent feasible, vandalism and theft.
2. With respect to Holiday Décor Elements that require the installation of electrical components, the provision of wiring for electrical components or the provision of wiring for power distribution, such electrical components, wiring and/or power distribution shall be installed in accordance with the California Electrical Code and the Beverly Hills Municipal Code. Additionally, where power distribution is required, CONTRACTOR shall provide an outlet for each electrical or component element. The CITY shall waive all permit fees usually required for installation of wiring and/or electrical components.
3. Fabrication of Holiday Décor Elements shall be performed in accordance with best industry practices and techniques and designed for outdoor use. Electrical components shall be of high quality, designed for outdoor use and shall conform

to all applicable electrical codes and standards. All fabricated Holiday Décor Elements shall be warranted by the manufacturer for defects in materials and workmanship. All warranties shall be stated on all contracts with David Rodgers.

4. All installations shall be performed in a workmanlike manner according to accepted industry practices. All lighting and electrical work shall conform to all applicable electrical codes and best practices.
5. Throughout the display period of November 21, 2011 through January 2, 2012 ("Display Period"), CONTRACTOR shall oversee maintenance of all Holiday Décor Elements and shall make all necessary repairs or replacements within 24 hours of identification or notification of any problems. Emergency response conditions, which in the opinion of the CITY's Responsible Principal present a hazard to public welfare and safety, shall be addressed by CONTRACTOR within four hours of notification to CONTRACTOR at no charge to the CITY. CONTRACTOR shall repair damage caused by vandalism to the Holiday Decor Elements when requested by CITY within twenty-four hours of notification to CONTRACTOR. CONTRACTOR shall supply CITY with quotes for such work if requested by the City Manager or his designee.
6. CONTRACTOR shall remove and disassemble all Holiday Decor Elements by January 3, 2012. CONTRACTOR shall provide all transportation of the Holiday Decor Elements to a storage location chosen by CONTRACTOR.
7. As the CITY may desire to contract with CONTRACTOR to use the Holiday Décor Elements for the 2012 and 2013 holiday season, the Holiday Decor Elements shall be stored in an appropriate manner such that no damage results from storage. CONTRACTOR shall exercise all reasonable care in the handling and storage of the Holiday Decor Elements.
8. CONTRACTOR shall take all reasonable steps necessary to ensure the safety of its employees, of any subcontractors, and CITY employees and to protect CITY property from damage. Any safety hazards discovered by CONTRACTOR or its subcontractors during the course of work shall be reported immediately to the CITY's Representative. CONTRACTOR and its subcontractors shall comply with all applicable OSHA or other safety-related laws and regulations in the performance of this Agreement including the installation and removal of the Holiday Décor Elements.

EXHIBIT B

2011 Holiday Décor Program on Rodeo Drive Preliminary Schedule

All Holiday Décor Elements shall be completed, installed, tested, and fully operational by November 21, 2011.

| COMPLETION DATE | ACTIVITY | VENDOR |
|-----------------|--|--------------------|
| Nov 14 – Nov 17 | Installation of Helixes in Rodeo Drive Medians | David Rodgers Inc. |
| Nov 18 | Review and approve all elements | Swarovski |
| Nov 21 | City Review and Approval | City/Swarovski |
| Nov 21 | Begin display period | |
| Jan 2 | End display period | |
| Jan 3 | Remove Helixes from Rodeo Drive Medians | David Rodgers Inc. |

EXHIBIT C
COMPENSATION

Exhibit C contains an estimated budget for the Program. Final amounts shall be negotiated by CONTRACTOR and approved by CITY in accordance with the terms of the Agreement. Said compensation for the satisfactory performance of all services required by this Agreement, shall not exceed Two Hundred Twenty Five Thousand Dollars (\$225,000.00).

Rodeo Drive – Holiday Décor Budget Estimates

| Program Item | Budget Estimate |
|---|------------------|
| Helix Sculptures for Rodeo Medians | |
| 5 Metal and Crystal Helix Sculptures displayed in Rodeo Drive Medians (1 on 200 block, 2 on 300 block, 2 on 400 block). Includes engineering, materials, fabrication, equipment, labor, and transportation. | \$246,021 |
| Lighting and tickering for 3 sculptures including power, LED ticker, maintenance, support and labor | \$140,000 |
| IT electronic ticker streaming including rental, installation, onsite management, technical support of 2 satellite modems | \$16,000 |
| Palm Trees in Rodeo Drive Medians (16) | |
| 450 crystal strands for palm trees in Rodeo Drive medians | \$41,303 |
| Design of Light Pole Banners for Rodeo Drive and City's Commercial Areas | |
| Artwork for banners including creative, high resolution proofs | \$4,000 |
| Concept and Illustrations | \$25,128 |
| Other Technical Support: | |
| Site survey, value engineering, technical revisions | \$17,000 |
| Construction administration, supervision of fabrication, lighting and information technology | \$16,000 |
| Rodeo Drive Holiday Décor Unveiling Ceremony – November 21, 2011 | \$120,000 |
| Total | \$625,452 |
| City Funding Contribution | \$225,000 |
| Swarovski Funding Contribution | \$400,452 |

EXHIBIT D
SCHEDULE OF PAYMENT

CONTRACTOR shall be paid in accordance with the following payment schedule:

1. Within one (1) week of execution of this Agreement, CONTRACTOR shall be paid the INITIAL payment in the amount of 50% of the total amount of Compensation.

2. Within three (3) business days of CONTRACTOR's commencement of installation of all Holiday Décor Elements, CONTRACTOR shall be paid the START OF INSTALLATION payment in the amount of 30% of the total amount of compensation. Upon CITY's review and reasonable satisfaction of the portion of Holiday Décor Elements installed at such date, the payment shall be released.

3. Within three (3) business days of CONTRACTOR's completion of installation of all Holiday Décor Elements, CONTRACTOR shall be paid the COMPLETION OF INSTALLATION payment in the amount of 10% of the total amount of compensation. Upon CITY's review and reasonable satisfaction of the installation of the Holiday Décor Elements, the payment shall be released.

4. Within three (3) business days of CONTRACTOR's deinstallation of all Holiday Decor Elements, CONTRACTOR shall be paid the FINAL payment in the amount of the remainder of the total amount of compensation. Upon CITY's review and reasonable satisfaction of the deinstallation of the Holiday Décor Elements, the payment shall be released.

5. CONTRACTOR shall submit an itemized statement to CITY for its services performed during the milestone payment schedule set forth above, which shall include documentation setting forth in detail a description of the services rendered. CONTRACTOR shall endeavor to submit invoices at least two (2) weeks before each milestone payment. In addition, CONTRACTOR shall submit payment releases from its subcontractors prior to payment to CONTRACTOR for subcontractor services on a form approved by the CITY's Responsible Principal. CITY shall endeavor to pay CONTRACTOR the amount of such billing within three (3) business days of receipt of same. Contractor acknowledges that CITY funds are released on a check schedule, which may vary from month-to-month.

EXHIBIT E
PERMITS THAT MAY BE REQUIRED (FEES WAIVED)
FOR HOLIDAY DÉCOR AND UNVEILING CEREMONY ON RODEO DRIVE

Building Permit
Electrical Permit
Heavy Hauling Permit
Street Use Permit
Encroachment Permit
Special Event Permit

EXHIBIT F

CERTIFICATE OF INSURANCE

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

NAMED INSURED

COMPANIES AFFORDING COVERAGE

ADDRESS

- A.
- B.
- C.

| 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"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKER'S COMPENSATION | | | | | |

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
 TITLE : _____
 AGENCY : _____ Address : _____

