

**AGREEMENT
FOR ANNUAL CUSTODIAL SERVICES
AT VARIOUS CITY FACILITIES**

MERCHANTS BUILDING MAINTENANCE, LLC

On this 30th day of October, 2014, the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), **MERCHANTS BUILDING MAINTENANCE, LLC**, a California limited liability corporation, 1995 W. Holt Avenue, Pomona, California 91768, hereinafter referred to as "Contractor", mutually agree as follows:

1. Contractor shall provide Custodial Services ("the Services") in accordance with the provisions and requirements of the following Contract Documents: City of Riverside General Services Department Request for Proposal No. 1458 for Annual Custodial Services for Various City Facilities ("RFP"), Addenda; Contractor's Proposal dated June 18, 2014, and performance and payment bonds; this Agreement and all other documents, maps, texts and items referred to in the foregoing documents. These Contract Documents are incorporated herein by this reference and are intended to be correlative and constitute Contractor's performance obligations. The specific terms and conditions of this Agreement shall control and have precedence over any contradictory or inconsistent terms and conditions included in the other Contract Documents and shall be controlling in questions of interpretation.

2. The term of the Agreement shall be from October 21, 2014 through October 20, 2016, unless earlier terminated as provided herein. The term may be extended by mutual consent of the parties for three (3) additional one (1) year extensions. All such extensions shall be made in writing and approved by the City Manager, subject to the availability of budgeted funds. Any amendments/extensions requiring a supplemental appropriation shall be approved by City Council.

3. City shall pay Contractor for the performance of the Services during the initial term of this Agreement, a Contract Price of Four Hundred Five Thousand Five Hundred Eighty Four Dollars and Eighty-Eight Cents (\$405,584.88). City shall pay Contractor for Services performed to City's satisfaction on a monthly basis in accordance with the provisions of the RFP and the Compensation Schedule attached hereto as Exhibit "A", and incorporated herein by this

reference. If the term of the Agreement is extended, Contractor's compensation for the extended term shall be mutually agreed upon in writing by the parties.

4. Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by City. In addition, Contractor shall only be compensated for services actually rendered.

5. As a condition of this Agreement, Contractor shall secure a business license to operate in the City of Riverside, and shall also secure any other licenses or permits which may be required.

6. Prior to City's execution of this Agreement, Contractor shall furnish City with two (2) completed surety bonds (on bond forms provided by City), one as security for the faithful performance of this Agreement and one as security for the payment of all persons performing labor and furnishing materials in connection with this Agreement. Both bonds shall be in the amount of one hundred per cent (100%) of the Contract Price and shall be subscribed by a corporate surety which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class VII or larger. Should any bond or surety become insufficient, Contractor shall furnish City with new bonds within ten (10) days after receiving notice from City. No payments will be due or paid under this Agreement until any and all bond deficiencies have been remedied.

7. By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code section 1861 by signing and filing the workers' compensation certification with the City Attorney.

Prior to the City's execution of this agreement, Contractor shall file with the City either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person, the necessary certificate of insurance will immediately be filed with City. Any Certificate filed with the City shall provide that City shall be given ten (10) days prior written notice before modification or cancellation thereof.

Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger.

8. Except as to the sole negligence or willful misconduct of the City, Contractor shall indemnify and hold the City, and its employees, officers, managers, agents and council members, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorneys' fees, which arises out of, or is related to, or is in any manner connected with, the performance of work, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement, notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

9. Contractor agrees, at its cost and expense, to promptly defend the City and the City's employees, officers, managers, agents and council members (collectively the "Parties to be defended") from and against any and all claims, allegations, lawsuits or other legal proceedings which arise out of, or are related to, or are in any manner connected with: 1) the work, activities, operations, or duties of Contractor, or of anyone employed by or working under the Contractor, or 2) any breach of this Agreement by Contractor. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any of the Parties to be defended were actively, passively or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage or injury. Contractor agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to the City.

10. Prior to City's execution of this Agreement, Contractor shall obtain, and shall thereafter maintain during the term of this Agreement, such commercial general and automobile liability insurance as required to insure Contractor against damages for personal injury, including accidental death, as well as from claims for property damage which may arise from or which may concern operations or by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Contractor.

All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class VII or larger.

Contractor's commercial general liability policy shall cover both bodily injury (including death) and property damage (including but not limited to premises-operations liability, independent contractors liability, personal injury liability, and contractual liability), in an amount not less than \$1,000,000 per-occurrence limit/\$2,000,000 aggregate.

Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per-occurrence limit, unless otherwise approved by the City's Risk Manager, or his designee.

These minimum amounts of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations under Section 8 hereof.

Prior to City's execution of this Agreement, insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial general and automobile liability, shall be filed with City and shall include City, its officers and employees as additional insureds. Said policies shall be in the usual form of commercial general liability insurance, but shall include the following provisions:

"Solely as respects work done by and on behalf of the named insured for the City of Riverside, it is agreed that the City and its officers and employees are added as additional insureds under this policy."

The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail.

11. During Contractor's performance of this Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of

Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Contractor agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

12. If applicable, Contractor and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination of prevailing rates is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined and specified are referred to and made a part hereof as though fully set forth herein.

13. Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

<u>City</u>	<u>Contractor</u>
City of Riverside General Services 3900 Main Street, 2 nd Floor Riverside, California 92522	Merchants Building Maintenance, LLC Attn: Angel Meza 1995 W. Holt Avenue Pomona, California 91768

14. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

15. No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing.

16. The Contractor warrants that in the performance of this Agreement, it shall comply with all Federal, State and local laws and ordinances and all lawful orders, rules and regulations.

17. Each provision, term, condition, covenant and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement and the remainder of the Agreement shall continue in full force and effect

19. The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

20. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.


[signatures on the following page]


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.


CITY OF RIVERSIDE, a California charter city and municipal corporation

MERCHANTS BUILDING MAINTENANCE, LLC, a California limited liability corporation

By: 
City Manager

By: 
David Haas President
[Name and Title]

Attest: 
City Clerk

By: 
KRISTA M. HAAS, Chairman
[Name and Title]

Approved as to Form:

By: 
Deputy City Attorney

WORKERS' COMPENSATION CERTIFICATION

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract.

MERCHANTS BUILDING
MAINTENANCE, LLC

BY: _____


Name: David Haas
Title: President

EXHIBIT "A"
COMPENSATION SCHEDULE

MERCHANTS COMPENSATION SCHEDULE 2014-16

ITEM NO.	FACILITY NAME	ADDRESS	FREQUENCY	SQ. FT.	MONTHLY PRICE	EXTENSION
1	Airport-Main Terminal	6951 Flight Road	5	11,903	\$ 918.14	\$ 11,017.68
2	Arlington Library	9556 Magnolia Avenue	6	12,000	\$ 988.42	\$ 11,861.04
3	Casa Blanca Library	2985 Madison Street	6	9,000	\$ 822.13	\$ 9,865.56
4	Main Library	3581 Mission Inn Avenue	7	37,000	\$ 2,999.28	\$ 35,991.36
5	Eastside Library	4033-C Chicago Avenue	6	10,000	\$ 863.76	\$ 10,365.12
6	La Sierra Library	4600 La Sierra Avenue	7	9,947	\$ 842.88	\$ 10,114.56
7	Orange Terrace Library	20010-A Orange Terrace Pkwy	6	13,026	\$ 957.58	\$ 11,490.96
8	Arlanza Library	8267 Philbin Avenue	6	10,000	\$ 892.97	\$ 10,715.64
9	Marcy Library	6927 Magnolia Avenue	6	9,000	\$ 765.12	\$ 9,181.44
10	Corp Yard - Main	8095 Lincoln Avenue	3	16,000	\$ 1,110.36	\$ 13,324.32
11	Corp Yard - Transportation	8095 Lincoln Avenue	3	3,817	\$ 313.72	\$ 3,764.64
12	Corp Yard Parks	8095 Lincoln Avenue	3	16,000	\$ 884.51	\$ 10,614.12
13	Corp Yard CNG Facility	8095 Lincoln Avenue	3	3,817	\$ 232.87	\$ 2,794.44
14	Breezway Restrooms	8095 Lincoln Avenue	5	26,725	\$ 296.68	\$ 3,560.16
15	Emergency Ops Center (EOC)	8095 Lincoln Avenue	3	10,445	\$ 522.12	\$ 6,265.44
16	Utility Ops Center (UOC)(PU)	2911 Adams Street	5	33,400	\$ 2,304.67	\$ 27,656.04
17	Public Utility Plaza	3460 Orange Street	5	20,140	\$ 1,283.77	\$ 15,405.24
18	Poe Building (PU)	3902 Mulberry Street	5	7,241	\$ 468.15	\$ 5,617.80
19	Casa Blanca CRC (PU)	3025 Madison Street	5	11,659	\$ 865.51	\$ 10,386.12
20	Orange Square (PU)	3901 Orange Street	5	33,000	\$ 2,331.87	\$ 27,982.44
21	UOC Trailer (PU)	2911 Adams Street	5	1,000	\$ 149.97	\$ 1,799.64
22	Gateway Building	3534 14th Street	5	11,237	\$ 841.05	\$ 10,092.60
23	UOC Electric Substation	2911 Adams Street	5	12,000	\$ 149.97	\$ 1,799.64
24	Water Quality Control Plant (SEWER)	5950 Acorn Street	5	33,662	\$ 2,964.55	\$ 35,574.60
25	Water Quality Control Plant (SEWER)- Project Management Facility	5950 Acorn Street	5	3,600	\$ 346.35	\$ 4,156.20
26	Public Works (Tenant)	3750 Market Street	5	6,018	\$ 584.40	\$ 7,012.80
27	Public Works Central Parking	3751 Market Street	3	1,776	\$ 232.87	\$ 2,794.44
28	Public Works (Tenant-SBCD/TRITECH)	3752 Market Street	5	2,325	\$ 261.06	\$ 3,132.72
29	Hulen Place (DEV)	2880 Hulen Place	2	3,000	\$ 507.25	\$ 6,087.00
30	Parks Admin 2nd Floor	6927 Magnolia Avenue	5	9,000	\$ 646.45	\$ 7,757.40
31	Municipal Museum	3580 Mission Inn Avenue	3	9,000	\$ 526.57	\$ 6,318.84
32	City Hall	3900 Main Street	3 to 5	110,000	\$ 5,460.97	\$ 65,531.64
33	Fire Station #1	3401 University Avenue	3	6,760	\$ 462.77	\$ 5,553.24
	Totals			513,498	\$ 33,798.74	\$ 405,584.88

ADDITIONAL / SUBTRACTING ITEMS		
1	Additional areas/facilities, per square foot	\$ 0.07
2	Additional stripping, waxing and sealing floors, per square foot	\$ 0.25
3	Additional window washing, per hour	\$ 28.50
4	Additional cleaning (including sweeping, mopping, dusting, kitchen and restroom), per square foot	\$ 0.05
5	Additional carpet and upholstery cleaning, per square foot	\$ 0.10
6	Emergency services, per hour	\$ 35.00
7	Additional labor, per person per hour	\$ 18.50
8	Additional Supervisor, per person per hour	\$ 20.00