



AGENDA REPORT

Meeting Date: September 10, 2013
Item Number: F-12
To: Honorable Mayor & City Council
From: Kevin Watson, Water Operations Manager
Subject: AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND M.E. SIMPSON CO., INC. FOR FIRE HYDRANT MAINTENANCE AND DATA COLLECTION SERVICES

ISSUANCE OF A PURCHASE ORDER IN THE AMOUNT NOT TO EXCEED \$115,700.00

Attachments: 1. Agreement

RECOMMENDATION

It is recommended that the City Council approve the Agreement between the City of Beverly Hills and M.E. Simpson Co., Inc. for fire hydrant maintenance and data collection services and issuance of a purchase order in the amount not to exceed \$115,700.00.

INTRODUCTION

Staff requests the City Council approve the Agreement with M.E. Simpson Co., Inc. and the accompanying purchase order for fire hydrant maintenance and data collection services.

The City of Beverly Hills maintains a Class I fire rating from the Insurance Service Office (ISO), which results in potential savings for homeowners and others on fire insurance rates. The City is one of only about 50 Cities in the nation that have this prestigious rating. In order to maintain the Class 1 rating from ISO the City must perform annual fire hydrant flow test and maintenance on the fire hydrants. The total cost is not to exceed \$115,700.00 per year for a period of three years.

DISCUSSION

Staff sent out a request for proposal #13-05 for fire hydrant maintenance and data collection services and received bids from two vendors on September 13, 2013. M.E. Simpson was the lowest qualified bidder at \$89.00 per hydrant for a total of \$115,700.00. The other bidder was Mueller Services Co. at \$185.00 per hydrant for a total of \$240,500.00.

Due to the necessity of negotiations between the City and the Municipal Employees Union (MEA) on contracting out this service the start of the project had to be delayed. The MEA and the City came to an agreement and signed off on a side letter of agreement whereas City Water Utility staff would perform the fire hydrant flow testing on 25% of the fire hydrants and the Contractor would do the other 75% of the fire hydrant flow testing and data input for all of the fire hydrants.

On March 14, 2013, the City received a letter from M.E. Simpson Co., Inc. stating that they agreed to honor the price quoted in the original bid. Furthermore, they agree to honor this quote with the knowledge of reducing the total amount of fire hydrants to be tested by 25% and to charge \$7.50 per fire hydrant for inputting the data from these fire hydrants into the data base.

FISCAL IMPACT

Funds are available in the water enterprise fund.

Funds for this project are provided as follows:

Budget Unit	Account #	Description of Fund Source/Account #	Amount
8006003	73180	General Contractual Services	\$115,700.00

Don Rhoads
Finance Approval



Mahdi Aluzri
Approved By



Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND M.E. SIMPSON CO., INC. FOR FIRE HYDRANT MAINTENANCE AND DATA COLLECTION SERVICES

NAME OF CONTRACTOR: M.E. SIMPSON CO., INC.

RESPONSIBLE PRINCIPAL OF CONTRACTOR: MICHAEL D. SIMPSON, CHIEF EXECUTIVE OFFICER

CONTRACTOR'S ADDRESS: 3406 ENTERPRISE AVENUE
VALPARAISO, IN 46383
Attention: MICHAEL D. SIMPSON, CHIEF EXECUTIVE OFFICER

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: KEVIN WATSON, WATER OPERATIONS MANAGER

COMMENCEMENT DATE: September 16, 2013

TERMINATION DATE: June 30, 2016

CONSIDERATION: Not to exceed \$115,700.00 per year.

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND M.E. SIMPSON CO., INC. FOR FIRE HYDRANT MAINTENANCE AND DATA COLLECTION SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and M.E. SIMPSON CO., INC. (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 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 provides 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 Principal 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 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.

(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 insurance as required by the State of California.

(4) Professional Liability Insurance.

A policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by CITY. Further, CONSULTANT agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(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 either 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 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.

(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, attorney's 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. 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. CONTRACTOR will be required to pay to all persons employed on the project by the CONTRACTOR 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 15. Licenses and Permits. CONTRACTOR agrees to maintain in effect at all times valid local, state and federal licenses and permits.

Section 16. 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 17. 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 18. 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 19. 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 20. 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 21. 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 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.

EXECUTED the ____ day of _____ 20____, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

JOHN A. MIRISCH
Mayor of the City of Beverly Hills

ATTEST:

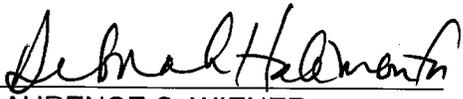
_____(SEAL)
BYRON POPE
City Clerk

CONTRACTOR
M. E. SIMPSON COMPANY, INC.

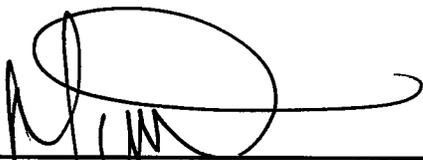
MICHAEL D. SIMPSON
Chief Executive Officer

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

JEFFREY KOLIN
City Manager



MAHDI ALUZRI
Acting Director of Public Works &
Transportation



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

M.E. Simpson Co., Inc. (CONTRACTOR) shall perform the following services:

I. INTRODUCTION

The CONTRACTOR is responsible for the routine annual maintenance of testing 75% of all fire hydrants within the City's boundaries. This routine maintenance shall consist of inspecting, cleaning, and clearing of weeds and debris to insure that each hydrant is in serviceable condition. More importantly, the CONTRACTOR is required to complete flow testing to determine the current availability of water supply in all areas of the City for fire suppression. The information derived from these tests will be recorded and maintained to be compatible with the City's Geographical Information System (GIS). Currently, there are approximately 1,300 fire hydrants and flush valves in the designated area.

- CONTRACTOR personnel will meet with the City water utility staff to review the project guidelines and answer any questions on procedures.
- CONTRACTOR shall work in an orderly and safe manner to insure protection of the local residents, Utility employees, and the Field Staff so that no avoidable accidents occur.
- CONTRACTOR will go over the pressure zones in the distribution system and identify them on the water atlas prior to developing the Fire hydrant flow-testing program. This will need to be done with the City water utility staff prior to the start of the program.

CONTRACTOR will furnish all labor, historical database information, materials, transportation, tools, and equipment necessary to survey the water distribution system. CONTRACTOR is required to provide such skilled and trained personnel and equipment necessary to complete the work herein specified. There must be a minimum of Two Persons per team performing the flow testing at all times.

II. MAINTENANCE PROCEDURES

- a. Customer Notification
 - i. The CONTRACTOR will assist the City in developing a press release to briefly explain the fire hydrant flow testing program in the areas affected.
 - ii. The CONTRACTOR'S personnel will go door to door forty-eight hours before the scheduled flow testing and hand deliver a letter that explain when the fire hydrants will be flow tested in the area and how the customers' services may be affected.
 - iii. The CONTRACTOR'S personnel will notify the City of Beverly Hills Customer Service of the area they will be working for each four hour block of time at the beginning of each day.
- b. General Guidelines for Testing and Flushing

- i. Hydrant maintenance shall be performed in accordance with the American Water Works Association (AWWA) manual M-17, Chapter 5, State of California's Department of Public Health's work standards for the City's Distribution System, comply with the Regional Water Quality Control Board's regulations for discharges for example de-chlorination, and all Federal and State Safety Standards.
 - ii. The City shall be notified prior to the commencement of any flushing or testing procedures on hydrants owned by that system. The anticipated location and duration of such activity should be given. The City shall also be notified upon completion of such activities.
 - iii. Care shall be taken to reduce discharge to minimize water loss. For the discharge that occurs, care shall be taken to reduce, to the least degree possible, the potential damage and inconvenience caused by hydrant discharge. Flush elbows or diffusers shall be used to reduce the velocity pressure of the discharge stream. Any loose debris left by hydrant discharge shall be swept or cleared from roads, streets, and drives.
 - iv. Proper de-chlorination methods for the discharge must be utilized.
 - v. Whenever operating hydrant valves, care shall be taken to open and close the valve slowly so as to reduce as much as possible, the effects of water hammer on the distribution system.
 - vi. Whenever a hydrant is opened, it should be flowed at least until the water runs clear.
 - vii. The Public Works Department shall be notified in writing daily if broken valves are found.
 - viii. Whenever hydrant maintenance is performed, the blue pavement reflector shall be checked to insure that it is in place and in good order. If reflector is damaged or missing, a new reflector shall be installed.
- c. Specific Procedures (See AWWA M- 17, Chapter 5) – Routine hydrant maintenance shall consist of the following activities:
 - i. Check hydrant to make sure that it is visible from the roadway and is clear of any landscaping, plant growth, or other obstructions that could impair locating the hydrant or interfere with its use.
 - 1. Minor obstructions such as weed growth or wild plant growth should be trimmed to provide clear access to the hydrant.
 - 2. Obstructions caused by utilities, landscaping or ornamental plant growth shall be noted and reported to the City of Beverly Hills Public Works Department.
 - 3. Minor build-upon of dirt/sand, which provides insufficient ground clearance, may be removed with a shovel. Excessive build-up, or improperly installed hydrants shall be reported to the City of Beverly Hills Public Works Department on a weekly basis.
 - ii. Inspect hydrant in accordance with the procedure outlined in AWWA M-17, Chapter 5.
 - iii. Fire hydrants shall be maintained also in accordance with the manufacturer's (Jones Fire Hydrant) specifications for example proper greasing.
 - iv. Any fire hydrant that, for any reason, must be removed from service shall be reported immediately to the City of Beverly Hills Public Works Department. Whenever such a hydrant is returned to service it shall undergo the same maintenance and testing procedure as outlined herein.

- d. Flow Testing Procedure
 - i. Fire flow tests shall be conducted annually, in accordance with the procedure outlined in AWWA M-17, Chapter 6.
 - ii. Include but is not limited to the following details:
 - 1. The Hydrant's Collection Map & Hydrant Location Index List
 - 2. Fire hydrant nozzle size used for each test
 - 3. Residual Pressure (Any incidents of residual pressure below 20 psi will be brought to the attention of the City immediately)
 - 4. Static Pressure
 - 5. Flow rate in gallons per minute (gpm)
 - 6. The hydrant address and location
 - 7. The amount of time it takes to flush each fire hydrant
 - 8. An estimate of the water used during the operation of each fire hydrant
 - 9. The date tested and technicians operating the fire hydrant
 - 10. Hydrants that are in need of repair, painting, color coding, or have operational defects will be noted.
 - 11. Ensure that all caps are in place. If they are missing they are to be replaced. These will be provided by the City.
 - iii. Energy Dissipation
 - 1. Fire hose and deflection tubes are utilized, as required, to direct flushing water away from traffic, pedestrians, underground utility vaults, and private property.
 - iv. Fire Hydrant Closure, Drainage and Leakage
 - 1. After the fire hydrant has been flowed, the firm will verify that the hydrant is seated and is draining properly.
 - 2. The CONTRACTOR will also check the fire hydrant with a FCS, S30, L-MIC electronic listening device or approved equal to ensure that the hydrant is not leaking.
- e. Fire Hydrant Maintenance and Testing Records

The CONTRACTOR is responsible for maintaining and updating the appropriate fire hydrant maintenance and testing records on the forms shown at the end of AWWA M-17, Chapter 5. Upon completion of each week's fire hydrant maintenance, the updated Fire Hydrant Master Record, Hydrant Maintenance Report, Hydrant Inspection Report, Flow Test Report, and Hydrant Test form for each hydrant inspected and tested shall be submitted in electronic format to the City of Beverly Hills Public Works Department so that it is compatible with the City's GIS and Hansen Asset Management System. The data from flow tests shall be recorded on the Flow Test Report, Hydrant Test Form, and Master Hydrant List. Any maintenance performed on the hydrant shall be recorded on the space provided on the Fire Hydrant Master Record and Hydrant Maintenance Report, along with the date the maintenance was performed. The selected contractor shall print a copy of each form and retain these in his file. The master fire hydrant list of the Street/Hydrant Map Books will be updated instantaneously from this information.
- f. Work Schedule:
 - i. Working hours in the City of Beverly Hills are from 8am to 5pm.
 - ii. Holidays consist of the following days:
 - 1. New Year's Day
 - 2. Martin Luther King Day
 - 3. President's Day

4. Memorial Day
 5. Independence Day
 6. Labor Day
 7. Rosh Hashanah (observe three days including "Erev")
 8. Yom Kippur (observe two days including "Erev")
 9. Thanksgiving Day
 10. Christmas Day
- iii. Weekend Work requires special permitting, but will be necessary for some customers.
 - iv. Evening Work requires special permitting, but will be necessary for some customers.

III. CITY OF BEVERLY HILLS STANDARD INSURANCE REQUIREMENTS:

Contractor's Insurance. Contractor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Contractor, his agents, representatives, employees or subcontractors, pursuant to contractor's bid or any subsequent contract. Insurance shall be of the type, in the amounts and subject to the provisions described below.

(1) **Commercial general liability** coverage at least as broad as Insurance Services Office Commercial General Liability occurrence coverage ("occurrence" form CG0001, Ed. 11/88) with a limit of not less than \$2,000,000 per occurrence. If the insurance includes a general aggregate limit, that limit shall apply separately to this contract or it shall be at least twice the required per occurrence limit.

(2) **Business automobile liability** insurance at least as broad as Insurance Services office form CA 0001 (Ed. 12/90) covering Automobile Liability, code 1 "any auto" and endorsement CA 0029 (Ed. 12/88) with a limit not less than \$1,000,000 per accident.

(3) **Workers Compensation** Insurance as required by the State of California and employers liability insurance with a limit not less than \$1,000,000 per accident.

(4) **Evidence of Coverage:**

(a) Prior to commencement of work under this contract, or within 14 days of notification of award of contract, whichever is shorter, Contractor shall file certificates of insurance with original endorsements evidencing coverage in compliance with this contract and in a form acceptable to City. The certificate shall be on the City's standard proof of insurance form.

(b) Contractor shall provide to City, on request, a complete copy, including all endorsements and riders, of any insurance policy.

(c) During the term of this agreement, Contractor shall maintain current valid proof of insurance coverage, with City at all times. Proof of renewals shall be filed prior to expiration of any required coverage and shall be provided on the City's standard proof of insurance form.

(d) Failure to submit any required evidences of insurance within the required time period shall be cause for termination for default, and shall be cause for forfeiture of this bidder's bid security, if applicable.

(e) In the event Contractor does not maintain current, valid evidence of insurance on file with City, City may, at its option, withhold payment of any moneys owed to Contractor, or which it subsequently owes to Contractor, until proper proof is filed.

(5) All insurance coverages shall be provided by insurers with a rating of B+(VII) or better in the most recent edition of Best's Key Rating Guide, Property-Casualty Edition.

(6) Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided or canceled and shall not be reduced in coverage or limits except after 30 days prior written notice provided to the City. Upon prior request of the carrier, the notice period may be reduced to 10 days in the event of non-payment of premium.

(7) All liability coverages shall name the City, its City Council and every officer, agent and employee of City as additional insureds with respect to work under this bid or any subsequent contract.

(8) Contractor's insurance and any insurance provided in compliance with these specifications, shall be primary with respect to any insurance or self-insurance programs covering the City, its City Council and any officer, agent or employee of City.

(9) Where available, the insurer shall agree to waive all rights of subrogation against the City, its City Council and every officer, agent and employee of City.

(10) Any deductibles or self-insured retentions shall be declared to and must be approved by City. At the option of the City, either the insurer shall reduce or eliminate the deductibles or self-insured retentions as respects the City, or the Contractor shall procure a bond guaranteeing payment of losses and expenses.

(11) In the event that Contractor does not provide continuous insurance coverage, the City shall have the right, but not the obligation, to obtain the required insurance coverage at Contractor's cost, and the City may deduct all such costs from moneys the City owes to the Contractor or from moneys which it subsequently owes to the Contractor.

Indemnification. 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 work.

EXHIBIT B

SCHEDULE OF PAYMENT AND RATES

Notice To Proceed: within fourteen (14) days of notice to proceed.

Provide Insurance Certificate: Within 10 calendar days after "Notice to Proceed".

Kick Off Meeting and Commencement of work: Within 14 days of "Notice to Proceed". Meet with Utility staff to go over project goals and objectives. Field work will begin the same day or agreed upon by the City Utility and CONTRACTOR.

This program is based on fire flow testing approximately 75% of the 1,300 fire hydrants, in the Utility's water distribution system.

Year	Price Per Hydrant	Number of Hydrants	Total Cost
2013-2014	\$89.00	1,012	\$90,068.00
2013-2014	\$7.50	338	\$2,535.00

CONTRACTOR will flow test the hydrants in zones 5WH, 3, 4, and 6 totaling approximately 1,012 fire hydrants and City Water Utility Staff will flow test the hydrants in zones 3WH, 16, 15, 13, 11, 9, 8, and 5 totaling approximately 338 fire hydrants. The CONTRACTOR will provide the City with forms to enter the fire flow testing information for the 25% of the fire hydrants assigned to Water Utility personnel to be filled out completely by City personnel. The City will provide the CONTRACTOR with this information which the CONTRACTOR shall enter into the data base as indicated above at the rate of \$7.50 per hydrant.

These fees are all based on approximate numbers of fire hydrants to be flow tested. The total price will change according to the actual number of fire hydrants completed. All procedures will be followed according to the above scope of services. This will include the Online Pro-Hydrant® database. There will be a contingency of \$23,097.00 to cover any additional fire hydrants or fire hydrants that have to be retested after repairs to a fire hydrant are made by the City.

**EXHIBIT C
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

AGENCY : _____

TITLE : _____

Address : _____