



AGENDA REPORT

Meeting Date: August 19, 2014
Item Number: D-26
To: Honorable Mayor & City Council
From: Noel Marquis, Assistant Director of Administrative Services - Finance
Subject: **APPROVALS RELATED TO VARIOUS CITY PURCHASING AND BUDGET TRANSACTIONS AS DESCRIBED HEREIN**
Attachments: 1. **AGREEMENTS (2)**

Item A. APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND STAR, INC. FOR AFTER SCHOOL AND SUMMER CLASS INSTRUCTION SERVICES THROUGH THE COMMUNITY SERVICES DEPARTMENT; AND,
APPROVAL TO ISSUE A PURCHASE ORDER IN THE AMOUNT OF \$260,000 FOR THE SERVICES DESCRIBED.

RECOMMENDATION

Staff recommends that City Council approve the agreement and purchase order with STAR, Inc. for one year of service to provide after school and summer class instruction services in an amount not-to-exceed \$260,000 per year.

INTRODUCTION

The services of STAR, Inc. have been used by the City for the past seven years. STAR, Inc. offers over two hundred various afterschool classes at each of the elementary schools and attracts large participation amongst the community's youth. The vendor's staff is comprised of highly qualified professionals from diverse backgrounds teaching in their area of expertise.

DISCUSSION

STAR, Inc. will provide afterschool and summer class instruction for the City's Community Services Department in accordance with a schedule approved by the City. All vendor staff members receive background checks through the Justice Department with a report to City staff. Instruction in classes such as crafts, math, science, theatre, and other areas will be offered.

FISCAL IMPACT

The revenue split provision with STAR, Inc. will remain at 80% of the resident rate of the registration fees to the vendor and the City retaining the remaining amount. The revenue split for STAR, Inc. is still slightly higher than other contractual instructors and vendors due to their provision of Site Directors at each school site that provides much needed oversight for the numerous classes they provide each session. Funds are currently available for this expenditure which is offset by revenue in an amount not to exceed \$260,000.

Item B. APROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND STERLING CODIFIERS, INC. FOR CODIFICATION SERVICES RELATED TO THE CITY'S MUNICIPAL CODE

RECOMMENDATION

It is recommended that the City Council approve the agreement with Sterling Codifiers, Inc. in the not-to-exceed annual amount of \$15,000 for codification services related to the City's Municipal Code.

INTRODUCTION

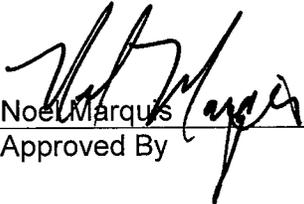
Sterling Codifiers, Inc. provides the City with codification services related to the Municipal Code. The company was first awarded the contract on October 7, 2003.

DISCUSSION

This agreement is for ongoing codification services and online hosting of the City's Municipal Code for a five-year period for a not-to-exceed total amount of \$75,000 to ensure a continuity of these services.

FISCAL IMPACT

Funds have been budgeted and are available for this purpose.


Noel Marquis
Approved By _____

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
STAR, INC. FOR AFTER SCHOOL AND SUMMER CLASS
INSTRUCTION SERVICES THROUGH THE CITY'S
DEPARTMENT OF COMMUNITY SERVICES

| | |
|--------------------------------------|---|
| NAME OF CONTRACTOR: | Star, Inc. |
| RESPONSIBLE PRINCIPAL OF CONTRACTOR: | Katya Bozzi, Executive Director |
| CONTRACTOR'S ADDRESS: | 10117 Jefferson Boulevard Culver City, CA 90232 |
| CITY'S ADDRESS: | City of Beverly Hills 455 N. Rexford Drive Beverly Hills, CA 90210 Attention: Steve Zoet Director of Community Services |
| COMMENCEMENT DATE: | September 1, 2014 |
| TERMINATION DATE: | June 30, 2015 |
| CONSIDERATION: | Not to exceed \$260,000 as more particularly described in Section 3 of the Agreement |

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND
STAR, INC. FOR AFTER SCHOOL AND SUMMER CLASS
INSTRUCTION SERVICES THROUGH THE CITY'S
DEPARTMENT OF COMMUNITY SERVICES

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Star, 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 Work.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONTRACTOR's Scope of Work.

(a) CONTRACTOR shall perform the Scope of Work described in Exhibit A in a manner satisfactory to CITY.

(b) CONTRACTOR shall acquire and maintain at its sole cost and expense such equipment as CONTRACTOR requires to conduct the services required by this Agreement.

(c) CONTRACTOR shall supply at its sole cost and expense any instructional materials, supplies, handouts, books and photocopying VENDOR may require for the conduct of the services required by this Agreement.

(d) CONTRACTOR is solely responsible for the hiring, training, supervision and compensation of substitutes or assistants required for the conduct of the services under this Agreement.

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.

Section 3. Compensation.

(a) Upon satisfactory completion of all after school and summer class instruction services to be provided as set forth in Exhibit A of this Agreement, CITY shall pay CONTRACTOR in an amount not to exceed the amount set forth above, at the rate of eighty (80%) of the CITY resident rate multiplied by the number of registrants of the classes provided by CONTRACTOR for CITY under this Agreement.

(b) CITY shall make two payments to CONTRACTOR upon receipt of an itemized statement on a form acceptable to CITY for CONTRACTOR's services performed. The first payment shall be made midway through each session and the second payment shall be made

at the end of each session. CITY shall pay CONTRACTOR the amount of such undisputed billings within thirty (30) days of receipt of same.

(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. 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. 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 6. 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 7. Personnel.

(a) 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.

(b) Prior to CONTRACTOR performing services under this Agreement, CONTRACTOR shall be fingerprinted by the CITY Police Department in order to conduct a State Department of Justice ("DOJ") background check. CITY shall waive the administrative cost of fingerprinting and shall pay the DOJ fees. If CONTRACTOR has been convicted of a misdemeanor or felony involving moral turpitude according to the DOJ report, CITY may terminate this Agreement immediately.

Section 8. 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 9. 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 10. 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, and employer's liability insurance with minimum limits of One Million Dollars (\$1,000,000) per accident.

(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 B, 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 and the Beverly Hills Unified School District (the "DISTRICT") as additional insureds. 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 11. Indemnification. CONTRACTOR agrees to indemnify, hold harmless and defend CITY, City Council, DISTRICT, and each member thereof, and every officer, employee and agent of CITY and/or DISTRICT, 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 12. 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 13. 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 14. 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 15. Records and Inspections. CONTRACTOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three year(s). 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 of transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

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.

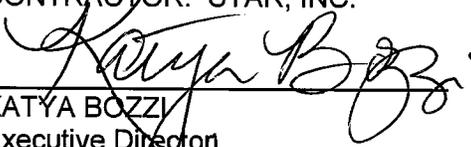
CITY OF BEVERLY HILLS
A Municipal Corporation

LILI BOSSE
Mayor of the City of Beverly Hills, California

ATTEST:

BYRON POPE
City Clerk

CONTRACTOR: STAR, INC.



KATYA BOZZI
Executive Director



RAMIRO VASQUEZ
Chief Financial Officer

APPROVED AS TO FORM:

 (CDH)

LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



STEVEN ZOET
Director of Community Services



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF WORK

CONTRACTOR shall provide the following services:

CONTRACTOR shall provide after school and summer class instruction services for CITY's Department of Community Services at all DISTRICT elementary school sites, and in accordance with a schedule mutually agreed upon by the parties in writing. The schedule is subject to change by CITY, which may reschedule or cancel any or all classes at its discretion, provided, however, that any such action does not result in CONTRACTOR having less than two subjects per day at each school site. CONTRACTOR may cancel any class due to low enrollment (i.e., less than seven students), except RockSTAR. CITY and CONTRACTOR shall mutually agree upon the rates charged for the after school classes. CITY agrees that, as consideration for CONTRACTOR to enter into this Agreement, CITY shall not permit more than one (1) of CITY's other vendors to provide one-hour kindergarten class per day per school site or five (5) per week per school site.

CONTRACTOR shall provide a Site Director ("Director") employed by CONTRACTOR at each school site. The Director shall be on site after school during the hours of class instruction provided, however, that the Director shall be permitted to leave once all of CONTRACTOR's and CITY's classes have ended. The Director shall oversee the general operation of the instruction services and be responsible for the general supervision of the registered participants and their attendance at and direction to their registered classes. CITY acknowledges and agrees to the following: (1) every class shall have a maximum of fourteen (14) students to one (1) teacher ratio for safety purposes, unless CITY's Director of Community Services or his designee agrees to a different ratio in writing for a particular class; (2) CITY shall be solely responsible for providing CONTRACTOR with all information necessary for the safety and health of the students including, emergency contact information, allergy and any other medical requirements; and (3) if CITY cancels a class offered by another vendor, the CITY shall be responsible for notifying the students, their parents, and the Director of such cancellation in a timely manner; (3) CITY shall provide a substitute teacher or CITY staff to supervise registered participants in classes cancelled by other vendors.

CONTRACTOR may use the class rosters to monitor registrants' attendance and for emergency purposes only. CONTRACTOR shall not use the class rosters for publicity, marketing or any other commercial purposes.

CONTRACTOR shall conduct school assemblies and/or CONTRACTOR class demonstrations from time to time upon CITY's written request during regular school hours.

CONTRACTOR shall provide summer instruction at CITY recreation centers for CITY's Department of Community Services in accordance with a schedule mutually agreed upon by the parties in writing. The schedule is subject to change by CITY, which may reschedule or cancel any or all classes at its sole discretion. CITY and CONTRACTOR shall agree upon rates charged to participants for the summer recreation classes. Other than as necessary to meet the needs of students and program participants, CONTRACTOR shall set its own schedule, hours (including preparation) and location of work.



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 | | AGGREGATE |
|-----------------------|--|------------------|--------------------|--------|------|-----------|
| | | | | B.I. | P.D. | |
| | <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.

EXHIBIT B

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND STERLING CODIFIERS, INC. FOR CODIFICATION
SERVICES RELATED TO THE CITY'S MUNICIPAL CODE

| | |
|---|---|
| NAME OF CONSULTANT: | Sterling Codifiers, Inc. |
| RESPONSIBLE PRINCIPAL OF CONSULTANT: | Rob Rollins, President |
| CONSULTANT'S ADDRESS: | 3906 N. Schreiber Way Couer d'Alene, Idaho 83815 |
| CITY'S ADDRESS: | City of Beverly Hills 455 N. Rexford Drive Beverly Hills, CA 90210 Attention: Byron Pope City Clerk |
| COMMENCEMENT DATE: | January 1, 2014 |
| TERMINATION DATE: | December 31, 2019 |
| CONSIDERATION: | Not to exceed \$15,000.00 per year |

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND STERLING CODIFIERS, INC. FOR CODIFICATION
SERVICES RELATED TO THE CITY'S MUNICIPAL CODE

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Sterling Codifiers, Inc., (hereinafter called "CONSULTANT").

RECITALS

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

B. CONSULTANT represents that it is qualified and able to perform the Services.

NOW, THEREFORE, the parties agree as follows:

Section 1. CONSULTANT's Services. CONSULTANT shall provide services related to the codification of the Municipal Code of the City of Beverly Hills as is more particularly described in Exhibit A to the full satisfaction of CITY.

Section 2. Time of Performance. CONSULTANT shall perform the Services on or by the Termination Date set forth above.

Section 3. Compensation. CITY agrees to compensate CONSULTANT, and CONSULTANT agrees to accept in full satisfaction for the services required by this Agreement the Consideration more particularly described in Exhibit B-1, attached hereto and incorporated herein. Said Consideration shall constitute reimbursement of CONSULTANT'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 CONSULTANT said Consideration in accordance with the schedule of payment set forth in Exhibit B-2, attached hereto and incorporated herein.

Section 4. Independent Contractor. CONSULTANT 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 CONSULTANT or any of CONSULTANT's employees, except as herein set forth. CONSULTANT 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. CONSULTANT shall not assign or attempt to assign any portion of this Agreement without the prior written approval of CITY.

Section 6. Party Representatives.

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

(b) CITY Representative. The City Manager or his designee shall represent CITY in the implementation of this Agreement.

Section 7. Personnel. CONSULTANT represents that it has, or shall secure at its own expense, all personnel required to perform CONSULTANT's services under this Agreement. All personnel engaged in the work shall be qualified to perform such services.

Section 8. Interests of CONSULTANT. CONSULTANT 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 CONSULTANT.

Section 9. Indemnification and Intellectual Property Indemnification.

(a) CONSULTANT 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 CONSULTANT or any person employed by CONSULTANT in the performance of this Agreement.

(b) CONSULTANT agrees to indemnify, hold harmless and defend the CITY, City Council and each member thereof, every officer, employee and agent of City, from any liability or financial loss (including, without limitation, attorney's fees and costs) arising from or related to any claim that the software and/or hardware provided by CONSULTANT infringes upon any copyright, trade secret, trademark, patent or other proprietary or intellectual property right of any third party. This indemnity provision shall survive termination of this Agreement.

Section 10. Termination.

(a) CITY may cancel this Agreement at any time upon five (5) days written notice to CONSULTANT. CONSULTANT 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 CONSULTANT, CONSULTANT shall be paid full compensation for all services performed by CONSULTANT, in an

amount to be determined as follows: For work done in accordance with all of the terms and provisions of this Agreement, CONSULTANT shall be paid an amount equal to the amount of services 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 CONSULTANT for the full performance of the services required by this Agreement.

Section 11. CITY's Responsibility. CITY shall provide CONSULTANT with all pertinent data, documents, and other requested information as is available for the proper performance of CONSULTANT's services.

Section 12. 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 CONSULTANT and compensated by CITY pursuant to this Agreement as CITY deems appropriate.

Section 13. 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 CONSULTANT must be made in writing and approved by both parties.

Section 14. Notice. Any notices, bills, invoices or reports required by this Agreement shall be deemed received on: (a) the day of delivery if delivered by hand or overnight courier service during receiving party's regular business hours or by facsimile before or during 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 15. Attorney's Fees. In the event of litigation between the parties arising out of or connected with this Agreement, the prevailing party in such litigation shall be entitled to recover, in addition to any other amounts, reasonable attorney's fees and costs of such litigation.

Section 16. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONSULTANT, 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 CONSULTANT.

Section 17. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 18. 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 _____, 2014, at Beverly Hills, California.

CITY OF BEVERLY HILLS
A Municipal Corporation

LILI BOSSE
Mayor of the City of
Beverly Hills, California

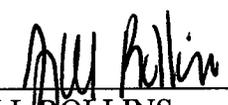
ATTEST:

BYRON POPE
City Clerk

CONSULTANT:
STERLING CODIFIERS, INC.



ROB ROLLINS
President



JILL ROLLINS
Secretary-Treasurer

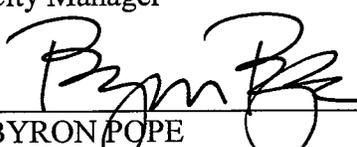
APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager



BYRON POPE
City Clerk



KARL KIRKMAN
Risk Manager

**EXHIBIT A
SCOPE OF SERVICES**

CONSULTANT shall provide services related to ongoing publishing and codification of supplements to CITY's municipal code. This includes updates and supplements to the body of administrative and regulatory ordinances and/or local laws that are general and permanent, in existence and in full force and effect as duly adopted by the Council for the CITY, excluding the texts of standard codes adopted by reference (such as, but not limited to, building, housing or fire prevention codes recommended by ICBO, BOCA, etc., and state codes or regulations, etc.).

1. SUPPLEMENT SERVICE

- A. CONSULTANT shall analyze each ordinance for discrepancies or conflicts with other parts of the code not addressed by the new or amending legislation. Any questions will be immediately directed to CITY and clarified before work on legislation is completed. Ordinance amendments will then be inserted, matching the current font, format, footnote and numbering system, all changes made to the table of contents, index and disposition tables, and the proper number of supplement sets for hard copy and updated electronic copies forwarded to CITY, along with an updated code preface and supplement insertion guide. Concurrent with the each supplement, the code will be updated online. The CITY will forward ordinances to CONSULTANT as they are adopted for ongoing supplement service.
- B. In conjunction with ongoing supplement service, CONSULTANT shall post CITY's newly adopted ordinances online in our "Pending Codification" folder.
- C. CONSULTANT shall provide hard copy supplements to CITY subscribers for an annual fee. It is understood CITY currently has 20 code subscribers for either all or part of the code.

2. ADDITIONAL SERVICES

Upon the written request of CITY, CONSULTANT shall perform any of the following services, at an additional cost:

- A. The preparation of pamphlets containing portions of the code as published, such as the zoning title, will be billed at CONSULTANT's prevailing rates.
- B. The preparation of additional volumes of the code, beyond the quantity contracted herein, may be ordered at any time at CONSULTANT's prevailing rates.
- C. Changes involving cover material, seals, metals, colors or multiple colors, or other changes from CONSULTANT's standard binder can be made available at CITY's request and at extra expense to CITY, with such costs not to exceed the extra expense of CONSULTANT.

3. CITY'S RESPONSIBILITIES

- A. CITY is responsible for the correctness and accuracy of the information it supplies CONSULTANT, for providing CONSULTANT with decisions and answers to questions

and problems raised by them, and for the prompt payment of invoices as provided herein. In order for CONSULTANT to adhere to production schedules and meet delivery deadlines, it is necessary for CITY to communicate with and provide information to CONSULTANT without delay.

4. CONSULTANT'S RESPONSIBILITIES

- A. CONSULTANT is responsible for the correctness and accuracy of its work, based upon the materials and information supplied by CITY, as reflected in the published code or supplements delivered to CITY. Regardless of CITY's acceptance of published materials when delivered, CONSULTANT shall correct errors found either by CITY or CONSULTANT with succeeding supplementation. CONSULTANT's liability for all services will extend only to the correcting of errors in the code or supplementation, not to any acts or occurrences as a result of such errors, and only so long as this Agreement is in effect.
- B. CONSULTANT shall provide for an open dialogue between its staff and CITY to discuss procedures and to familiarize CITY with the scope of services under this Agreement.

EXHIBIT B-1

SCHEDULE OF RATES

| ITEM | DESCRIPTION | RATES |
|---|---|--------------------|
| <u>Online Code:</u> | Annual hosting fee (effective 1/1/04) | \$500 |
| <u>Supplement Service:</u> | Annual fee w/ quarterly Supplements | \$0 |
| | Hard copy; single column; per page, same price for b/w diagrams & tables (@ 150 pages per supplement) | \$21.00 |
| | Internet update, per supplement | \$0 |
| <u>Additional Services:</u> <i>(based on terms of Agreement, upon City's written request for additional services, City will be billed at these rates)</i> | Color diagrams in hard copy | <i>Actual Cost</i> |
| | Reprints, including binder and tabs; two volumes per set | \$200.00 |
| | Reprints, code content only; per set | \$100.00 |
| | Subscriber service for third parties; annual fee | \$150.00 |
| <u>Total estimated annual cost:</u> | Not to exceed \$15,000 per year | |

EXHIBIT B-2

SCHEDULE OF PAYMENT

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