

SERVICES AGREEMENT

FLO-SERVICES, INC.

[On-Call Repair, Maintenance, and Service for Various Sewer Lift Station Pumps]

On this ____ day of _____, 2018, the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and FLO-SERVICES, INC., a California corporation ("Contractor"), mutually agree as follows:

1. **Scope of Services.** Contractor shall furnish all labor, materials and equipment for and perform the work of On-Call Repair, Maintenance, and Service for Various Sewer Lift Station Pumps ("Services"). Contractor shall perform the Services in accordance with the provisions and requirements of the Scope of Services attached hereto as Exhibit "A" and incorporated herein by reference.
2. **Term.** This Agreement shall be in effect from the date first written above and shall terminate Two (2) years thereafter, on June 30, 2020 unless otherwise terminated pursuant to the provisions herein.
3. **Compensation.** City shall pay Contractor for the performance of the Services during the initial term of this Agreement a Contract Price not to exceed One Hundred Eighty Thousand Dollars (\$180,000), unless an increase is agreed to by the parties. City shall pay Contractor for Services performed to City's satisfaction on a monthly basis in accordance with the provisions of the Compensation Schedule attached hereto as Exhibit "B" 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. **General Compliance with Laws.** Contractor shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Contractor, or in any way affect the performance of Services by Contractor pursuant to this Agreement. Contractor shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations.
5. **Business Tax Certificate.** As a condition of this Agreement, Contractor shall secure a business tax certificate to operate in the City of Riverside pursuant to Chapter 5.04 of the Riverside Municipal Code, and shall also secure any other licenses or permits which may be required.
6. **Business Tax and Penalties.** Contractor acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which is owed, or which becomes owed, by Contractor to City, City reserves the right to withhold and offset said amounts from any payments, refunds or reimbursements owed by City to Contractor under the Agreement. Notice of such withholding and offset shall promptly be given to Contractor by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to City,

City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

7. **Personnel.** Contractor shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. The key personnel are listed in Exhibit "C," attached hereto and incorporated herein by reference. Contractor shall furnish qualified personnel to perform the Services.

8. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Contractor acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Contractor shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 11. The Contractor acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

9. **Independent Contractor.** In the performance of this Agreement, Contractor, and Contractor's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Contractor acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Contractor, or to Contractor's employees, subcontractors and agents. Contractor, as an independent contractor, shall be responsible for any and all taxes that apply to Contractor as an employer.

10. **Indemnification.** Contractor shall indemnify and hold harmless the City, and the City's employees, officers, managers, agents and council members from any liability, claim, damage or action whatsoever, arising out of the sole negligence or willful misconduct of Contractor, its officers, employees, subcontractors, agents or including but not limited to property damage, bodily injury, or death. Contractor shall defend, at its sole cost and expense, including but not limited to attorney fees, cost of investigation, defense and settlement or awards, the City and the City's employees, officers, managers, agents and council members in any such action or claim. With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of City; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification of City. Contractor's obligations hereunder shall be satisfied when Contractor has provided to City the appropriate form of dismissal (or similar document) relieving the City from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless the City.

11. Insurance.

11.1 General Provisions. Prior to the City's execution of this Agreement, Contractor shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

11.1.1 Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations under Section 10 hereof.

11.1.2 Ratings. Any insurance policy or coverage provided by Contractor or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies 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 higher.

11.1.3 Cancellation. 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, postage prepaid.

11.1.4 Adequacy. The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Contractor pursuant to this Agreement are adequate to protect Contractor. If Contractor believes that any required insurance coverage is inadequate, Contractor will obtain such additional insurance coverage as Contractor deems adequate, at Contractor's sole expense.

11.2 Workers' Compensation Insurance. 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 carry the insurance or provide for self-insurance required by California law to protect said Contractor from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Contractor shall file with City either 1) a certificate of insurance showing 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 City shall provide that City will be given ten (10) days' prior written notice before modification or cancellation thereof.

11.3 Commercial General Liability and Automobile Insurance. Prior to City's execution of this Agreement, Contractor shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance 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 by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Contractor.

The City, and its officers, employees and agents, shall be named as additional insureds under the Contractor's insurance policies.

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

11.3.2 Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor owned vehicles, Contractor leased vehicles, Contractor's employee vehicles, non-Contractor owned vehicles and hired vehicles.

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

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

11.3.4 The insurance policy or policies shall also comply with the following provisions:

a. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.

b. The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

12. **Termination.** City shall have the right to terminate any or all of Contractor's Services and work covered by this Agreement at any time upon thirty (30) calendar days' written notice to Contractor. In the event of such termination, Contractor shall submit Contractor's final written statement of the amount of services provided as of the date of such termination for payment by the City.

Notwithstanding the foregoing, the City may terminate Contractor's performance of this Agreement upon five (5) calendar days' written notice if:

- (1) Contractor fails to promptly begin performance of the Services;
- (2) Contractor fails to perform the Services;
- (3) Contractor discontinues performance of the Services;
- (4) Contractor fails to make payment to employees in accordance with applicable law;
- (5) Contractor disregards laws, ordinances, or rules, regulations, or orders of a public authority having jurisdiction;
- (6) Contractor otherwise is guilty of breach of a provision of this Agreement;
- (7) Contractor becomes insolvent, is adjudicated bankrupt, or makes a general assignment for the benefit of creditors and fails to provide City with adequate assurances of Contractor's ability to satisfy its contractual obligations.
- (8) A receiver, trustee, or other judicial officer shall not have any right, title, or interest in or to this Agreement. Upon that person's appointment, City has, at its option and sole discretion, the right to immediately cancel the Agreement and declare it null and void.

13. **Non-Discrimination.** 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, gender, gender identity, genetic information, gender expression, 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.

14. **City's Right to Employ Other Consultants/Contractors.** City reserves the right to employ other Contractors in connection with the Services. If the City is required to employ another contractor to complete Contractor's work, due to the failure of the Contractor to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Contractor.

15. **Conflict of Interest.** Contractor, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, affected by the above-described Services. Contractor further

warrants that neither Contractor, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Contractor will file with the City an affidavit disclosing any such interest.

16. **Solicitation.** Contractor warrants that Contractor has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Contractor only for the value of work Contractor has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Contractor the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

17. **Prevailing Wage.** If applicable, pursuant to Section 1771 of the California Labor Code, Contractors are required to pay the general prevailing rates of per diem wages, overtime and holiday wages as determined by the Director of the Department of Industrial Relations and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination of prevailing wage rates is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm, and is referred to and made a part hereof as though fully set forth herein. California Labor Code Sections 1725.5 and 1771.1 requiring all general contractors and subcontractors to be registered with DIR. Registration can be accomplished through the DIR website by using this link: <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

18. **Notices.** 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:

To City

Public Works Department
City of Riverside
Attn: Bobby Hilo
5950 Acorn Street
Riverside, CA 92501

To Contractor

Flo-Services, Inc.
Attn: John Krukowski
3010 Floyd Street
Burbank, CA 91504

19. **Venue.** 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 the Superior Court of California, County of Riverside and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

20. **Waiver.** 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 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 agreed in writing.

21. **Severability.** 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.

22. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Contractor and City.

23. **Authority.** 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.

24. **Entire Agreement.** 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 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

By: _____
City Manager

Attest: _____
City Clerk

Certified as to Availability of Funds

By: _____
Chief Financial Officer

Approved as to Form:

By: _____
Ruthann M. Salera
Deputy City Attorney

FLO-SERVICES, INC.,
a California corporation

By: _____
[Printed Name]

[Title]

By: _____
[Printed Name]

[Title]

EXHIBIT "A"

SCOPE OF SERVICES

Contractor is the manufacturer-authorized service provider for various makes of pumps used at sewer lift stations throughout the City. Contractor is to provide on-call repair, maintenance, and service work for such pumps, including onsite electrical and mechanical related equipment. All work shall be completed in accordance with manufacturer standards and shall be completed within a reasonable amount of time after receiving notice that such work is needed.

EXHIBIT “B”

COMPENSATION



**EXHIBIT "A"-SCHEDULE OF COMPENSATION
FLO-SERVICES INC.
CITY OF RIVERSIDE**

**PUMP REPAIR, MAINTENANCE AND SERVICE CONTRACT
TO INCLUDE ONSITE ELECTRICAL AND MECHANICAL RELATED EQUIPMENT**

SERVICE RATES- PORTAL TO PORTAL

One Man and Service Truck	135.00	Per Hour
Two Men and Service Truck	255.00	Per Hour
Three Men & Service Truck	375.00	Per Hour
Shop Labor - One Man	125.00	Per Hour
Confined Space Entry Fee	425.00	Per Day
Per diem-If Required	@ Actual Cost + 15%	

Mark-up on parts and equipment will be cost + 15% overhead, & + 15% profit

The above rates apply to normal working hours or an eight-hour regular working day, Monday through Friday, 7:00 a.m. to 3:30 p.m. Add fifty percent for the period Monday through Friday, 3:30 p.m. to 7:30 p.m. or after any eight-hour regular working day. Add double the rate for the period Monday through Friday 7:00 p.m. to 7:00 a.m. or after any 12-hour work day as well as Saturday, Sunday, Holidays and any hours not mentioned above.

<u>TRUCK</u>	<u>MILEAGE</u>
1/2 Ton	1.35 Per Mile
3/4 Ton	1.35 Per Mile
1 Ton Winch Truck	1.55 Per Mile

John Krukowski, Principal employee's rate of \$175.00 Per Hour Portal to Portal plus Mileage to assist City personnel with review of equipment, drawings, meetings etc.
On an as needed basis, if and when required.

California State Sales Tax will be added to all equipment and material

~~The total liability of Flo Services for this agreement, including indemnity, liquidated damages and consequential damages is limited to the coverage offered and paid by FLO-SERVICES insurance policies.~~

Flo-Services, Inc. Contact: John Krukowski-Cell # 818-262-8392

Please note: The rates in Exhibit "A" are effective through the 2-year contract period.

**FLO-SERVICES Contractors License Number is #988492
As of 7-2018**

EXHIBIT "C"
KEY PERSONNEL

John Krukowski, President

FLO-SERVICES, INC.



3010 FLOYD ST. * BURBANK, CA 9 504-2599
TEL: (818) 847 2188 * FAX: (818) 847 2256
www.flo-servicesinc.com * LIC# 988492

Qualifications-Page #1

Flo-Services has a core group of employees that have been together for a long time. Their collective experience equates to over 80 years of expertise in our industry. Our field technicians are Confine Space and HazWoper certified, as well as trained in CPR. Our key personnel are as follows:

JOHN KRUKOWSKI OWNER and PRESIDENT

John Krukowski began his career with Flo-Systems. He was with them for over 35 years and was their Service Construction Manager, Safety Manager, and Corporate Treasurer for 29 of those 35 years. John started Flo-Services, Inc. in 2013 due to the owner of Flo-Systems retired. John transferred Flo-Systems service department key personnel to Flo-Services in February 2014.

His expertise includes: providing turn-key installations, maintenance and service contracts, start-up service and operator training for major municipal pump and control manufacturers in Southern California, including progressing cavity pumps, non-clog pumps, vertical turbine pumps, recessed impeller pumps, submersible pumps, plunger pumps, process equipment grinders, comminutors, mixers, controls and instrumentation, etc.

He repairs and troubleshoots in the shop and in the field. He repairs and rebuilds all of the above equipment from manufacturers. He can modify electrical controls, instrumentation, pump control panels and MCC's.

Factory training includes:

ABS Pumps

Electromate

Moyno Pumps

Weir/Wemco Pumps

Dakota Pumps

Fairbanks Morse Pumps

US Filter Consolidated

JOSE MERINO, SR. SENIOR SERVICE TECHNICIAN

Jose was an employee of Flo-Systems for 24 years. Jose has 34 years' experience as a maintenance mechanic, electrician, plumber and welder. Jose transitioned to Flo-Services when Flo-Services separated from Flo-Systems. Jose is a State Certified Electrician.

Jose provides turn-key installations, maintenance and service contracts, start-up service and operator training for major municipal pump and control manufacturers in Southern California, including progressing cavity pumps, non-clog pumps, vertical turbine pumps,

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recessed impeller pumps, submersible pumps, plunger pumps, process equipment grinders, comminutors, mixers, control panels and instrumentation on water, storm water and sewage pump systems.

Jose provides and oversees shop repairs, field repair and troubleshoots pump stations on all of the aforementioned equipment. He repairs and rebuilds all equipment provided from manufacturers. He field troubleshoots which includes modify electrical controls and pump control panels.

JAIME ADAME SERVICE TECHNICIAN

Jaime Adame was employed by Flo Systems for 10 years. Jaime transitioned to Flo-Services when Flo-Services separated from Flo-Systems. Jaime is a welder and fabricator.

Jaime's duties include providing maintenance service for equipment including progressing cavity pumps, non-clog pumps, vertical turbine pumps, recessed impeller pumps, submersible pumps, plunger pumps, process equipment grinders, comminutors, mixers, controls and instrumentation.

Jaime provides and oversees shop repairs, field repair and troubleshoots pump stations on all of the aforementioned equipment. He repairs and rebuilds all equipment provided from manufacturers.

CHRISTOPHER BALDORF SERVICE TECHNICIAN

Chris Baldorf has worked for Flo-Services, Inc. for 2 ½ years. He is currently a certified electrician trainee. Chris is also Flo-Services safety coordinator. His attention to detail and can-do attitude make Chris an invaluable asset to our team.

Chris's duties include providing maintenance service for equipment including progressing cavity pumps, non-clog pumps, vertical turbine pumps, recessed impeller pumps, submersible pumps, plunger pumps, process equipment grinders, comminutors, mixers, controls and instrumentation.

Chris provides and oversees shop repairs, field repair and troubleshoots pump stations on all of the aforementioned equipment. He repairs and rebuilds all equipment provided from manufacturers. He field troubleshoots which includes modify electrical controls and pump control panels.

KOREY STAPP
LABORER/SERVICE TECH

Korey Stapp has worked for Flo-Systems on and off for 7 years and has recently decided to come to work with Flo-Services, Inc.

Korey's duties include providing maintenance service for equipment including progressing cavity pumps, non-clog pumps, vertical turbine pumps, recessed impeller pumps, submersible pumps and process equipment grinders, comminutors, mixers.

Korey provides shop repairs, field repair and troubleshoots pump stations on all of the aforementioned equipment. He repairs and rebuilds all equipment provided from manufacturers. Korey is still in the process of continuing his education and is in the process of honing in on his skills.

JOHN JOSEPH KRUKOWSKI
UTILITY WORKER

John Joseph Krukowski has worked for Flo-Services, Inc. for going on 3 years. He is currently a utility worker.

John Joseph provides helps with shop repairs, field repairs and helps with troubleshooting pump stations and assists with installation and modification on all of the aforementioned equipment. John Joseph is still in the process of continuing his education and is in the process of honing in on his skills.