



Bid No. 18-20

CITY OF BEVERLY HILLS  
FINANCE  
455 NORTH REXFORD DRIVE~BEVERLY HILLS, CALIFORNIA  
90210~(310) 285-2440

**NOTICE INVITING PROPOSALS FOR THE CITY OF BEVERLY HILLS**

The City of Beverly Hills invites prospective respondents to submit proposals for installation of vending machines on City property and related services.

Proposals are requested on the list of materials, equipment, supplies, or services set forth herein, subject to all conditions outlined in the Request for Proposals (RFP) Document, including:

- SECTION I:** REQUEST FOR PROPOSALS
- SECTION II:** GENERAL INFORMATION AND INSTRUCTION
- SECTION III:** QUALIFYING SPECIFICATIONS
- SECTION IV:** APPLICATION
- ATTACHMENT A:** SAMPLE CONTRACT
- ATTACHMENT B:** CERTIFICATE OF INSURANCE FORM

All proposals must be in writing and must contain an original signature by an authorized officer of the submitting company. Electronic proposals (i.e., telephone, fax, e-mail, etc.) are not acceptable. Once opened, all proposals will become the property of the City. They will not be returned, and are subject to the California Public Records Act.

Respondents to the RFP must submit four (4) hard copies, and one (1) electronic copy in nonedible format (CD, DVD, or flash drive) of their proposal in a sealed envelope. The envelope should be clearly marked as follows:

Vending Machines (Installation & Services) - RFP  
City of Beverly Hills  
Attention: Sivan Levin  
455 North Rexford Drive  
Beverly Hills, CA 90210

Inquiries and comments concerning the RFP must be directed to the primary contact, Sivan Levin, for response, and sent via e-mail to: [slevin@beverlyhills.org](mailto:slevin@beverlyhills.org). Any inquiry should state the question only, without additional information.

## SECTION I: REQUEST FOR PROPOSALS

**Date of Request:**     **March 01, 2018**

**Bid Number:**           **18-20**

**Item Description:**   The City of Beverly Hills is accepting proposals from qualified respondents to provide vending machine installation and related services.

**Process Schedule:** The RFP process schedule is as follows:

Issue RFP	March 01, 2018
Walk-through of City vending machine sites	March 08, 2018 10AM PT, City Hall 3 <sup>rd</sup> Floor
Deadline for questions	March 09, 2018
Responses to questions	March 16, 2018
Deadline for submission of proposals	April 02, 2018 4PM PT
Commencement date of new contract	July 01, 2018

These dates are estimates and subject to change by the City

City of Beverly Hills reserves the right to reject late proposals, any and all proposals, or waive any irregularities or informalities during the Request for Proposal process. No proposal may be withdrawn for a period of ninety (90) days after the closing date for submission.

## **SECTION II: GENERAL INFORMATION AND INSTRUCTION**

1. Respondents are advised to become familiar with all conditions, instructions and specifications governing this RFP. Once the award has been made, a failure to have read all the conditions, instructions and specifications of this contract shall not be cause to alter the original contract or for vendor to request additional compensation.
2. Respondents agree to defend and save the City from and against all demands, claims, suits, costs, expenses, damages and adjustments based on any infringement of any patent relating to goods specified in this contract.
3. Successful respondent shall not assign the contract, or subcontract the whole or any part of the contract without written consent of the City. Such consent shall neither relieve the respondent from his/her obligation nor change the terms of the contract.
4. The City shall have the right to inspect any material specified herein. Equipment, supplies or services that fail to comply with the specifications herein regarding design, material or workmanship are subject to rejection at the option of the City. Any materials rejected shall be removed from the premises of the City at the expense of the vendor.
5. Respondent shall state the nature and period of any warranty or guarantee. Manufacturer's specifications shall be submitted with the RFP and shall be considered a part of this contract where such specifications meet the minimum of the City specifications.
6. Each respondent shall submit in full this completed original RFP document and all necessary catalogues, descriptive literature, etc., needed to fully describe the materials or work proposed to furnish.
7. Respondents shall state the delivery date for commodities in terms of calendar days after notification of award. Where the contract calls for performance of labor, the respondents shall also state the number of calendar days required for completion after notification of award.
8. Upon the award of the contract to the successful respondent, insurance will be required by the terms of this RFP and the attached Sample Agreement, attached hereto as Attachment A. The City will require evidence of such coverage be furnished within fourteen (14) days of notification of award. The amounts and types of coverage will be specified in Section III of this RFP and Attachment A. All insurance forms must be in a format acceptable to the City. The City's certificate of insurance form (Attachment B) is the preferred form.
9. Every supplier of materials and services and all contractors doing business with the City shall be an "Equal Opportunity Employer" as defined by Section 2000 (E) of Chapter 21, Title 42 of the United States Code Annotated and Federal Executive Orders #11375, and as such shall not discriminate against any other person by reason of race, creed, color, religion, age, sex or physical or mental handicaps with respect to the hiring, application for employment, tenure, terms or conditions or employment of any person.
10. Prices quoted herein must be firm for a period of not less than ninety (90) days after closing date for submission.

### **SECTION III: QUALIFYING SPECIFICATIONS**

#### **DESCRIPTION:**

City is seeking vendors to install vending machines and related services at various City locations for City staff and/or members of the public and further described in Section III of the RFP and the Sample Agreement, Attachment A. Compliance with, or variation from, the specifications must be noted on the Application (Section IV) as to each item on the specification sheet.

#### **STATEMENT OF OBJECTIVES:**

1. The primary objective of this contract is to provide a convenient snack service for all persons using City facilities at locations described in the following Schedule A.
2. It is the intent that costs to employees shall be competitive throughout the life of this contract.
3. It is the intent that service should be the first and major concern and, at the same time, have the product at an economical sale price to maintain a profit.
4. The locations specified in Schedule A entitled "Equipment Requirements and Locations," constitute the total requirements of this contract at this time. The City reserves the right to require the successful bidder to increase or decrease the number of machines at a specified location and/or to increase or decrease the total number of machines installed by the addition or removal of locations designated without change in the agreement.
5. Total responsibility and control of all vending machines to be used in connection with the contract at each location will belong to the vendor.
6. It is essential that the transition from the current vending machines to any new installation, where applicable, be accomplished without interruption to the services currently being provided.

#### **CONDITIONS OF PROPOSAL AND CONTRACT AWARD:**

1. All bidders, prior to contract award shall be able to demonstrate their ability to provide satisfactory services. Respondents shall provide City with information related to Respondent's current vending machine installations (including company and manager names, and phone numbers of references) similar to that contemplated by this request or by any other means deemed to be acceptable to the City.
2. All bids shall be accompanied by descriptive literature of the new vending machines to be used in the event of a successful awarding of contract.
3. The objective of the City is to award this contract on a basis which shall be deemed to be the most advantageous to the City.
4. Contract term shall be for three (3) years with the option to extend for two (2) additional one (1) year terms.
5. Awardee shall pay the City, a fixed rental price per month per vending machine. Respondent shall provide the City their proposed rate for each location specified in Schedule A.
6. One vending machine at each location shall include the ability to make change for one dollar (\$1.00) and five dollar (\$5.00) bills, or at the vendor's option, one change machine capable of making change for one dollar (\$1.00) and five dollar (\$5.00) bills shall be placed at each location. A sticker shall be placed on the machine to indicate ability to provide change.
7. Vending machines must accept any combination of nickels, dimes, quarters and dollar coins, bills, and credit/debit cards.

**TERMS AND CONDITIONS:**

1. The prices for all vended items as specified in the Application (Section IV) are to be considered firm for the term of the contract. All increases or decreases to the prices stated herein after contract award, or prices to be established for additional items or services, recommended by the awardee shall be subject to the prior written approval of the City. Price changes are subject to awardee providing City with backup data substantiating the request, and such changes must be consistent at all locations.
2. The City reserves the right to periodically have the Health Department inspect the vended merchandise and require the awardee to suspend the dispensing of any items that do not meet their standards.
3. State sales and use tax paid by the awardee on all machines, services and supplies used by the successful bidder in the operation of any vending machine or in providing customer service shall be considered a part of the successful bidder's operating expenses.
4. The awardee shall provide and maintain in force, at no cost to the City, for the life of the contract, or any subsequent extension thereof, all necessary insurance coverage as required by law and the City. (See Insurance Terms and Conditions, Section III).
5. The successful contractor agrees to indemnify, defend and hold harmless the City, City Council and each member thereof, and every officer, and employee of the City, from any liability or financial loss including, without limitation, attorneys' fees and costs, arising in any manner whatsoever from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of the successful contractor, or any person employed by the successful contractor, including agents and independent contractors, in the performance of the agreement including, without limitation, the operation of the vending machines, the sale of products therefrom and compliance with all laws.
6. The awardee may be considered to have breached this contract for any one of the following reasons:
  - a. Failure to obtain and keep in effect required license or permits.
  - b. Failure to maintain insurance coverage as required by law.
  - c. Failure to maintain all machines in good operating condition. A minimum response time of one (1) business day shall be required on all service calls.
  - d. Failure to maintain adequate supplies in the vending machines. **The vending machines shall be checked daily by a uniformed personnel of the vendor** to ensure that machines are adequately stocked and items past their date of expiration are removed.
  - e. Failure to provide sufficient personnel to render the services.
  - f. Failure to provide items of satisfactory quality and/or quantity.
  - g. Failure to maintain any of the machines provided by the awardee in the performance of this contract in a clean and sanitary condition.

In the event the awardee shall be declared to have breached this contract for any of the reasons stated above, then and in such event, the awardee shall be advised in writing by the City of the reason(s) for such declaration and shall be permitted a period of time to be determined by City to correct any deficiency after receipt of notification. Failure on the part of the vendor to correct any deficiency in the time allowed shall be sufficient cause to terminate this contract.

The City shall retain the right to terminate this contract for convenience without liability to the City upon delivery to the vendor of a written notice to terminate 30 days prior to the expressed termination date. The right to terminate this contract for convenience shall

become effective only after ninety (90) days from the date of completion of installation of all machines.

7. The City shall retain the right to request the relocation of any of the machines provided by the successful contractor with five (5) days prior written notice.

#### **INSURANCE TERMS AND CONDITIONS:**

The awardee shall file with the City a certificate of insurance prior to the commencement of service evidencing at a minimum the following coverage –

- (1) Commercial general liability coverage at least as broad as Insurance Services Office Commercial General Liability occurrence coverage ("occurrence" form CG0001, Ed. 11/85) with a limit of not less than \$2,000,000 (Two Million Dollars) 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. 1/87) covering Automobile Liability, code 1 "any auto" and endorsement CA 0029 (Ed. 12/88) with a limit not less than \$1,000,000 (One Million Dollars) 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 (One Million Dollars) per accident.

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

Please use the official City of Beverly Hills certificate of insurance form (Attachment B). If you use another form, the form shall contain an endorsement naming the City as additional insured and a provision that the policies cannot be canceled or reduced without thirty (30) days prior written notice to the City.

All certificates of insurance must remain current until the agreement expires or is sooner cancelled. At all times during the term of the agreement, the vendor shall maintain on file with the City, a certificate(s) of insurance showing that the policies are in effect in the required amounts.

#### **REFUNDS:**

City will require the successful bidder to furnish a petty cash fund of \$20.00 at each location to a designated responsible person. The route person shall reimburse the petty cash each time the machines are serviced, upon presentation of a shortage ticket from the designated person at the location. A preprinted form shall be furnished by awardee for this purpose.

#### **OTHER INSTALLATIONS:**

Each respondent shall enclose an installation list containing a minimum of three vending machine installations where their company supplies similar services over the past five years.

**EXCEPTIONS:**

Any catalog or manufacturer's reference in this proposal is descriptive, but not restrictive, and is used only to indicate type and grade. The respondent shall state on the proposal exactly what the respondent intends to furnish, including any variation from the specifications and literature. Any other exceptions to any portion of these terms and conditions or deviations from written specifications shall be shown in writing on the proposal form or attached to it.

**SECTION IV: APPLICATION (To Be Completed By Vendor)**

The undersigned proposes to furnish all materials, supplies, equipment or services set forth herein subject to all conditions outlined in the RFP document, including the general information and instructions, at the prices indicated below:

**PROPOSAL FORM AND SPECIFICATIONS FOR GENERAL ITEM COSTS:**

For machines placed in areas that serve City employees. Vendor is free to set standard pricing in areas that serve the general public.

<u>TYPE</u>	<u>DESCRIPTION</u>	<u>SIZE (oz.)</u> <u>MINIMUM</u>	<u>PROPOSED</u> <u>PRICE</u>
Beverages	Coke, Dr. Pepper, Squirt, Sprite, Nestea, Diet Dr. Pep Root Beer, Diet Coke, Minute Maid Orange, Diet Sprit	12	_____
Beverages	Juice, (orange, grape, apple)	6	_____
Beverages	Bottled Water	16.9	_____
Beverages	2% Milk, low fat, chocolate	10	_____
Beverages	Coffee, Hot Chocolate, tea, hot soup		_____
Snacks	Candy Bars (Snickers, Hershey, M&Ms, Reese's, Babyruth, Redvines)	1 ½	_____
Snacks	Chips (plain Lay's, Ruffles, Fritos, Cheetos, etc.)	1	_____
Snacks	Prepackaged microwave popcorn	3 1/3	_____
Prepared Foods	Pastries (pie, sweet roll, pop tarts, muffins, etc.)	2	_____
Prepared Foods	Pudding (chocolate, vanilla), yogurt, cottage cheese	4	_____
Prepared Foods	Cookies, pretzels, crackers & cheese, granola bars, e	1 ¼	_____
Prepared Foods	Burritos, wraps, hot pockets, pizza, bagels, egg rolls, i		_____
Healthy Options	Sandwiches (turkey, cheese, egg salad, veggie, etc.)	4	_____
Healthy Options	Canned items (chili, stew, tuna salad w/crackers etc.)	7	_____
Healthy Options	Nuts, raisins and other such mixes		_____
Healthy Options	Packaged fresh fruits/veggies		_____



**SECTION IV: APPLICATION** continued.....

The undersigned proposes to furnish all materials, supplies, equipment or services set forth herein subject to all conditions outlined in the RFP Document, including the general instructions and information to respondents, at prices indicated in the application:

Exceptions or Deviations attached \_\_\_\_\_ YES \_\_\_\_\_ NO

Company Name \_\_\_\_\_ Telephone \_\_\_\_\_

Address \_\_\_\_\_

Federal Identification No. \_\_\_\_\_ Secretary of State No. \_\_\_\_\_

Provide a list of businesses being served for at least three (3) years.

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Provide a list of businesses that terminated services in the last three (3) years with reasons for termination.

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Person submitting proposal

\_\_\_\_\_

Print Name

\_\_\_\_\_

Title

\_\_\_\_\_

Signature

**F.O.B.**

All prices of the proposal shall be F.O.B. destination Beverly Hills, California; and delivery to any point within Beverly Hills shall be without additional charge.

**TAX**

All proposals shall be inclusive of tax.

**ACCEPTANCE OF PROPOSAL**

The City reserves the right to accept or reject any and all proposals and reserves the right to waive technicalities where such action best serves the interests of the City. The manufacturer of the proposed materials or equipment may be required to acknowledge by written confirmation that the minimum requirements of the specifications are included in the proposal before the award of the bid.

**EXCEPTIONS**

Any bidder's exceptions to these terms or conditions or deviations from the written specifications shall be shown in writing and attached to bid form. However, such exceptions or deviations may result in bid rejection.

**SECTION IV: APPLICATION continued.....**

**SCHEDULE A**

**Equipment Requirements and Locations**

<b><u>LOCATION</u></b>	<b><u>EQUIPMENT TYPE</u></b>	<b><u>SQ FOOTAGE</u></b> (per machine)	<b><u>RENTAL PRICE</u></b> (per month, per machine)
City Hall Employee Lunchroom 455 North Rexford Drive Room 275	One (1) beverages One (1) snacks	32 sq. ft.	
Library 444 North Rexford Drive 2nd floor, staff room	One (1) beverages One (1) snacks	28 sq. ft.	
Police 464 North Rexford Drive Lunchroom	One (1) beverages One (1) snacks	26 sq. ft.	
Roxbury Park 471 South Roxbury	One (1) beverages	35 sq. ft.	
La Cienega Community Center 8400 Gregory Way	One (1) beverages One (1) snacks	28 sq. ft.	
Vehicle Shop 331 North Foothill Road	One (1) beverages One (1) snacks	26 sq. ft.	
HR Training Room 455 North Rexford Drive 3 <sup>rd</sup> floor	One (1) beverages One (1) snacks	26 sq. ft.	
Public Works Warehouse 9357 Third Street Lunchroom	One (1) beverages One (1) snacks	26 sq. ft.	

ATTACHMENT A  
SAMPLE CONTRACT

NAME OF CONTRACTOR: Insert name of contractor

RESPONSIBLE PRINCIPAL OF CONTRACTOR: Insert name, title

CONTRACTOR'S ADDRESS: insert street address  
insert city, state, zip code  
Attention: Insert name, title

CITY'S ADDRESS: City of Beverly Hills  
455 N. Rexford Drive  
Beverly Hills, CA 90210  
Attention: Dept. Head's Name, Title

COMMENCEMENT DATE: July 1, 2018

TERMINATION DATE: June 30, 2021, unless extended pursuant to  
Section 2 of the Agreement

CONSIDERATION: CONTRACTOR shall pay CITY a monthly  
space rental as set forth in Exhibit A

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND  
CONTRACTOR'S NAME FOR BRIEFLY DESCRIBE PURPOSE  
OF CONTRACT

THIS AGREEMENT is made by and between the City of Beverly Hills (hereinafter called "CITY"), and Insert contractor's name (hereinafter called "CONTRACTOR").

RECITALS

A. CITY desires to have certain services and/or goods provided as set forth in the Agreement and in CITY's Request for Proposals ("RFP"), Bid No. 18-20, attached hereto as Exhibit A and incorporated herein ("Scope of Work").

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 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 the Commencement Date or upon a receipt of a written notice to proceed from CITY. CONTRACTOR shall complete the performance of services by the Termination Date set forth above.

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. Obligations of CONTRACTOR.

(a) CONTRACTOR shall maintain service and stock a combination of the following vending machines at the locations selected by CITY on the CITY's premises specified in Exhibit A.

(i) A soft drink machine with at least six (6) selections to be approved by CITY, which soft drink machine shall have a coin changer that will accommodate one dollar (\$1) bills.

(ii) A snack machine with the product selection to be approved by CITY, which snack machine will have a coin changer that will accommodate one dollar (\$1) bills.

(iii) A carousel multi-purpose cold food microwavable hot food vending machine with the product selection to be approved by CITY, which multi-purpose food machine

shall have a coin changer that will accommodate both one dollar (\$1) and five dollar (\$5) bills; and a microwave oven for heating microwavable food.

(iv) A cold drink machine with the product selection to be approved by CITY, which machine shall have a coin changer that will accommodate one dollar (\$1) bills.

(v) A bill changer machine.

(b) The vending machines installed pursuant to this Agreement shall remain the property and responsibility of the CONTRACTOR. The vending machines shall not be replaced during the term of this Agreement except with machines of the same model and with the same number and type of selections, unless such changes are approved in writing by the Deputy Director of Finance Administration. At no time during the term of the Agreement shall vending machines not be available for use. CONTRACTOR shall make repairs to the vending machines or replace them within twenty-four hours of CONTRACTOR obtaining written notice of the need for repairs to or replacement of the vending machines.

(c) CONTRACTOR shall maintain and service the vending machines installed by CONTRACTOR as follows:

(i) Respond to any product change requests made by CITY within one (1) business day.

(ii) Maintain all vending machines in good working order; provide service to vending machines on an as needed basis, and emergency maintenance service upon twenty-four (24) hour oral or written notice.

(iii) Repair or replace vending machines in the event of damage, loss or destruction and assume any losses for moneys stolen or lost from the machines.

(iv) Stock and restock soft drink and snack machines on an as needed basis, but not less than three times a week, based on need as determined by the CITY.

(v) Stock and restock the cold food machines with fresh sandwiches and salads as determined by the CITY and according to health department guidelines.

(vi) Stock and restock the cold food machines with all other cold food items having a shelf life of more than one week at least once a week with fresh food and remove food stocked the previous week.

(vii) Stock carousel multi-purpose cold food/hot food vending machines by 11:30 a.m. on the days such machines are stocked.

(viii) In the event a refund is required to be given, CONTRACTOR shall contact the persons for the locations listed in Exhibit A-I, attached hereto and incorporated by this reference.

(ix) Provide a petty cash fund for reimbursement of any moneys lost in the vending machines of \$ 20.00 at each location to the designated responsible person listed on Exhibit A.

(x) At all times CONTRACTOR's employees perform work required by the Agreement, the employees shall wear neat and clean uniforms identifying them as working for CONTRACTOR.

(d) CONTRACTOR shall be responsible for the payment of all required sales taxes which are applicable to the products sold in the vending machines.

(e) CONTRACTOR shall obtain and maintain all permits and licenses required by all applicable licensing and regulatory agencies.

Section 4. Obligations of CITY.

(a) CITY shall provide CONTRACTOR access during normal business hours to CITY facilities listed in Exhibit A of this Agreement for installation and servicing of CONTRACTOR's vending machines on a regular and as needed basis.

(b) CITY shall furnish CONTRACTOR adequate space and utility services for the installation and operation of CONTRACTOR's vending machines.

(c) CITY shall not change the location of vending machines installed by CONTRACTOR, make any alterations to the vending machines or install or allow the installation of other vending machines during the term of this Agreement unless agreed to by CONTRACTOR in writing.

Section 5. Independent Contractor.

(a) CONTRACTOR shall pay to CITY for the use of space for the installation and servicing of vending machines the amounts listed in Exhibit A of this Agreement.

(b) In the event CITY requests the removal of vending machines or installation of additional vending machines, CONTRACTOR shall decrease or increase the total monthly rental payment to CITY based on the amount specified in Exhibit A of this Agreement.

(c) The monthly rental check shall be made payable to City of Beverly Hills and shall be mailed to the following address:

City of Beverly Hills  
Finance Administration  
455 North Rexford Dr., Room 350  
Beverly Hills, California 90210

(d) CITY may request in writing, as needed, changes in the obligations of CONTRACTOR under this Agreement.

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) Commercial general liability coverage at least as broad as Insurance Services Office Commercial General Liability occurrence coverage ("occurrence" form CG0001, Ed. 11/85) with a limit of not less than \$2,000,000 (Two Million Dollars) 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. 1/87) covering Automobile Liability, code 1 "any auto" and endorsement CA 0029 (Ed. 12/88) with a limit not less than \$1,000,000 (One Million Dollars) 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 (One Million Dollars) 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 A+;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 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 insurance shall contain an endorsement naming the CITY as an additional insured. CONTRACTOR shall provide CITY with thirty (30) days prior written notice if the policies required under this Agreement will be canceled or reduced. All of the policies required under this Agreement shall state 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.

(h) The insurance coverage amounts required under the Agreement do not limit CITY's right to recover against CONTRACTOR and its insurance carriers.

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, 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 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, CONTRACTOR shall remove its vending machines within three business days. CONTRACTOR shall owe CITY a pro rata share of the monthly rent as of the effective date of termination or cancellation.

Section 14. 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 15. 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 16. Records and Inspections. CONTRACTOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years. CITY shall have access, without charge, during normal business hours to such records, and the right to examine and audit the same and to make copies and transcripts therefrom, and to inspect all program data, documents, proceedings and activities.

Section 17. Changes in the Scope of Work. 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 18. Notice. Any notices, bills, invoices, etc. required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand during the receiving party's regular business hours or by facsimile before or during the receiving party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid to the addresses set forth above, or to such other addresses as the parties may, from time to time, designate in writing pursuant to this section.

Section 19. Attorney's Fees. In the event that either party commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

Section 20. Entire Agreement. This Agreement represents the entire integrated agreement between CITY and CONTRACTOR, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and CONTRACTOR.

Section 21. Exhibits; Precedence. All documents referenced as exhibits in this Agreement and the RFP 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 22. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 23. CITY Not Obligated to Third Parties. CITY shall not be obligated or liable under this Agreement to any party other than CONTRACTOR.

Section 24. Severability. Invalidity 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

\_\_\_\_\_  
LILI BOSSE  
Mayor of the City of  
Beverly Hills, California

ATTEST:

\_\_\_\_\_(SEAL)  
BYRON POPE  
City Clerk

CONTRACTOR:

\_\_\_\_\_  
Insert Contractor Name  
Insert Title

\_\_\_\_\_  
Insert Contractor Name  
Insert Title

APPROVED AS TO FORM:

\_\_\_\_\_  
LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

\_\_\_\_\_  
MAHDI ALUZRI  
City Manager

\_\_\_\_\_  
TATIANA SZERWINSKI  
Assistant Director of Administrative  
Services/Finance

\_\_\_\_\_  
SHARON L'HEUREUX DRESSEL  
Risk Manager

EXHIBIT A

CITY'S REQUEST FOR PROPOSAL



## EXHIBIT B

### 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	B.I.	<u>LIMITS</u> 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"/> 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: \_\_\_\_\_