



Tuesday, June 24, 2014

ROLL CALL:

- Brent A. Tercero, Mayor
- Gregory Salcido, Mayor Pro Tempore
- Bob J. Archuleta, Councilmember
- David W. Armenta, Councilmember
- Gustavo V. Camacho, Councilmember

Regular Meeting 6:00 p.m.
Council Chamber
6615 Passons Blvd.
 Next Resolution No. 6772
 Next Ordinance No. 1088
 Next Agreement No. 14-1503

COMMISSIONERS SCHEDULED TO BE PRESENT:

- Ruben Garcia, Planning Commission
- Joseph Palombi, Parks & Recreation Commission

INVOCATION:

PLEDGE OF ALLEGIANCE:

SPECIAL PRESENTATIONS:

- Proclamation – July Parks & Recreation Month

PLEASE TURN OFF ALL PAGERS AND/OR PHONES WHILE MEETING IS IN SESSION AND PLEASE REFRAIN FROM TEXTING DURING THE MEETING

In compliance with the Americans with Disabilities Act of 1990, the City of Pico Rivera is committed to providing reasonable accommodations for a person with a disability. Please call the City Clerk’s office at (562) 801-4389, if special accommodations are necessary and/or if information is needed in an alternative format. Special requests must be made in a reasonable amount of time in order that accommodations can be arranged.

1st PERIOD OF PUBLIC COMMENTS - IF YOU WOULD LIKE TO SPEAK ON ANY LISTED AGENDA ITEMS, PLEASE FILL OUT A GREEN PUBLIC COMMENT REQUEST FORM AND PROVIDE IT TO THE STAFF MEMBER AT THE BACK TABLE BEFORE THE MEETING STARTS.

When you are called to speak, please come forward and state your name and city of residency for the record. You have three (3) minutes to make your remarks. In accordance with Government Code Section 54954.2, members of the City Council may only: **1)** respond briefly to statements made or questions posed by the public; **2)** ask a question for clarification; **3)** provide a reference to staff or other resources for factual information; **4)** request staff to report to the City Council at a subsequent meeting concerning any matter raised by the public; and **5)** direct staff to place a matter of business on a future agenda. City Council members cannot comment on items that are not listed on a posted agenda.

CONSENT CALENDAR ITEMS:

All items listed on the Consent Calendar may be acted on by a single motion without separate discussion. Any motion relating to a Resolution or Ordinance shall also waive the reading of the titles in full and include its adoption as appropriate. If discussion or separate vote on any item is desired by a Councilmember or staff, that item may be pulled from the Consent Calendar for separate consideration.

1. Minutes:

- City Council regular meeting of June 10, 2014

Recommendation: Approve

- Parks & Recreation Commission meeting of May 8, 2014

Recommendation: Receive and File

2. 21st Warrant Register of the 2013-2014 Fiscal Year. (700)

Check Numbers: 262230-262419

Special Checks Numbers: None

Recommendation: Approve

3. Conflict-of-Interest Code Biennial Review. (300)

Recommendation:

1. Direct the City Clerk's Office to notify City Departments and applicable Agencies to review their Conflict-of-Interest Code pertaining to designated employees to determine if any changes or amendments are necessary.

4. Investment Policy for Fiscal Year 2014-15. (700)

Recommendation:

1. Adopt the City's Investment Policy for Fiscal Year 2014-15.

5. Approval of City Purchase Orders Above \$30,000 for Fiscal Year 2014-2015.(700)
Recommendation:

1. Approval for City Manager to issue Purchase Orders above \$30,000 for Fiscal Year 2014-2015.

6. Passons Boulevard Underpass, Phase IV, CIP No. 20053 - Award Construction Contract. (500)

Recommendation:

1. Award a construction contract in the amount of \$126,275 to Green Giant Landscape, Inc. for the Passons Boulevard Underpass Phase IV, and authorize the Mayor to execute the contract in a form approved by the City Attorney;
2. Approve the Notice of Exemption, and authorize the City Clerk to file with the County Recorder; and
3. Approve a 10 percent contingency of contract for project changes, as needed.

Agreement No. _____

7. Janitorial Services, RFB 2014-005 – Award Service of Contract. (500)
Recommendation:

1. Award a three year service contract in the amount of \$174,708 to General Building Management for Janitorial Services; and
2. Authorize the City Manager to execute the contract in a form approved by the City Attorney.

Agreement No. _____

8. Park Landscape Mowing Services, RFB 2014-PW01 – Award Service Contract. (500)

Recommendation:

1. Award a three year service contract in the amount of \$261,723 to BMC Landscape Management Inc. for Park Landscape Mowing Services; and
2. Authorize the Mayor to execute the contract in a form approved by the City Attorney.

Agreement No. _____

CONSENT CALENDAR ITEMS PULLED FOR FURTHER DISCUSSION:

LEGISLATION:

9. Letter of Support for the Completion of Interstate 710.

Recommendation:

1. The City Council consider authorizing the Mayor to sign a letter of support for the completion of Interstate 710.

MAYOR/COUNCILMEMBER REPORTS ON INTERGOVERNMENTAL AGENCY MEETINGS:

NEW BUSINESS:

OLD BUSINESS:

2ND PERIOD OF PUBLIC COMMENTS - THIS TIME IS RESERVED FOR COMMENTS THAT HAVE NOT BEEN ADDRESSED ALREADY OR THAT ARE NOT LISTED ON THE AGENDA. PLEASE FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM AND PROVIDE IT TO THE STAFF MEMBER AT THE BACK TABLE BEFORE THE MEETING STARTS.

When you are called to speak, please come forward and state your name and city of residency for the record. You have three (3) minutes to make your remarks.

CLOSED SESSION(S):

a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 subdivision (d) paragraph (1)
Jeff Tracy, Inc. dba Land Forms Construction v. City of Pico Rivera
Case No. VC063151

b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9 subdivision (d) paragraph (3)
One matter.

ADJOURNMENT:

AFFIDAVIT OF POSTING

I, Anna M. Jerome, City Clerk, for the City of Pico Rivera, DO HEREBY CERTIFY, under penalty of perjury under the laws of the State of California, that the foregoing notice was posted at the Pico Rivera City Hall bulletin board, Pico Rivera website, Pico Rivera Post Office and Parks: Smith, Pico and Rivera and full agenda packets distributed to the Pico Rivera County Libraries, which are available for the public to view on this 19th day of June 2014.

Dated this 19th, day of June 2014

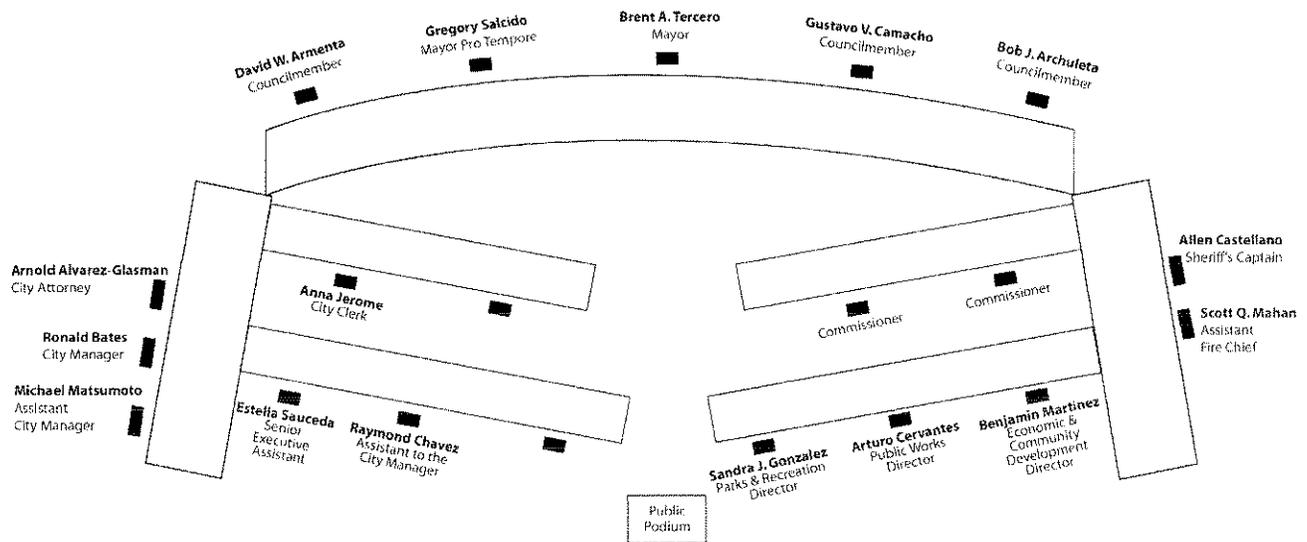


Anna M. Jerome, CMC
City Clerk

SB343 NOTICE

In compliance with and pursuant to the provisions of SB343 any public writing distributed by the City Clerk to at least a majority of the City Council Members regarding any item on this regular meeting agenda will be available on the back table at the entrance of the Council Chamber at the time of the City Council meeting and at the counter of City Hall at 6615 Passons Boulevard, Pico Rivera, California during normal business hours.

Council Meeting Seating Chart



STATEMENT REGARDING DECORUM AT CITY COUNCIL MEETINGS

If you wish to speak at the time set aside for public comments, the City Council has established the following standards and Rules of Decorum as allowed by State law.

- Public comment is limited to those portions of the meeting referred to as Public Comments. These portions are intended for members of the public to address the City Council, Successor Agency, Housing Assistance Agency or Water Authority on matters related to agendas or any other items under the subject matter jurisdiction of the City Council or Agencies.
- A yellow Public Hearing Comment Request card must be completed to speak during a Public Hearing.
- A green Public Comment Request – Agenda Items Only card is for those wishing to address the Council/Agency on agenda items only during the 1st Period of Public Comments.
- A blue Public Comment Request – All other City-Related Business card is for those wishing to address the Council/Agency on any other items under the subject matter jurisdiction of the Council/Agency during the 2nd Period of Public Comments.
- Citizens may address the Council, Successor Agency or Housing Assistance Agency once for a **maximum of three minutes**. After each speaker returns to his/her seat, the Mayor shall determine the time and manner of response, but typically if answers are available, they will be given after all speakers have had an opportunity to address the City Council.
- Members of the audience are asked to refrain from clapping or otherwise speaking from their seats. Those not meeting the standards for decorum may be escorted from the meeting.

RULES OF DECORUM CAN BE FOUND IN THE PICO RIVERA MUNICIPAL CODE SECTION 2.08.050 AS ESTABLISHED BY ORDINANCE 783 ADOPTED ON AUGUST 20, 1990 AND AMENDED BY ORDINANCES 822 (SEPTEMBER 21, 1992) AND 1020 (MARCH 21, 2006).



Tuesday, June 10, 2014

A Regular Meeting of the City Council was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Mayor Tercero called the meeting to order at 6:00 p.m. on behalf of the City Council.

PRESENT: Archuleta, Armenta, Camacho, Salcido, Tercero

ABSENT: None

COMMISSIONERS PRESENT:

Ruben Garcia, Planning Commission

Joseph Palombi, Parks & Recreation Commission

INVOCATION: Councilmember Archuleta

PLEDGE OF ALLEGIANCE: Councilmember Camacho

SPECIAL PRESENTATIONS:

- Proclamation to the American Cancer Society – 11th Anniversary of the Pico Rivera Relay for Life presented to Parks & Recreation Director Gonzalez

PUBLIC HEARING(S):

1. **Fiscal Year 2014-15 Budget Adoption and Community Development Block Grant 2014-2015 Public Hearing and Draft Action Plan.** (700)

Mayor Tercero opened the public hearing and noted that there was no written communications to provide public testimony.

Assistant City Manager Matsumoto stated that the General Fund is balanced with the use of \$209,000 in reserves. He further stated that Council provided direction for departments to maintain budgets and for staff to continue the unpaid holidays. Currently, he stated, staff is negotiating the continuance of unpaid holidays and if the employee negotiations are not successful, the budget will need to be revised in August 2014.

Oral Communications:

Susie Servin:

- Addressed the City Council regarding the proposed budget, unpaid holidays labor negotiations and reduction in employee benefits.

Deputy Director Osorio provided a Budget Overview utilizing a PowerPoint presentation capturing the City's General Fund Sources and Uses. Highlights of the presentation included an improved economy, no further reductions to City revenues are expected from the state, property tax is projected to increase slightly, health insurance is expected to increase approximately 8% in January 2015, City's unfunded liability is \$37 million, and the Sheriff's costs will increase by 3% for Fiscal Year 2014-15. Mr. Osorio also emphasized the CDGB Draft Action Plan FY 2014-2015 and City Council's consideration of policy items with regard to CDBG Social Service Programs and additional Park Supervision and Maintenance.

City Council discussed the use of funds to the Chamber of Commerce, continuance of unpaid holidays, grant monies, increasing revenues, City reserves, employee negotiations, and policy items.

Mayor Tercero closed the public hearing.

Motion by Councilmember Armenta, seconded by Mayor Pro Tem Salcido to: 2) Consider City Council Policy Items (Attachment 1):

- b. Funding for Additional Park Supervision and Maintenance.
- c. Approve CDBG Social Services Allocation for FY14-15.

3) Adopt Resolution No. 6767 approving and adopting the Annual Appropriations Limit for Fiscal year 2014-2015 (Attachment 2); 4) Approve the Fiscal Year 2014-15 Budget (Attachment 3); and 5) Approve the Community Development Block Grant Draft FY2014-2015 Action Plan (Attachment 6).

Substitute motion by Councilmember Camacho, seconded by Councilmember Archuleta to: 2) Consider City Council Policy Items (Attachment 1):

- a. Funding for the Chamber of Commerce utilizing EDA funds.
- b. Funding for Additional Park Supervision and Maintenance.
- c. Approve CDBG Social Services Allocation for FY14-15.

3) Adopt Resolution No. 6767 approving and adopting the Annual Appropriations Limit for Fiscal year 2014-2015 (Attachment 2); 4) Approve the Fiscal Year 2014-15 Budget (Attachment 3); and 5) Approve the Community Development Block Grant

Draft FY2014-2015 Action Plan (Attachment 6). Motion carries by the following roll call vote:

Resolution No. 6767 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2014-2015

AYES: Archuleta, Camacho, Tercero

NOES: Armenta, Salcido

2. Public Hearing - Landscape and Lighting Assessment District No. 1. (700)

Mayor Tercero opened the public hearing and noted that there was no written communications or public comments cards to provide public testimony.

Assistant City Manager Matsumoto stated that this is the annual levy report.

Mayor Tercero closed the public hearing.

Motion by Mayor Pro Tem Salcido, seconded by Councilmember Armenta to: 1) Adopt Resolution No. 6768 approving the Engineer's Annual Levy Report for the Pico Rivera Landscape and Lighting Assessment District No. 1 for Fiscal Year 2014/2015; and 2) Adopt Resolution No. 6769 ordering the Collection of Assessments within the Pico Rivera Landscape and Lighting Assessment District No. 1 for Fiscal Year 2014/2015 pursuant to the Landscaping and Lighting Act of 1972. Motion carries by the following roll call vote:

Resolution No. 6768 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2014/2015 LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE PICO RIVERA LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1, FISCAL YEAR 2014/2015

Resolution No. 6769 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, ORDERING THE COLLECTION OF AESSMENTS WITHIN THE PICO RIVERA LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT NO. 1, FISCAL YEAR 2014/2015

AYES: Archuleta, Armenta, Camacho, Salcido, Tercero

NOES: None

3. Public Hearing – Paramount/Mines Landscape Maintenance Assessment District. (700)

Mayor Tercero opened the public hearing and noted that there was no written communications or public comments cards to provide public testimony.

Assistant City Manager Matsumoto stated this is the follow-up report to the May 13, 2013 meeting which is done annually.

Mayor Tercero closed the public hearing.

Motion by Mayor Pro Tem Salcido, seconded by Councilmember Armenta to: 1) Adopt Resolution No. 6770 approving the Engineer's Levy Report for the Paramount/Mines Landscape Maintenance Assessment District for Fiscal Year 2014/2015; and 2) Adopt Resolution No. 6771 ordering the Diagram and Assessment and Levying the Fiscal Year 2014/2015 Assessment for the Paramount/Mines Landscape Maintenance Assessment District pursuant to the Landscaping and Lighting Act of 1972. Motion carries by the following roll call vote:

Resolution No. 6770 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2014/2015 LEVY AND COLLECTION OF ASSESSMENTS WITHIN THE PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972

Resolution No. 6771 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PICO RIVERA, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT, AND LEVYING THE FISCAL YEAR 2014/2015 ASSESSMENT FOR THE PICO RIVERA PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972

AYES: Archuleta, Armenta, Camacho, Salcido, Tercero

NOES: None

1ST PERIOD OF PUBLIC COMMENT – AGENDA ITEMS ONLY: None.

CONSENT CALENDAR:

4. Minutes:

- Approved City Council regular meeting of May 27, 2014.
- Received and filed Planning Commission meeting of May 5, 2014 and Planning Commission meeting of May 19, 2014.

5. Approved 20th Warrant Register of the 2013-2014 Fiscal Year. (700)

Check Numbers: 262051-262229

Special Checks Numbers: None

6. Edward Byrne Memorial Justice Assistance Grant Award – Fiscal Year 2014/2015. (700)

1. Received and filed the Edward Byrne Memorial Justice Assistance Grant Application.

Motion by Mayor Pro Tem Salcido, seconded by Councilmember Armenta to approve Consent Calendar Items No. 4 through 6. Motion carries by the following roll call vote:

AYES: Archuleta, Armenta, Camacho, Salcido, Tercero

NOES: None

CONSENT CALENDAR ITEMS PULLED FOR FURTHER DISCUSSION: None.

LEGISLATION:

7. Storm Water Treatment Options - Presentation.

Consultant Desi Alvarez provided a PowerPoint presentation regarding Financing Implementation of the MS4 NPDES Permit and Storm Water Funding Options.

MAYOR/COUNCILMEMBER REPORTS ON INTERGOVERNMENTAL AGENCY MEETINGS:

Mayor Tercero reported that the Gateway Cities is taking a leading role in trying to mitigate the cost of the MS4 Permit.

NEW BUSINESS:

Councilmember Armenta requested that staff research the expenditure of EDA funds and report back at the next City Council meeting if there are any site specific restrictions on the funds for the towne center site. He also requested that the Chamber of Commerce provide an accountability of how the funds are being utilized by: 1) providing a detailed income and expense report every 6 months and a yearly review to the City Council, 2) a special account report on where the \$40,000 is being used by the Chamber; 3) a separate report showing dollar-for-dollar revenue that benefits the City; and 4) how much City staff time is being spent on Chamber functions and working with the Chamber. Councilmembers' Camacho and Archuleta concurred with Councilmember Armenta's request.

Councilmember Archuleta congratulated the Parks & Recreation staff on the Tiny Tot's graduation program ceremonies.

OLD BUSINESS: None.

Recessed to Housing Assistance Agency at 6:49 p.m.

ALL MEMBERS WERE PRESENT

Reconvened from Housing Assistance Agency at 6:50 p.m.

ALL MEMBERS WERE PRESENT

2ND PERIOD OF PUBLIC COMMENTS – ALL OTHER CITY-RELATED BUSINESS:

Gloria Candelaria:

- Addressed the City Council regarding employee promotions and employee morale.

Mario Bracy:

- Addressed the City Council with concerns for vehicles who circumvent the 72-hour parking restrictions.

Chris Warburton:

- Addressed the City Council regarding upcoming events taking place at the Library.

ADJOURNMENT:

Mayor Tercero adjourned the City Council meeting at 7:20 p.m. There being no objection it was so ordered.

AYES: Archuleta, Armenta, Camacho, Salcido, Tercero

NOES: None

Brent A. Tercero, Mayor

ATTEST:

Anna M. Jerome, City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the City Council regular meeting dated June 10, 2014 and approved by the City Council on June 24, 2014.

Anna M. Jerome, City Clerk



PARKS & RECREATION COMMISSION

MINUTES

Thursday, May 8, 2014

A Regular Meeting was held in the Parks & Recreation Community Room, 6767 Passons Blvd., Pico Rivera, California. Chair Saucedo called the meeting to order at 6:00 p.m.

PRESENT: Carlos Cruz, Joseph Palombi, Pat Saucedo, Rod Torres

ABSENT: John Garcia

APPROVAL OF MINUTES: A motion was made by Commissioner Cruz and seconded by Commissioner Palombi and carried on roll call vote to approve the Minutes of March 13, 2014.

PUBLIC COMMENTS: No Public Comments

AGENDA ITEMS:

1. NEW BUSINESS:

- a) LACOE Programming Presentation – Presenter cancelled the presentation.
- b) Director González provided the commission with an overview of the Parks and Recreation Customer Experience Survey program. She asked that Chair Saucedo pull out three names out of a bag from those who turned in surveys in the last three months and those winners were:
 - Doris Visek – Monterey Park
 - Roberto Carmen Pineda – Pico Rivera
 - John Guardian – Pico Rivera

Winners will claim their prize at the Parks and Recreation office.

- c) Contract Classes/Community Gardens Program Presentations–Supervisor Aguilar gave a presentation on the Pico Rivera Community Gardens. She stated that the community gardens have been a part of the city for over 20 years and is over 26,000 square feet. There are 90 plots available to the public for rent. The goal of the Community Gardens program is to promote healthy eating, getting active, and get the participants to socialize.

Vice Chair Torres asked if there is any cost to the gardeners. He also asked if the gardeners donate some of their extra harvest to the Senior Center residents. Supervisor Aguilar answered that there is a resident and non-resident yearly fee. She continued to state that the gardeners are very good at sharing their harvest amongst the other gardeners.

Commissioner Palombi asked if the gardeners are able to participate in the upcoming Farmers Market. Manager Manor answered that in order to participate in

the Farmers Market the gardeners need to be a registered farmer with the Los Angeles County Department of Agriculture. Director González added that if the gardeners were interested in participating in a Farmers Market, they can hold their own event near the Community Gardens, whether on site or the parking lot next to the Community Gardens.

Vice Chair Torres asked if all the Community Gardeners need to be registered farmers or could they select one gardener to become a registered farmer and the rest fall under the newly selected registered farmer's umbrella. Manager Manor answered that she would need to find out.

Coordinator Leticia Reyes provided the Commission with an overview of the Trips and Tours and Contract Classes programs. The estimated total revenue for this fiscal year is \$34,000. Trips vary from musicals, fairs, festivals, museums, sporting events, etc.

Commissioner Palombi asked if it is the same people attending all events. Coordinator Reyes answered that the groups vary on each trip. She continued to state that majority of the participants are the senior residents with a couple of families also attending the trips.

Coordinator Reyes also provided a presentation on the Contract classes division. Revenue from the contract classes was very low at the beginning of the year due to additional fees that were implemented. We have removed those fees and we are starting to see the revenue rise once again. Currently, the contract class division is offering 156 classes. During the winter season, a total of 1,287 participants registered for classes whose ages range between six months to seniors. Classes are offered at all the different park sites and a discount is offered for Pico Rivera residents. Dance recitals are held at the end of each session, in which dance class participants have an opportunity to showcase what they have learned in the 8-week class. Coordinator Reyes invited the commission to stop by any of the contract classes offered to take a look. The classes are taught by the City's contract instructors.

Commissioner Palombi asked if background checks are required for the instructors prior to contracting with them. Coordinator Reyes answered that they do. The City does a background check to all instructors before getting the contract, regardless of what age group they are teaching.

d) Instructor Contract – Coordinator Reyes provided the Commission with current contract instructor contract, which was recently updated. The following items will be added:

- Three references (Personal and Professional)
- Supplemental Questionnaire is now required if they will be training or conditioning participants.
- Requiring resumes and any certifications they hold

- Outline of their classes

Coordinator Reyes provided an overview of the handbook. Director González stated that one of the new rules implemented in the new handbook is that volunteer coaches cannot be contract instructors or vice versa. Director González advised the commission that she will be attending the first volunteer coaches meeting in the upcoming weeks to inform them of the changes.

Commissioner Torres asked if the new rules were implemented because of the City's basketball league. Director González answered yes. Commissioner Torres feels that the issue is because the league is operated by the City.

Commissioner Palombi commended the City for including the new rule and feels that the volunteer coaches should not have the option of being a contract instructor and a volunteer coach. He also asked if it is an automatic approval once the contract instructor application is submitted. Coordinator Reyes stated that it is an automatic approval but that the final approval is Director González.

Chair Saucedo asked how thorough the background check is. Coordinator Reyes answered that it is a Livescan done by the Department of Justice.

Vice Chair Torres asked if surveys are handed out to the participants on the last day of classes. Coordinator Reyes answered that a survey is provided to the participants and is collected by the City staff before they leave the class. She continued to state that the surveys are then submitted to her for review. The class instructors do not see surveys.

- e) Farmers Market –Director González stated that as a request from City Council and the residents, a Farmers Market may be opening up in the City of Pico Rivera. If approved, it will be located in the Center for the Arts parking lot on Wednesdays from 4:00-8:00 p.m. The farmers market will have a variety of vendors from organic fruits and vegetables, hot food vendors, and a couple of craft vendors. The tentative start date is Wednesday, July 2.

Commissioner Cruz asked if the committee has thought of bringing in Cal Fresh. Director González stated that she will contact the farmer's market main contact and will update the commission on the next meeting of their findings. Commissioner Cruz to send Director González his LA County's Cal Fresh contact.

- f) Community Organization Policy Review –Deputy Director Rico provided the commission with a list of organizations listed by categories. Deputy Director Rico asked the commission if they would like to implement a limit of specific type of groups allowed to be recognized.

Commissioner Palombi asked if the department has done an analysis of how many groups each site can accommodate. Deputy Director Rico stated that they have not yet done the analysis but does agree that a study should be done. Commissioner Palombi also asked if the department could provide the commission with a list of

the facilities with the square footage of each park facility. Deputy Director Rico stated that it can be provided to them. Vice Chair Torres asked if he could include the attendance. Commissioner Palombi also asked if peak periods could be added. Director González responded yes. Deputy Director Rico stated that he would gather all the information needed and schedule a future date for a public study.

2. OLD BUSINESS:

- a) Proposed Parks & Recreation Commission Goals 2014 – Director González provided the commission with the current commission goals. She asked if there were any comments or additions that could be made to the document. Director González removed “Opening Ceremonies at Smith and Rio Vista Parks”. Director González asked the commission to continue to review the goals and if they have any modifications or additions to advise her.

Chair Saucedo asked if there was any items on the current list that Director González would like the commission to work on. Director González stated that she would like to see the commission more informed on the Department budget. Director González stated that the department has made great park improvements and are in need of staff. She continued to state that she would provide the commission in the next meeting with the overview of the budget proposal for additional staff that went to City Council for approval.

Commissioner Cruz stated that he would like to get department highlights and challenges; therefore, the commission can represent the department accordingly. Director González stated that is good feedback and will take it into consideration. Commissioner Cruz also asked for an update on the general plan and creating a committee. Director González stated that a meeting took place last Wednesday. She continued to state that the Department of Community Development is overseeing the general plan. Director González stated that she would like to be a part of the general plan because they are adding a Recreation Element to it. Director González stated she will contact Julia Gonzalez for more information and a schedule. Commissioner Cruz continued to state that it would be a great idea to have a commissioner to attend to represent the Parks and Recreation Commission.

Commissioner Palombi asked if it would be possible to have a joint meeting between the Parks and Recreation Commission and the Planning Commission. Director González stated that she would find out.

- b) Joint Use Agreement with ERUSD – Director González stated that the committee is meeting for a third time in four months with the school district. Some of the accomplishments:

- The El Rancho High School football team utilizing the Smith Park Stadium.
- User league, Pico Fastpitch Association, being able to utilize the Rio Vista Elementary school for overflow parking.

Deputy Director Rico also stated that the district is considering in utilizing the Department's facility reservation system in order to better help the school district to process their reservations.

3. ORGANIZATION RECOGNITION REVIEW—Deputy Director Rico presented the following organization for recognition to come before the Parks and Recreation Commission.

- Alice M. Birney School Dad's Club, Inc. – Leonard Atencio, Treasurer, provided an overview of the organization. This club is made up of a group of student dads who attend the Alice M. Birney Elementary School. The organization is an active in the community donating to local charities and providing the El Rancho High School Senior students with scholarship opportunities. They host fundraisers to raise money for the organization. They are requesting the usage of Pico Park for a Casino Night Fundraising event in July.

Vice Chair Torres requested that Mr. Atencio come back after the event to update the commission on how the fundraiser went. Mr. Atencio responded that he would be glad to come back and provide an update.

A motion was made by Chair Saucedo and seconded by Commissioner Palombi and carried on roll call vote to recognize the Alice M. Birney School Dad's Club, Inc. as a Recognized Community Organization of the City of Pico Rivera.

- Grupo Nueva Vida –President, David Garcia, provided the commission with an overview of the organization. He went on to say that they meeting on a daily basis at a separate location in Pico Rivera. They are requesting the use of Smith Park for their annual event, which is open to the public.

Commissioner Palombi asked for an estimated attendance. Mr. Garcia responded 150 guests. Commissioner Palombi also asked who they pay rent to and approximately how much. Mr. Garcia answered that they have a location on Telegraph Road in which they pay a monthly fee of \$1,200 for a 1,100 square feet facility.

Commissioner Cruz asked for a time frame the organizations can submit requests. Deputy Director Rico answered that they could turn in a request as early as six months in advance. He continued to state that the department's programming is booked approximately 10 months in advance.

A motion was made by Vice Chair Torres and seconded by Commissioner Palombi and carried on roll call vote to recognize the Grupo Nueva Vida as a Recognized Community Organization of the City of Pico Rivera.

- American Cancer Society –Survivor Chair, Kathy Kaelon, provided the commission with an overview of the organization and its event. The organization is requesting a fee waiver for their annual Relay for Life event at Pico Park. Ms. Kaelon stated that the Relay for Life Breakfast event was a huge success.

Deputy Director Rico stated that the recognition is for the Relay for Life organization and not the American Cancer Society, due to the parent organization not meeting the requirements.

A motion was made by Vice Chair Torres and seconded by Commissioner Cruz and carried on roll call vote to recognize the Relay for Life organization as a Recognized Community Organization of the City of Pico Rivera.

4. DIRECTOR'S REPORT

a) Upcoming Events – Recreation Manager introduced the following upcoming events:

1. Post Office Canned Food Drive May 8, 2014 @ Pico Rivera Post Office
2. REACH Recital May 17, 2014 @ Senior Center
3. REACH Registration Super Saturday May 31, 2014 @ Senior Center
4. Summer Meal Program Begins June 9, 2014 @ Pico, Smith, Rivera, and Rio Vista Parks
5. Spring Dance Recital June 14, 2014 @ Senior Center

b) Project Updates– Deputy Director Rico state the following:

Smith Park:

- Temporary fence will be coming down next week.
- Next week, doing a walk thru with contractor to finalize a punch list.
- Public Works department will be installing a walking gate between the park and Valencia Elementary to assist with traffic and student drop offs.

Deputy Director Rico stated that some of the amenities that were taken out of the original plans are being put in the department's budget request for next year.

c) Department Information – Recreation management explained the following:

1. Woman of the Year – Director González presented that March is designated as Women's History Month. She continued to present that California State Legislature encourages legislators to look for woman to highlight and honor deserving women who provide service to the community. The 58th District Assembly, Christina Garcia, who represents Pico Rivera. Celia Galindo from Pico Rivera was nominated by the Pico Rivera residents. The ceremony took place at the end of March at the Commerce Casino.
2. CPRPS – Director González announced that Manager Manor and she took the CPRPS test and are now Certified Recreation Professionals. She continued to state that Deputy Director Rico, Supervisor Chacon, and Coordinator Olmos are the next to take the test. Director González stated that her goal is to have all full-time staff certified as Recreation Professionals.

5. COMMISSIONER'S REPORTS

- Torres:**
- Asked if the Smith Park ball returns are part of the projects pending. Deputy Director Rico stated that they are pending funding. Vice Chair Torres asked if Smith Park Pony Baseball was to purchase the ball returns, can the department install them. Deputy Director Rico answered yes. Vice Chair Torres asked for the prices of the ball returns. Deputy Director Rico answered that they are \$150 each ball return.
 - Asked for the status on the bird dropping spikes above the concession stands. Deputy Director Rico answered that Public Works will be installing soon. He continued to say that they may also look into closing off the area with netting.
 - Stated that the electrical boxes located outside the concessions stands do not have locks. He continued to state that the boxes have become a location to charge electronics to the park patrons. He asked if there is a need for those boxes. Deputy Director Rico stated that he will look into getting them locked. He continued to state that the park user leagues have used them in the past but a key can be provided to them.
 - He stated that a gate is not locked on the homerun fence on the new field at Smith Park. He's concern is that it does not close. Deputy

Director Rico stated that he will look into it. He continued to state that anchors can be placed. Deputy Director Rico stated that they will probably need to modify the fence; he will take a look at it and provide Vice Chair Torres an update at the next meeting.

- Asked if the department had re-seeded or placed fertilizer on Field #3 at Smith Park recently. Deputy Director Rico stated that the contractor may be doing maintenance on the fields. Vice Chair Torres asked if department staff could advise Smith Park Pony President, Randy Torres, of those maintenance schedules, therefore, they could assist in not allowing people to go on the fields.

Garcia: - Absent

Palombi: - Asked when the next CSO Quarterly meeting will be. Deputy Director Rico stated that it is scheduled for Wednesday, July 9 at 6:00 p.m. Commissioner Palombi stated that Pico Boys Baseball league president had concerns with the overfilled trash cans at Streamland Park but understood the department's lack of staff situation. But asked if they could keep the leagues informed of the departments challenges; therefore, the leagues can assist the Department with what needs to get done. Deputy Director Rico advised Commissioner Palombi that one trash dumpster is reserved for Nationwide as a transfer station. They will no longer utilize the parks trash dumpsters and that should alleviate the problem.

Cruz: - Nothing to report.

Saucedo: - Noticed that there is an issue with amount of sunflower seeds left behind. Vice Chair Torres commented that Smith Park Pony Baseball hired two youth residents to clean up for two hours during games. Deputy Director Rico stated that department staff documents the incidents and sends it to the league president to take action.

ANNOUNCEMENTS – Director González announced to the commission that the Public Works Department Director, Art Cervantes, has left the City and has moved on to the City of South Gate.

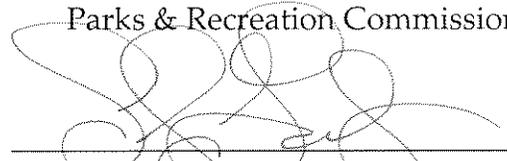
Director González also stated that the City of Pico Rivera is in the process of recruiting a new City Manager. They are in the final stages and down to two candidates. The City is currently negotiations in hopes to bring on the new City Manager by the first of July.

ADJOURNMENT:

The Parks & Recreation Commission meeting was adjourned at 8:00 p.m. There being no objection it was so ordered.



Pat Saucedo, Chair
Parks & Recreation Commission



Sandra J. González, Secretary
Director of Parks & Recreation

21st WARRANT REGISTER OF THE 2013-2014 FISCAL YEAR

MEETING DATE: 06/24/14

TOTAL REGISTER AMOUNT: \$1,118,720.17

CHECK NUMBERS: 262230-262419

SPECIAL CHECK NUMBERS:

REGULAR CHECK TOTAL: \$1,118,720.17

SPECIAL CHECK TOTAL:

TOTAL REGISTER AMOUNT: \$1,118,720.17



To: Mayor and City Council
From: City Manager
Meeting Date: June 24, 2014
Subject: CONFLICT-OF-INTEREST CODE BIENNIAL REVIEW

Recommendation:

Direct the City Clerk's Office to notify City Departments and applicable Agencies to review their Conflict-of-Interest Code pertaining to designated employees to determine if any changes or amendments are necessary.

Fiscal Impact: None.

Discussion:

The City Council must notify city agencies and departments not covered under the City's Conflict-of-Interest Code (Code) to review its Code no later than July 1 of each even numbered year and submit a biennial notice to the City Council by October 1, 2014.

The Political Reform Act requires a biennial review of the City's Codes in even-numbered years (Government Code § 87306.5). The City's Code requires designated officials and employees to disclose sources of income, interests in real property, investments and business positions if such interests are located within the jurisdictional boundaries of the City of Pico Rivera.

Tonight's Council action presents the first step in the Code review process. As directed by Council, the Codes will be reviewed to determine whether the position classifications and/or disclosure categories are accurate. Staff will then notify the Council of any required amendments and present the Council with an updated Conflict-of-Interest Code for Council review and approval. A proposed amended Code is not effective until it is approved by the City Council.

Ronald Bates



To: Mayor and City Council
From: City Manager
Meeting Date: June 24, 2014
Subject: Investment Policy for Fiscal Year 2014-15

Recommendations:

Adopt the City's Investment Policy for Fiscal Year 2014-15.

Fiscal Impact:

There is no cost associated with the adoption of this policy.

Discussion:

On June 11, 2013, the City adopted the Investment Policy for Fiscal Year 2013-14. As good management practice, the Investment Policy should be reviewed annually. No changes are proposed in the FY 2014-15 Investment Policy.

Currently, the City uses the Local Agency Investment Fund (LAIF) operated by the State Treasurer as the primary investment for investable funds. The funds are available within one day, and the yields are comparable to two year treasury securities.

M. Bates FOR RONALD BATES

Ronald Bates
City Manager

MM:CO

Attachment A – Investment Policy



**City of Pico Rivera
Investment Policy
FY 2014 – 2015**

**June 24, 2014
Michael Matsumoto
Assistant City Manager/Director of Finance**

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I. OVERVIEW

INTRODUCTION

The purpose of this document is to provide guidelines for the prudent investment of the City's temporarily idle cash and outline policies for maximizing the efficiency of the City's cash management system. The ultimate goal is to enhance the economic status of the City while protecting its pooled cash.

SCOPE

Included in the scope of the City's investment policy are the following major guidelines and practices which are to be used in achieving the City's primary investment objectives:

- Investment Authority and Responsibilities
- Eligible Financial Institutions
- Authorized Investments
- Investment Parameters
- Cash Management
- Evaluation of Investment Performance
- Investment Reporting
- Investment Policy Review and Adoption

It is intended that this policy cover all funds and investment activities under the direct authority of the City of Pico Rivera, Pico Rivera Redevelopment Agency, Pico Rivera Housing Assistance Agency, the Pico Rivera Water Authority, and all other funds and investment activities under the direct authority of the Pico Rivera City Treasurer, except for bond proceeds which are governed by their respective indenture agreements

Subject to the prior written consent and approval of the City Treasurer and City Manager, financial assets held and invested by trustees or fiscal agents are excluded from this policy. However, such assets are nevertheless subject to the regulations established by the State of California pertaining to investments by local agencies as well as the related bond indentures.

GENERAL OBJECTIVES

In accordance with Government Code Section 53600.5, the primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. *Safety* - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

I. OVERVIEW (continued)

GENERAL OBJECTIVES (continued)

- a. Credit Risk – is the risk of loss due to the failure of an issuer of a security. The City will minimize credit risk by:
 - Limiting investments to the safest types of securities
 - Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

- b. Market Rate Risk – is the risk of market fluctuations due to overall changes in the general level of interest rates. The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:
 - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
 - Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools

2. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also will be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short term funds.

3. *Yield*

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The City will invest in relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not normally be sold prior to maturity with the following exceptions:

- a. A security with declining credit may be sold early to minimize loss of principal.
- b. A security swap would improve the quality, yield, or target duration in the portfolio.
- c. Liquidity needs of the portfolio require that the security be sold.

I. OVERVIEW (continued)

STANDARDS OF CARE

The City operates its pooled idle cash investments under the “Prudent Person Rule” which obligates a fiduciary to ensure that:

“...investment shall be made with the exercise of that degree of judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived.”

Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

II. INVESTMENT AUTHORITY AND RESPONSIBILITIES

AUTHORIZED INVESTMENT OFFICERS

The City Council designates the Director of Finance to perform the duties of the City Treasurer.

Operation of the investment program is the responsibility of the City Treasurer or designee, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

INVESTMENT PROCEDURES

The authorized investment officers as stated above, in accordance with the City of Pico Rivera Investment Policy, are responsible for administering an investment program which:

- Adheres to the Statement of Investment Policy
- Prioritizes safety and liquidity
- Determines risk and optimizes return
- Provides for a system of due diligence in making investment decisions.

Delivery vs. Payment – all trades of marketable securities will be executed by delivery vs. payment to ensure that securities are deposited in an eligible financial institution prior to the release of City funds.

Safekeeping – securities will be held by an independent third-party custodian selected by the City as evidenced by safekeeping receipts in the City’s name and monthly reports from the custodian.

II. INVESTMENT AUTHORITY AND RESPONSIBILITIES (cont)

INTERNAL CONTROL

The Director of Finance is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the investment officer shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Development of a wire transfer agreement with the lead bank and third party custodian

ETHICS AND CONFLICTS OF INTEREST

The City adopts the following policy concerning conflicts of interest:

1. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or that could impair their ability to make impartial decisions.
2. Officers and employees involved in the investment process shall disclose to the City Clerk any material interest in financial institutions that conduct business with the City of Pico Rivera and they shall further disclose any personal financial/investment positions that could be related to the performance of the City's investment portfolio.
3. Officers and employees shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the City.

If there is an event subject to disclosure that could impair the ability of an officer or employee to make impartial decisions, the officer or employee must notify the City Manager in writing within ten days.

III. ELIGIBLE FINANCIAL INSTITUTIONS

Pursuant to the State Code, Section 53601.5, the City shall transact business only with issuers, banks, savings and loans and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State of California as a broker/dealer, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank. The Director's staff shall investigate all institutions that wish to do business with the City in order to determine if they are adequately capitalized, make markets in securities appropriate to the City's needs by completing and signing a Broker-Dealer Questionnaire (Appendix 2), agree by signing the Broker-Dealer Receipt of Investment Policy (Appendix 3) to abide by the conditions set forth in the City's Investment Policy and provide a current audited financial statement annually.

The Director will maintain a list of financial institutions authorized to provide investment services to the City, will not give full discretionary authority to external investment managers and will not use external investment managers to purchase or sell securities or manage the City's portfolio unless specifically approved by the City Council with a contract signed by the Mayor and City Attorney.

IV. AUTHORIZED INVESTMENTS

INVESTMENT TYPES

Investment of City funds is governed by the California Government Code Sections 16429.1 and 53601. Investments may not have a term or maturity at the time of investment of longer than that authorized by Section 53601 or five years unless the City Council has granted prior express authority. The percentage limitations shall apply to investments at the time of purchase. This investment policy further restricts the permitted investments to those below:

1. **State Treasurer's Local Agency Investment Fund (LAIF)**
Government Code Section 16429.1: The City may invest a maximum of \$50 million pursuant to LAIF policy. LAIF is a diversified investment pool administered by the California State Treasurer. Monies invested with LAIF are pooled with State monies in order to earn the maximum rate of return consistent with safe and prudent treasury management. The City, Housing Authority, and Redevelopment Agency have separate accounts, so the combined limit is \$150 million.

2. **Cal Trust's investment Pool**
Government Code Section 53601(p): The City may invest in a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in 53601 (a) to (o), inclusive.

IV. AUTHORIZED INVESTMENTS (continued)

3. **U.S. Government Issues**
Government Code Sections 53601 (b) and (e): There is no limitation on the maximum of the City's portfolio that may be invested in U.S. government obligations, U.S. government agency obligations, and U.S. government instrumentality obligations, which have a liquid market with a readily determinable market value.

4. **Bankers Acceptances**
Government Code Section 53601 (f): Up to twenty percent (20%) of the City's portfolio may be invested in Bankers Acceptances which are defined as bills of exchange or time drafts, drawn on and accepted by a commercial bank, which are eligible for purchase by the Federal Reserve System, although no more than 10% of the portfolio may be invested in Bankers Acceptances with any one commercial bank. Additionally, the maturity periods cannot exceed 180 days. Bankers Acceptances are seldom marketed with maturities in excess of 180 days. Government Code Section 53601(f) allows 40% (30% with one bank).

5. **Commercial Paper**
Government Code Section 53601 (g): A maximum of twenty-five percent (25%) of the City's portfolio may be invested in highest tier (e.g. A-1, P-1, F-1 or D-1 or higher) commercial paper as rated by Moody's or Standard and Poor's rating service. Issuing corporations must be organized and operating in the United States, have \$500 million total assets, and have at least an "A" rating (by Moody's or Standard and Poor's) on debt other than commercial paper. The maturity period cannot exceed 270 days.

6. **Repurchase Agreements**
Government Code Section 53601 (i): Although permitted by State Statute, repurchase agreements and reverse repurchase agreements will not be used without prior City Council approval.

7. **Certificates of Deposit and Passbook Savings Accounts**
Government Code Section 53601 (h): There is no limit as to the amount of the investment portfolio that may be deposited in passbook savings accounts. Negotiable certificates of deposit are limited to thirty percent (30%) of the City's monies which may be invested.

California law requires that public funds be collateralized. The depository must secure its public fund accounts by maintaining with the agent of the depository government securities having a market value of at least one hundred ten percent (110%) of the value of the public fund accounts. If a depository uses mortgage-backed securities (i.e., promissory notes secured by first mortgages or first deeds of trust) as collateral for public deposits, the market value of the mortgage-backed securities must be at least one hundred fifty percent (150%) of the value of the public fund accounts.

IV. AUTHORIZED INVESTMENTS (continued)

The collateralization requirement may be waived to the extent that funds are federally insured (currently up to \$250,000 per institution). For deposits equivalent to the maximum insured amount, security may also be waived for interest accrued on the deposit provided the interest is computed by the depository on the average daily balance of the deposits, paid monthly and computed on a 360-day basis.

8. Money Market Mutual Funds

Government Code Section 53601 (k): Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec 80a-1 et seq.) may be purchased if they meet the requirements of Government Code Section 53601 (k). No more than 20 percent of the total assets of the investments held by a local agency may be invested in mutual funds, and no more than 10 percent in any one mutual fund.

9. Additional Conditions on Investments

Government Code Sections 53601.7 (c) and (f): Up to 25 percent of the total assets of the investments held by a local agency may be invested in the first tier securities (securities that have received short-term debt ratings in the highest category from the requisite nationally recognized statistical-rating organizations (NRSROs), or are comparable unrated securities, or are issued by money market funds, or government securities) of a single issuer for a period of up to three business days after acquisition. The securities of no more than one issuer may be invested pursuant to this paragraph at a time.

10. Other Investments

Other investments that are or become legal investments pursuant to State of California Government Code may be purchased only after the specific approval by the City Council.

PROHIBITED INVESTMENTS

The City of Pico Rivera shall not invest in any investment instrument/pool/fund unless specifically allowed under the “Investment Types” section of this policy.

The City of Pico Rivera shall comply with Government Code Section 53631.5 which states, “A local agency shall not invest any funds pursuant to this article in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages” and that “A local agency shall not invest any funds pursuant to this article in any security that could result in zero interest accrual if held to maturity.”

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment types or percentage allocations will be incorporated into the City of Pico Rivera Investment Policy and supersede any and all previous applicable language. If the City is holding an investment that is subsequently prohibited by a legislative change, the City may hold that investment, if it is deemed prudent by the Investment Officer, until the maturity date to avoid an unnecessary loss.

V. INVESTMENT PARAMETERS

DIVERSIFICATION

The investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding Local Agency Investment Fund and U.S. Treasury securities),
- Avoiding investment in securities that have low ratings,
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LAIF), or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

MAXIMUM MATURITIES

In order to minimize the impact of market risk, it is intended that all investments will be held to maturity.

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase or in accordance with state and local statutes and ordinances.

Investments may be sold prior to maturity for cash flow, appreciation purposes or in order to limit losses; however, no investment shall be made based solely on earnings anticipated from capital gains.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds.

VI. CASH MANAGEMENT

To obtain a reasonable return on public funds, the following cash management practices will be followed:

1. Maintain maximum investment of all City funds not required to meet immediate cash flow needs.
2. Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
3. The City Manager is delegated the authority to separate the Redevelopment Agency cash balances if he deems it prudent to monitor Redevelopment Agency cash flows.

VI. CASH MANAGEMENT (continued)

4. Maximize the City's cash flow through immediate deposit of all receipts, use of direct deposit when available, and appropriate timing of payment to vendors.
5. Maximize cash flow information available through the use of only one operating bank account.

VII. EVALUATION OF INVESTMENT PERFORMANCE

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs.

BENCHMARK COMPARISON

The investment portfolio shall be structured to optimize the return given the risk constraints and cash flow needs.

Investment performance shall be continually monitored and evaluated by the Investment Officer. Investment performance statistics and activity reports shall be generated on a quarterly basis for presentation to the City Council.

In evaluating the performance of the City's portfolio in complying with this policy, it is expected that yields on City investments will regularly meet or exceed the average return on a one-year U.S. Treasury Note. However, a variance of .5% positive or negative from the benchmark is considered reasonable by the City Council for evaluation purposes.

DUE DILIGENCE REQUIREMENT

As stated, a thorough investigation of an investment pool or mutual fund is required prior to investing and on a continual basis. At a minimum, the following information shall be on file for each pool and/or mutual fund:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations, how interest is distributed, and how gains and losses are treated.
3. A description of how these securities are safeguarded (including the settlement process), and how often these securities are priced and the program audited.
4. A description of who may invest in the program, how often, and the size of deposits and withdrawals.
5. A schedule for receiving statements and portfolio listings.
6. Whether reserves, retained earnings, etc. are utilized by the pool/fund.
7. A fee schedule and when and how fees are assessed.
8. Whether the pool/fund is eligible for bond proceeds and/or will it accept such proceeds.

VIII. INVESTMENT REPORTING

The City Treasurer shall prepare and submit a quarterly investment report to the City Council. This report will include the following elements relative to the investments held at quarter-end.

1. Face value.
2. Security description.
3. Coupon rate.
4. Maturity date.
5. Investment rating.
6. Investment type.
7. Purchase date.
8. Cost of security.
9. Purchase yield.
10. Estimated market value.
11. Amortized premium/discount.
12. Statement relating the report to the Statement of Investment Policy.
13. Statement of sufficiency of funds to meet the next six months' obligations.

IX. INVESTMENT POLICY REVIEW AND ADOPTION

The Statement of Investment Policy shall be submitted annually to the City Council for adoption. The policy shall be reviewed at least annually to ensure its consistency with the overall objectives of the City and its relevance to current law and financial and economic trends. Any modifications made thereto must be approved by the City Council.

Appendix 1: Glossary

The following is a glossary* of key investing terms, many of which appear in GFOA'S Sample Investment Policy.

Accrued Interest - The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Amortization - The systematic reduction of the amount owed on a debt issue through periodic payments of principal.

Average Life - The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Basis Point - A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield, e.g., "1/4" of 1 percent is equal to 25 basis points.

Bid - The indicated price at which a buyer is willing to purchase a security or commodity.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Callable Bond - A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price - The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk - The risk to a bondholder that a bond may be redeemed prior to maturity.

*This glossary has been adapted from an article, entitled "Investment terms for everyday use," that appeared in the April 5, 1996, issue of *Public Investor*, GFOA's subscription investment newsletter.

Appendix 1: Glossary (continued)

Cash Sale/Purchase - A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Collateralization - Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 365 days.

Convexity - A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon Rate - The annual rate of interest received by an investor from the issuer of certain types of fixed-income securities. Also known as the "interest rate".

Credit Quality - The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk - The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return) - A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount - The amount by which the par value of a security exceeds the price paid for the security.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Appendix 1: Glossary (continued)

Fair Value - The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Funds (Fed Funds) - Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate - Interest rate charged by one institution lending federal funds to the other.

Government Securities - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Interest Rate - See "Coupon Rate".

Interest Rate Risk - The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.

Internal Controls - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employers.
2. Separation of transaction authority from accounting and record keeping - By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

6. Written confirmation of transactions for investments and wire transfers - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverted Yield Curve - A chart formation that illustrates long-term securities having lower yields than short-term securities. This configurations usually occurs during periods of high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940 - Federal legislation which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy - A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-grade Obligations - An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Liquidity - An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds.

Mark-to-market - The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk - The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value - Current market price of a security.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Appendix 1: Glossary (continued)

Mutual Fund - An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments. Mutual funds are regulated by the Investment Company Act of 1940 and must abide by the following Securities and Exchange Commission (SEC) disclosure guidelines:

1. Report standardized performance calculations.
2. Disseminate timely and accurate information regarding the fund's holdings, performance, management and general investment policy.
3. Have the fund's investment policies and activities supervised by a board of trustees, which are independent of the adviser, administrator or other vendor of the fund.
4. Maintain the daily liquidity of the fund's shares.
5. Value their portfolios on a daily basis.
6. Have all individuals who sell SEC-registered products licensed with a self-regulating organization (SRO) such as National Association of Securities Dealers (NASD).
7. Have an investment policy governed by a prospectus which is updated and filed by the SEC annually.

Mutual Fund Statistical Services - Companies that track and rate mutual funds, e.g., IBC/Donoghue, Lipper Analytical Services, and Mornignstar.

National Association of Securities Dealers (NASD) - A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value - The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$[(\text{Total assets}) - (\text{Liabilities})]/(\text{Number of shares outstanding})$$

No Load Fund - A mutual fund which does not levy a sales charge on the purchase of its shares.

Nominal Yield - The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer - An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Par - Face value or principal value of a bond, typically \$1,000 per bond.

Positive Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium - The amount by which the price paid for a security exceeds the security's par value.

Appendix 1: Glossary (continued)

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Prudent Person Rule - An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Regular Way Delivery - Securities settlement that calls for delivery and payment on the third business day following the trade date (T+3); payment on a T+1 basis is currently under consideration. Mutual funds are settled on a same day basis; government securities are settled on the next business day.

Reinvestment Risk - The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (Repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act - Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13-month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

Safekeeping - Holding of assets (e.g., securities) by a financial institution.

Serial Bond - A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund - Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Swap - Trading one asset for another.

Appendix 1: Glossary (continued)

Term Bond - Bonds comprising a large part or all of a particular issue which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Total Return - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain period.

$$(\text{Price appreciation}) + (\text{Dividends paid}) + (\text{Capital gains}) = \text{Total Return}$$

Treasury Bills - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes - Intermediate U.S. government debt securities with maturities of one to ten years and issued in denominations ranging from \$1,000 to \$1,000,000 or more.

Treasury Bonds - Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule - SEC Rule 15C3-1 outlining capital requirements for broker/dealers.

Volatility - A degree of fluctuation in the price and valuation of securities.

“Volatility Risk” Rating - A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The rating for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns (“aaa” by S&P; “V-1” by Fitch) to those that are highly sensitive with currently identifiable market volatility risk (“ccc-“ by S&P, “V-10” by Fitch).

Weighted Average Maturity (WAM) - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

When Issued (WI) - A conditional transaction in which an authorized new security has not been issued. All “when issued” transactions are settled when the actual security is issued.

Yield - The current rate of return on an investment security generally expressed as a percentage of the security’s current price.

Yield-to-call (YTC) - The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Appendix 1: Glossary (continued)

Yield-to-maturity - The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities - Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

11. Which of the following instruments are offered regularly by your local desk:

- T-Bills Treasury Notes/Bonds Discount Notes NCD's
- Agencies (specify) _____
- BA's (Domestic) BA's (Foreign) Commercial Paper
- Medium-Term Notes

12. Does your Firm specialize in any of the instruments listed above? _____

13. Please identify your comparable government agency clients in the City of South Gate's geographical area.

<u>Entity</u>	<u>Contact Person</u>	<u>Telephone No.</u>	<u>Client Since</u>

14. What reports, confirmation, and other documentation would the City receive?

15. Please include samples of research reports or market information that your firm regularly provides to government agency clients.

16. What precautions are taken by your Firm to protect the interests of the public when dealing with government agencies as investors?

17. Have you or your Firm been censored, sanctioned or disciplined by a Regulatory State or Federal Agency for improper or fraudulent activities, related to the sale of securities within the past five years? Yes No

18. If yes, please explain. _____

19. Attach certified documentation of your capital adequacy and financial solvency. In addition, an audited financial statement must be provided currently, and within 120 days of your fiscal year-end.

20. Please indicate the current licenses of the City's representatives:

Agent _____ License or registration _____

21. Is your firm a member of the NASD? Does it subscribe to the rules of fair practice?

Appendix 3

BROKER-DEALER RECEIPT OF INVESTMENT POLICY

We are in receipt of the City of Pico Rivera's Investment Policy.

We have read the policy and understand the provisions and guidelines of the policy. All salespersons covering the City's account will be made aware of this policy and will be directed to give consideration to its provisions and constraints in selecting investment opportunities to present to the City.

SIGNATURES:

Firm

Firm

Name

Name

Title

Title

Date: _____

Date: _____

After reading and signing this Receipt of Investment Policy, please return with supporting documentation to:

City of Pico Rivera
Director of Finance
6615 Passons Blvd.
Pico Rivera, CA 90660

City of Pico Rivera's Use Only:

Approved: _____

Disapproved: _____

Date: _____

Signature: _____

Date notification sent: _____

Sent by: _____



To: Mayor and City Council
From: City Manager
Meeting Date: June 24, 2014
Subject: APPROVAL OF CITY PURCHASE ORDERS ABOVE \$30,000 FOR FISCAL YEAR 2014-2015

Recommendation:

Approval for City Manager to issue Purchase Orders above \$30,000 for Fiscal Year 2014-2015.

Fiscal Impact:

Purchase Order amounts are within budget line items in the Fiscal Year 2014-15 Proposed Budget.

Discussion:

To best serve the City and residents, every year the City's various departments open purchase orders with a variety of vendors with whom Council has previously awarded contracts. Most individual purchases are small, but the total purchases accumulate over the course of the year. Using blanket purchase orders facilitates the acquisition of materials and services in an efficient, cost-effective, and timely manner.

Services vary from maintenance supplies, vehicle maintenance, and other professional services. In preparation for the new fiscal year and to comply with City purchasing policy, staff is requesting the approval of the following purchase orders:

All vendors have provided excellent service and competitive pricing to the City.

Ronald Bates FOR RONALD BATES

Ronald Bates

RB:MM:CO

**CITY OF PICO RIVERA
SCHEDULE OF PURCHASE ORDERS ABOVE \$30,000
FISCAL YEAR 2014-2015**

VENDOR	BUDGET	SERVICES
A & D TRANSPORTATION	30,000	TRANSPORTATION SERVICES
ALVAREZ-GLASMAN & COLVIN	417,000	CITY ATTORNEY
AMERICAN ASPHALT SOUTH INC	327,000	SLURRY SEAL
ATKINS NORTH AMERICA, INC.	40,000	WATER ENGINEERING SERVICES
AWT SYSTEMS	100,000	WATER DEPT SUPPLIES
CATHERINE MELENDEZ	30,000	COMMUNITY DEVELOPMENT SERVICES
CITY OF DOWNEY	93,000	ANIMAL CONTROL
CITY OF SANTA FE SPRINGS	145,000	TRAFFIC SIGNAL MAINTENANCE
COSBY OIL COMPANY	170,000	FLEET FUEL
FIESTA COOPERATIVE INC	200,000	DIAL-A-TAXI SERVICE
HOME DEPOT	48,000	MISC SUPPLIES
INLAND WATER WORKS SUPPLY CO.	30,000	WATER DEPT SUPPLIES
JAS PACIFIC, INC.	44,000	BUILDING INSPECTION SERVICES
L A COUNTY SHERIFFS DEPARTMENT	10,600,000	LAW ENFORCEMENT
LA COUNTY MTA	36,000	PUBLIC TRANSPORTATION - BUS PASSES
LA COUNTY PUBLIC WORKS	82,000	INDUSTRIAL WASTE PROGRAM
LIEBERT CASSIDY WHITMORE	140,000	LEGAL SERVICES
MIKE NGUYEN	93,000	PUBLIC WORKS STAFF SERVICES
NASA SERVICES, INC	1,600,000	SOLID WASTE SERVICES
NATIONAL METER AND AUTOMATION, INC.	30,000	WATER METER REPLACEMENT PROGRAM
NATIONWIDE ENVIRONMENTAL	730,000	STREET SWEEPING, BUS SHELTER MAINT, GRAFFITI ABATEMENT
NORWALK SUPERIOR COURT	200,000	PARKING CITATION REVENUE DISTRIBUTION
PATRIOT ENVIRONMENTAL SERVICES	35,000	STORM DRAIN CLEANING
PHOENIX GROUP INFORMATION SERVICES	48,000	PARKING CITATION SERVICES
PROJECT PARTNERS INC	304,000	PUBLIC WORKS STAFF SERVICES
ROSENOW SPEVACEK GROUP, INC	54,000	SUCCESSOR AGENCY SERVICES
S & J SUPPLY CO, INC	30,000	WATER DEPT SUPPLIES
SOUTHLAND TRANSIT, INC	322,000	DIAL-A-RIDE SERVICE
SUSAN HARTMAN	60,000	AUDIT SUPPORT SERVICES
WATER REPLENISHMENT DISTRICT	1,400,000	GROUNDWATER & PRODUCTION ASSESSMENT
WEST COAST ARBORISTS, INC	300,000	TREE MAINTENANCE SERVICE
WHITE, NELSON, DIEHL, EVANS, LLP	50,000	AUDIT SERVICES
WILLDAN ASSOCIATES	35,000	GENERAL ENGINEERING SERVICES
YOLANDA KARAA	98,000	ACCOUNTING SERVICES
ZUMAR INDUSTRIES	30,000	TRAFFIC CONTROL AND SIGN MAINTENANCE



To: Mayor and City Council

From: City Manager

Meeting Date: June 24, 2014

Subject: PASSONS BOULEVARD UNDERPASS, PHASE IV, CIP NO. 20053 - AWARD CONSTRUCTION CONTRACT

Recommendation:

- 1) Award a construction contract in the amount of \$126,275 to Green Giant Landscape, Inc. for the Passons Boulevard Underpass Phase IV, and authorize the Mayor to execute the contract in a form approved by the City Attorney; and
- 2) Approve the Notice of Exemption, and authorize the City Clerk to file with the County Recorder; and
- 3) Approve a 10 percent contingency of contract for project changes, as needed.

Fiscal Impact: \$126,275 (Traffic Congestion Relief Program, State Grant Funds)

Discussion:

Construction of the Passons Boulevard Underpass was completed in April 1, 2013. The project entailed lowering Passons Boulevard under the Burlington Northern Santa Fe railroad tracks and constructing a railroad bridge. Following completion of construction, there were several issues identified that are recommended to be addressed through another phase of construction, which will be funded with Passons Boulevard Underpass funds.

Phase IV improvements include several key elements, which follow; (a) installation of a hand rail at the top of the westerly slope to increase pedestrian safety, (b) slope repairs between Slauson Avenue and the new bridge along the west side of Passons Boulevard, (c) construction of a drainage system on top of the slope to prevent slope erosion, and (d) installation of additional landscaping on the northeast corner of Rivera Road and Passons Boulevard.

The most pressing issue to be addressed by this project is the slope repair. At the completion of construction, a sixty-foot segment of the westerly slope began to become undermined. To assess the matter two technical memorandums were performed; one each by the designer (HDR Engineering) and the construction manager (Harris). The finding was that the issue was caused by water runoff from a privately-owned irrigation system located immediately adjacent to the slope. The permanent solution requires constructing a drainage system to prevent the erosion.

COUNCIL AGENDA REPORT – MTG. OF 6/24/14
PASSONS BOULEVARD UNDERPASS PROJECT, PHASE IV, CIP NO. 20053 - AWARD
CONSTRUCTION CONTRACT

Page 2 of 2

Further, the technical analysis concluded the design of the slope met industry standards, and the slope was constructed in accordance with the plans and specifications. This issue was an unforeseen condition that resulted from implementing the project, and not negligence from the owner of the irrigation system, Brutoco or HDR Engineering. As such, it is recommended that the repairs be funded with remaining grant funds from the sale of surplus property. The engineering estimate was \$150,000.

On April 22, 2014, the City Council authorized the City Clerk to advertise construction of the project. The Notice Inviting Bids was advertised on April 30 and May 14, 2014. On May 29, 2014, a single bid was received and opened by the City Clerk in a public forum.

After review of the bid analysis, Green Giant Landscape, Inc. was confirmed to be a responsible bidder and is recommended for the contract. The \$126,275 bid is \$23,725 or 16% lower than the engineer's estimate.

Green Giant Landscape, Inc. exhibits the capability, capacity, and experience to perform the work required under the bid solicitation. They have completed previous work in the City. Green Giant Landscape, Inc. constructed the Beverly Boulevard medians in 2011.

The anticipated schedule for the project is as follows:

- Award Construction..... June 2014
- Start Construction..... July 2014
- Complete Construction..... September 2014

Construction management and inspection services will be provided by City staff, while construction support services will be provided by HDR Engineering.

 FOR RONALD BATES
Ronald Bates

RRB:MPC:JL:lg

Enc.

- 1) Construction Agreement
- 2) Map of Project Location

**AGREEMENT NO. _____
PUBLIC WORKS CONTRACT SERVICES AGREEMENT**

CAPITAL IMPROVEMENT PROJECT NO. 20053
PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement"), is made and entered into this 24th day of June 2014 by and between the CITY OF PICO RIVERA, a municipal corporation, (herein "City") and Green Giant Landscape Inc. (herein "Contractor"). The parties hereto agree as follows:

RECITALS

A. City requires services for the construction of Capital Improvement Project No. 20053, Passons Boulevard Phase IV Supplemental Improvements Project. Contractor has represented to City that Contractor is qualified to perform said services and has submitted a proposal to City for same.

B. City desires to have Contractor perform said services on the terms and conditions set forth herein.

NOW, THEREFORE, based on the foregoing Recitals and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, City and Contractor hereby agree as follows:

1. SERVICES OF CONTRACTOR

1.1 **Scope of Services** - In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which services may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended.

1.2 **Documents Included in Contract** - This contract consists of the following Contract Documents: Notice of Inviting Bids, Special Provisions, Special Provisions – Part 2, Special Provisions – Part 3, General Provisions, Proposal, Instruction to Bidders, Bidder's Proposal, Bidder's Bond (Bidder's Guarantee), Bond for Faithful Performance, Bond for Labor and Material, Notice of Award, Notice to Proceed, Change Order, Escrow Agreement, Schedule of Non-Working Fridays, Waste Management Plan, Location Map, Landscaping Plan, Irrigation Plan, Drainage Plan, Slope Repair Plan, and Detail Plan, Supplemental Information Form, Tax Identification Number Form, Guarantee, this Contract, and any and all schedules and attachments to it which are incorporated as if fully set forth herein

1.3 **Order of Preference of Documents** - In the event of an inconsistency among the Contract Documents, the Contract Documents shall have the following order of preference:

1. 2012 Greenbook
2. This Agreement
3. Special Provisions
4. Caltrans Standard Specifications
5. Caltrans Standard Plans

1.4 **Additional Services** - City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said extra work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of twenty-five percent (25%) or less of the Contract Sum, or in the time to perform of one hundred eighty (180) days or less may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

2. GENERAL CONDITIONS

2.1 **Compliance with Law** - The Contractor shall keep itself informed of City, State, and Federal laws, ordinances and regulations, which may in any manner affect the performance of its services pursuant to this Agreement. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction in effect at the time service is rendered. Neither the City, nor their officers, agents, nor employees shall be liable at law or in equity as a result of the Contractor's failure to comply with this section.

2.2 **Licenses, Permits, Fees, and Assessments** - Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder. Contractor shall be responsible for all subcontractors' compliance with this Section 2.2.

2.3 **Familiarity with Work** - By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the Scope of Services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact in writing and shall not proceed except at Contractor's risk until written instructions are received from the Contract Officer.

2.4 **Care of Work** - The Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's sole negligence.

2.5 **Further Responsibilities of Parties** - Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other. Contractor shall require all subcontractors to comply with the provisions of this Agreement.

2.6 **Prevailing Wage Laws** - In accordance with Labor Code Section 1770 et seq., the director of the Department of Industrial Relations of the State of California has ascertained a general prevailing rate of wages which is the minimum amount which shall be paid to all workers employed to perform the work pursuant to this Agreement. A copy of the general prevailing wage rate determination is on file in the Office of the Director of Public Works and is hereby incorporated in this Agreement. In accordance with the provisions of Labor Code Section 1810 et seq., eight (8) hours is the legal working day. Contractor must forfeit to the City Twenty Five Dollars (\$25.00) a day for each worker who works in excess of the minimum working hours when Contractor does not pay overtime. Contractor is required to post a copy of such wage rates at all times at the contract site. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contractor also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 et seq., including Section 1776. Contractor shall comply with all statutory requirements relating to the employment of apprentices.

2.7 **Type of Contractor's License.** The Contractor shall possess the following types of contractor's license(s) to perform the work pursuant to this Agreement:

Class A – General Engineering Contractor

2.8 **Ineligible Contractor Prohibited.** Any contractor or subcontractor who is ineligible to perform work on a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code is prohibited from performing work under this Agreement.

3. COMPENSATION

3.1 **Contract Sum** - For the services rendered pursuant to this Agreement, the Contractor shall be compensated as specified herein, but not exceeding the maximum contract amount of One Hundred Twenty Six Thousand Two Hundred Seventy Five Dollars and Zero Cents (\$126,275.00) (herein "Contract Sum"), except as provided in Section 1.4. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City; Contractor shall not be entitled to any additional compensation for attending said meetings.

3.2 **Progress Payments** - Prior to the first day of the month, during the progress of the work, commencing on the day and month specified in the Agreement, Contractor shall submit to the Contract Officer a complete itemized payment request for all labor and materials incorporated into the work during the preceding month and the portion of the contract sum applicable thereto. Upon receipt of a properly presented payment request, the Contract Officer shall process the payment request in accordance with Public Contracts Code Section 20104.5. The Contract

Officer shall review the payment request as soon as possible. If the Contract Officer rejects the payment request, it shall be returned to the Contractor within seven days of its receipt by the City with an explanation for the reasons of its rejection. If the payment request is approved in writing by the Contract Officer, payment shall be made in thirty (30) days of receipt of an undisputed and properly presented payment request. Late payments shall bear interest at the legal rate of interest in accordance with Code of Civil Procedure 685.010. City shall pay Contractor a sum based upon ninety percent (90%) of the contract price apportionment of the labor and materials incorporated into the work under the contract during the month covered by said statement. The remaining ten percent (10%) thereof shall be retained as performance security. Refer to Section 3.3 of this Agreement for retention of funds.

3.3 Retention of Funds - Progress payments shall be made in accordance with the provisions of Section 2.2 of this Agreement. In accordance with said section, City shall pay Contractor a sum based upon ninety-five percent (95%) of the contract price apportionment of the labor and materials incorporated into the work under this Agreement during the month covered by said statement. The remaining five percent (5%) thereof shall be retained as performance security to be paid to the Contractor within sixty (60) days after final acceptance of the work by the City Council, after Contractor shall have furnished City with a release of all undisputed contract amounts, if required by City. In the event there are any claims specifically excluded by Contractor from the operation of the release, the City may retain proceeds (per Public Contract Code 7107) of up to 150% of the amount in dispute. City's failure to deduct or withhold shall not affect Contractor's obligations hereunder.

4. PERFORMANCE SCHEDULE

4.1 Time of Essence - Time is of the essence in the performance of this Agreement.

4.2 Schedule of Performance - Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within twenty (20) working days.

4.3 Force Majeure - The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes for the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement.

4.4 Term - Unless earlier terminated in accordance with Section 8.9 of this Agreement, this Agreement shall continue in full force and effect until final approval and acceptance of the work by the Contract Officer.

5. COORDINATION OF WORK

5.1 **Representative of Contractor** - The following principal of Contractor are hereby designated as being the principal and representative of Contractor authorized to act on its behalf with respect to the work specified herein and make all decisions in connection therewith:

Don Henderson, President

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principal was a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principal may not be replaced nor may his responsibilities be substantially reduced by Contractor without the express written approval of City.

5.2 **Contract Officer** - The Contract Officer shall be such person as may be designated by the City Manager or City Engineer of City. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

5.3 **Prohibition Against Assignment** - The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

5.4 **Independent Contractor** - Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its subcontractors, agents or employees, performs the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, subcontractors, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City, nor shall City officers, employees or agents be deemed the officers, employees, or agents of Contractor as a result of this Agreement. City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

5.5 **PERS Eligibility Indemnity** - In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement

System (PERS) to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation benefit, or any incident of employment by the City and entitlement to any contribution to be paid by the City for employee contribution and or employee contribution for PERS benefits.

5.6 Identity of Persons Performing Work - Contractor represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all tasks and services set forth herein. Contractor represents that the tasks and services required herein will be performed by Contractor or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

5.7 Utility Relocation - City is responsible for removal, relocation, or protection of existing main or trunkline utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse Contractor for any costs incurred in locating, repairing damage not caused by Contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

5.8 Trenches, Excavations and Unknown Conditions - Pursuant to California Public Contract Code Section 7104, in the event the work included in this Agreement requires excavations more than four (4) feet in depth, the following shall apply.

a) Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement.

b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order per Section 1.4 of this Agreement.

c) That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by this Agreement, but shall proceed with all work to be performed under this Agreement. Contractor shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the parties.

5.9 **Trench and Pipeline Safety** – If this Agreement is for more than \$25,000 and involves excavation of any trench five feet or more in depth, the Contractor shall submit a detailed plan of shoring, bracing, sloping or other provisions to be made for worker protection in accordance with Labor Code Section 6705. Such plan shall be approved by a qualified representative of the City.

6. INSURANCE, INDEMNIFICATION AND BONDS

6.1 **Insurance** - The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

Coverage (Check if applicable)		Minimum Limits
(X)	Comprehensive General Liability Insurance (including premises and operations)	\$1,000,000 per occurrence combined single limit
()	Contractual Liability Insurance Products Liability Insurance	\$1,000,000 limit
(X)	Comprehensive Automobile Liability Insurance (includes owned, non-owned, and hired automobile hazard)	\$1,000,000 per occurrence combined single limit
()	Professional Liability Insurance (providing for a one year discovery period)	\$1,000,000 limit
(X)	Workers' Compensation/Employers' Liability Insurance	Statutory \$1,000,000 per occurrence
	Risk of Loss Insurance	
	Acts of God Insurance	

CONDITIONS:

The insurance of surety companies who provide or issue the policy shall have been admitted to do business in the State of California with a credit rating of "A"-minus or better.

This insurance shall not be canceled, limited in scope or coverage or non-renewed until after thirty (30) days prior written notice has been given to the City Engineer, City of Pico Rivera, California.

Any insurance maintained by the City of Pico Rivera shall apply in excess of, and not combined with, insurance provided by this policy.

The City of Pico Rivera, its officers, employees, representatives, attorneys, and volunteers shall be named as additional named insureds.

Prior to commencement of any work under this Agreement, Contractor shall deliver to the City insurance endorsements confirming the existence of the insurance required by this Agreement, and including the applicable clauses referenced above.

Such endorsements shall be signed by an authorized representative of the insurance company and shall include the signatory's company affiliation and title. Should it be deemed necessary by the

City, it shall be Contractor's responsibility to see that the City receives documentation, acceptable to the City, which sustains that the individual signing said endorsements is indeed authorized to do so by the insurance company.

If the Contractor fails to maintain the aforementioned insurance, or secure and maintain the aforementioned endorsement, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement. However, procuring of said insurance by the City is an alternative to other remedies the City may have, and is not the exclusive remedy for failure of Contractor to maintain said insurance or secure said endorsement. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which became due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.

Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this Agreement.

Each contract between the Contractor and any subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to this Section 6.1.

6.2 Indemnification - Contractor shall indemnify the City, its officers, agents and employees against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising or alleged to arise out of or in connection with the negligent performance of the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising or alleged to arise from the negligent acts or omissions of Contractor hereunder, or arising or alleged to arise from Contractor's negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, but excluding such claims or liabilities or portion of such claims or liabilities arising or alleged to arise from the negligence or willful misconduct of the City, its officers, agents or employees, and in connection therewith:

a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising or alleged to arise out of or in connection with Contractor's (or its agents', employees', subcontractors', or invitees') negligent performance of or failure to perform such work, operations or activities hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising or alleged to arise out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor shall pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees for counsel acceptable to City.

d) Contractor's duty to defend and indemnify as set out in this Section 6.2 shall include any claims, liabilities, obligations, losses, demands, actions, penalties, suits, costs, expenses or damages or injury to persons or property arising or alleged to arise from, in connection with, as a consequence of or pursuant to any state or federal law or regulation regarding hazardous substances, including but not limited to the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"), Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Resource Conservation and Recovery Act of 1976 ("RCRA"), the Hazardous and Solid Waste Amendments of 1984, the Hazardous Material Transportation Act, the Toxic Substances Control Act, the Clean Air Act, the Clean Water Act, the California Hazardous Substance Account Act, the California Hazardous Waste Control Law or the Porter-Cologne Water Quality Control Act, as any of those statutes may be amended from time to time.

e) City shall provide written notice to Contractor of any third party claims in accordance with Public Contracts Code 9201.

The Contractor's indemnification obligations pursuant to this Section 6.2 shall survive the termination of this Agreement. Contractor shall require the same indemnification from all subcontractors.

6.3 Labor and Materials Bond, Performance Security and Warranty Security - Concurrently with execution of this Agreement, Contractor shall deliver to City a labor and materials bond and a performance security each in the sum of the amount of this Agreement, in the forms provided by the City Clerk, which secures the payment of subcontractors, laborers and materialmen, and the faithful performance of this Agreement. The bond shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond or security shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement. Prior to the acceptance of the work by the City, Contractor shall deposit with the City a Warranty Bond or Security in the amount of 50% of the amount of this Contract and in a form provided by the City warranting the work and materials for a period of one year from the date of acceptance by the City.

6.4 Sufficiency of Insurer or Surety - Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances. In the event the Risk Manager of City ("Risk Manager") determines that the work or services to be performed under this Agreement creates an increased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by this Section 6 may be changed accordingly upon receipt of written notice from the Risk Manager; provided that the Contractor shall have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of City within ten (10) days of receipt of notice from the Risk Manager.

6.5 Substitution of Securities - Pursuant to California Public Contract Code Section 22300, substitution of eligible equivalent securities for any moneys withheld to ensure performance under this Agreement for the work to be performed will be permitted at the request and expense of the successful bidder.

7. RECORDS AND REPORTS

7.1 Reports - Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement

as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.2 **Records** - Contractor shall keep, and require subcontractors to keep, such books and records (including but not limited to payroll records as required herein) as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

7.3 **Ownership of Documents** - All drawings, specifications, reports, records, documents and other materials prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

8. ENFORCEMENT OF AGREEMENT

8.1 **California Law** - This Agreement shall be construed and interpreted both as to validity and as to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 **Disputes** - In the event either party fails to perform its obligations hereunder, the non-defaulting party shall provide the defaulting party written notice of such default. The defaulting party shall have ten (10) days to cure the default; provided that, if the default is not reasonably susceptible to being cured within said ten (10) day period, the defaulting party shall have a reasonable time to cure the default, not to exceed a maximum of thirty (30) days, so long as the defaulting party commences to cure such default within ten (10) days of service of such notice and diligently prosecutes the cure to completion; provided further that if the default is an immediate danger to the health, safety and general welfare, the defaulting party shall take such immediate action as may be necessary. Notwithstanding the foregoing, the non-defaulting party may, in its sole and absolute discretion, grant a longer cure period. Should the defaulting party fail to cure the default within the time period provided in this Section, the non-defaulting party shall have the right, in addition to any other rights the non-defaulting party may have at law or in equity, to terminate this Agreement. Compliance with the provisions of this Section 8.2 shall be a condition precedent to

bringing any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.

8.3 **Dispute Resolution** – If the amount of this Agreement is \$375,000 or less, disputes regarding time extensions or payment amounts must be submitted to a resolution process in accordance with Public Contracts Code 20104-20104.4 as follows:

- (1) Informal negotiation between the City and general contractor.
- (2) Mediation with the general contractor.
- (3) Arbitration.
- (4) Court trial. If the party requesting the court trial does not prevail, then that party must pay all court costs and attorney's fees.

8.4 **Waiver** - No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.5 **Rights and Remedies are Cumulative** - Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

8.6 **Legal Action** - In addition to any other rights or remedies, either party may take legal action, law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.7 **Liquidated Damages** - Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of one thousand dollars (\$1,000.00) as liquidated damages for each calendar day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit B). In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements described in the Scope of Services (Exhibit A). The City may withhold from any moneys payable on account of services performed by the Contractor any accrued liquidated damages.

8.8 **Termination for Default of Contractor** - If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Contractor shall vacate any City owned property which Contractor is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may

withhold any payments to the Contractor for the purpose of setoff or partial payment of the amounts owed the City as previously stated.

8.9 Termination for Convenience – The City may terminate this Agreement without cause for the convenience of the City upon giving Contractor 30 days' prior written notice of termination of the Agreement. Upon receipt of the notice of termination, the Contractor shall cease all further work pursuant to the Agreement. Upon such termination by the City, the Contractor shall not be entitled to any other remedies, claims, actions, profits, or damages except as provided in this paragraph. Upon the receipt of such notice of termination, Contractor shall be entitled to the following compensation:

1. The contract value of the work completed to and including the date of receipt of the notice of termination, less the amount of progress payments received by Contractor.

2. Actual move-off costs including labor, rental fees, equipment transportation costs, the costs of maintaining on-site construction office for supervising the move-off.

3. The cost of materials custom made for this Agreement which cannot be used by the Contractor in the normal course of his business, and which have not been paid for by City in progress payments.

4. All costs shall not include any markups as might otherwise be allowed by any plans or specifications which were a part of the Agreement.

The provisions of this paragraph shall supersede any other provision of the Agreement or any provision of any plans, specification, addendums or other documents which are or may become a part of this Agreement. City and Contractor agree that the provisions of this paragraph are a substantive part of the consideration for this Agreement.

8.10 Attorney's Fees - If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

9. CITY OFFICERS AND EMPLOYEES, NONDISCRIMINATION

9.1 Non-liability of City Officers and Employees - No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest - The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant Against Discrimination - Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of

race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. To the extent required by law, Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 **Notice** - Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and shall be deemed to be given when served personally or deposited in the U.S. Mail, prepaid, first-class mail, return receipt requested, addressed as follows:

To City: City of Pico Rivera
6615 Passons Boulevard
Pico Rivera, California 90660
Attention: Arturo Cervantes, Director of Public Works/City Engineer

To Contractor: Green Giant Landscape, Inc.
941-A Macy Street
La Habra, California 90631
Attention: Don Henderson, President

10.2 **Interpretation** - The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.3 **Integration; Amendment** - It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

10.4 **Severability** - In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

10.5 **Hiring of Undocumented Workers Prohibited** - Contractor shall not hire or employ any person to perform work within the City of Pico Rivera or allow any person to perform work required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States.

10.6 **Unfair Business Practices Claims** - In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, the Contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made

and become effective at the time the awarding body renders final payment to the Contractor without further acknowledgment by the parties. (Section 7103.5, California Public Contract Code.)

10.7 **Corporate Authority** - The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[Intentionally left blank. Signatures follow.]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

CITY OF PICO RIVERA,
A Municipal Corporation

By: _____
Anna M. Jerome, City Clerk

By: _____
Brent A. Tercero, Mayor

Date: _____

Date: _____

APPROVED AS TO FORM:

By: _____
Arnold M. Alvarez-Glasman, City Attorney

Date: _____

CONTRACTOR:

By: _____
(Print Name)

By: _____
(Print Name)

Date: _____

Date: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Address: _____

Address: _____

CITY OF PICO RIVERA

PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT
CAPITAL IMPROVEMENT PROJECT NO. 20053**BIDDER'S PROPOSAL****TO THE PICO RIVERA CITY COUNCIL:**

The undersigned, as a bidder, declares that this proposal is made without collusion with any other person, firm or corporation, and that the only person or parties interested as principals are those named herein; that he has not accepted any bid from any subcontractor or materialman through any bid depository, or prevent the Contractor from considering any bid from any subcontractor or materialman which is not processed through said bid depository, or which prevents any subcontractor or materialman from bidding to any contractor who does not use the facilities of, or accept bids from or through such bid depository, and having carefully examined the site of the proposed work, Plans and Specifications, therefore, as well as the Notice of Inviting Bids, all motions by City Council pertaining thereto, and the proposed contract, and having informed himself fully in regard to the contemplated work, proposes and agrees in the event of the acceptance of hereof to enter into a contract with the City Council of the City of Pico Rivera to perform said proposed work in accordance with the terms of said contract, and to furnish or provide all materials, labor, tools, equipment, apparatus, and other means necessary to do so in accordance with the terms and provisions of said agreement, to wit:

Section 3-2.2.1 of the Standard Specifications is hereby amended by addition of the following:

If a bid item is deleted in its entirety and that bid item has no direct effect on performance of any other bid items, no adjustment in bid prices for any items will be provided.

Quantities shown are approximate only. Final contract amount will be based on actual amounts furnished at the unit costs set forth in the proposal.

The Contract shall be awarded based on the lowest bid which shall be the lowest grand total of the bid prices on the Total Base Bid.

PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT
CAPITAL IMPROVEMENT PROJECT NO. 20053

ITEM NO.	DESCRIPTION WITH UNIT PRICE WRITTEN IN WORDS	APPROX. QTY.	UNIT	UNIT PRICE	TOTAL AMOUNT
1.	Clearing and Grubbing <u>Seventeen thousand</u> <u>dollars</u> Words LUMP SUM	1	LS	\$ 17,000. ⁰⁰	\$ 17,000. ⁰⁰
2.	Unclassified Excavation <u>Fifty dollars</u> Words CUBIC YARD	30	CY	\$ 50. ⁰⁰	\$ 1500. ⁰⁰
3.	Place and Compact Class A Topsoil (Slope Area) <u>one hundred fifty</u> <u>Dollars</u> Words CUBIC YARD	60	CY	\$ 150. ⁰⁰	\$ 9000. ⁰⁰
4.	Finish Grading <u>FIVE DOLLARS</u> Words SQUARE FOOT	360	SF	\$ 5. ⁰⁰	\$ 1800. ⁰⁰
5.	Construct V-gutter <u>Forty dollars</u> Words LINEAR FOOT	180	LF	\$ 40. ⁰⁰	\$ 7200. ⁰⁰

PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT
CAPITAL IMPROVEMENT PROJECT NO. 20053

ITEM NO.	DESCRIPTION WITH UNIT PRICE WRITTEN IN WORDS	APPROX. QTY.	UNIT	UNIT PRICE	TOTAL AMOUNT
6.	Remove and Reconstruct 4" Thick PCC Sidewalk on 90% Compacted Native <u>Ten Dollars</u> Words SQUARE FOOT	110	SF	\$ 10.00	\$ 1100.00
7.	Install Sod (marathon II), Top Soil (Class A), Adjust Irrigation System and Prep Soil <u>Three Dollars</u> Words SQUARE FOOT	1,545	SF	\$ 3.00	\$ 2025.00
8.	Install 18-inch NDS Catch Basin <u>Five hundred</u> Words EACH	1	EA	\$ 500.00	\$ 500.00
9.	Install 4" PVC Schedule 80 Pipe <u>Fourty Dollars</u> Words LINEAR FOOT	15	LF	\$ 40.00	\$ 600.00
10.	Fabricate and Install Hand Rail <u>Fourty Eight Dollars</u> Words LINEAR FOOT	180	LF	\$ 48.00	\$ 8640.00

PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT
CAPITAL IMPROVEMENT PROJECT NO. 20053

ITEM NO.	DESCRIPTION WITH UNIT PRICE WRITTEN IN WORDS	APPROX. QTY.	UNIT	UNIT PRICE	TOTAL AMOUNT
11.	Repair Slope, Compact Soil and Replace Landscape in Kind <u>TEN DOLLARS</u> Words SQUARE FOOT	80	SF	\$ 10.00	\$ 800.00
12.	Install Complete Automatic Irrigation System <u>Fifty five thousand</u> <u>dollars</u> Words LUMP SUM	1	LS	\$ 55000.00	\$ 55000.00
13.	Plant 1 Gallon Shrubs <u>fifteen dollars</u> Words EACH	290	EA	\$ 15.00	\$ 4350.00
14.	Plant 5 Gallon Shrubs <u>fourty dollars</u> Words EACH	24	EA	\$ 40.00	\$ 960.00
15.	60 Day Maintenance <u>Five hundred</u> <u>dollar</u> Words LUMP SUM	1	LS	\$ 500.00	\$ 500.00
16.	Construct Concrete Wall <u>two hundred fifty</u> <u>dollars</u> Words LINEAR FOOT	40	LF	\$ 250.00	\$ 10,000.00

**PASSONS BOULEVARD PHASE IV SUPPLEMENTAL IMPROVEMENTS PROJECT
CAPITAL IMPROVEMENT PROJECT NO. 20053**

ITEM NO.	DESCRIPTION WITH UNIT PRICE WRITTEN IN WORDS	APPROX. QTY.	UNIT	UNIT PRICE	TOTAL AMOUNT
17.	Install Bench <u>one thousand nine hundred dollars</u> Words EACH	1	EA	\$ 1900.00	\$ 1900.00
18.	Install Trash Bin <u>one thousand one hundred dollars</u> Words EACH	1	EA	\$ 1100.00	\$ 1100.00
19.	Install 4" Thick PCC Pad on 90% Compacted Native <u>ten dollars</u> Words SQUARE FOOT	230	SF	\$ 10.00	\$ 2300.00

TOTAL BID

\$ 126,275.00

figures

one hundred twenty six thousand two hundred
in words
seventy five thousand dollars & no cents.

THE PROJECT WILL BE AWARDED BASED ON THE LOWEST TOTAL BID. BIDDERS ARE REMINDED THAT IT IS THE CITY'S INTENTION TO ADD OR DELETE WORK AT THE UNIT COST SUBMITTED BY THE CONTRACTOR, IF TO DO SO, IS IN THE BEST INTEREST OF THE CITY.

Quantities shown are approximate only. Final contract amount will be based on actual amounts furnished at the unit costs set forth in the proposal.

The above unit prices include all incidental and appurtenant work and materials necessary for the satisfactory completion of the items. In case of discrepancies between words and figures, the words shall govern, and in case of discrepancies between unit price and total, the unit price shall govern.

The Contractor agrees that the City will not be held responsible if any of the approximate quantities shown in the foregoing proposal shall be found incorrect, and he shall not make any claim for damages or for loss of profits because of a difference between the quantities of the various classes of work as estimated and the work actually done. If any error, omission or misstatements shall be discovered in the estimated quantities, it shall not invalidate this contract or release the Contractor from the execution and completion of the whole or part of the work herein specified, in accordance with the specifications and the plans herein mentioned and the prices herein agreed upon and fixed therefore, or excuse him from any of the obligations or liabilities hereunder, or entitle him to any damages or compensation otherwise than as provided for in this contract.

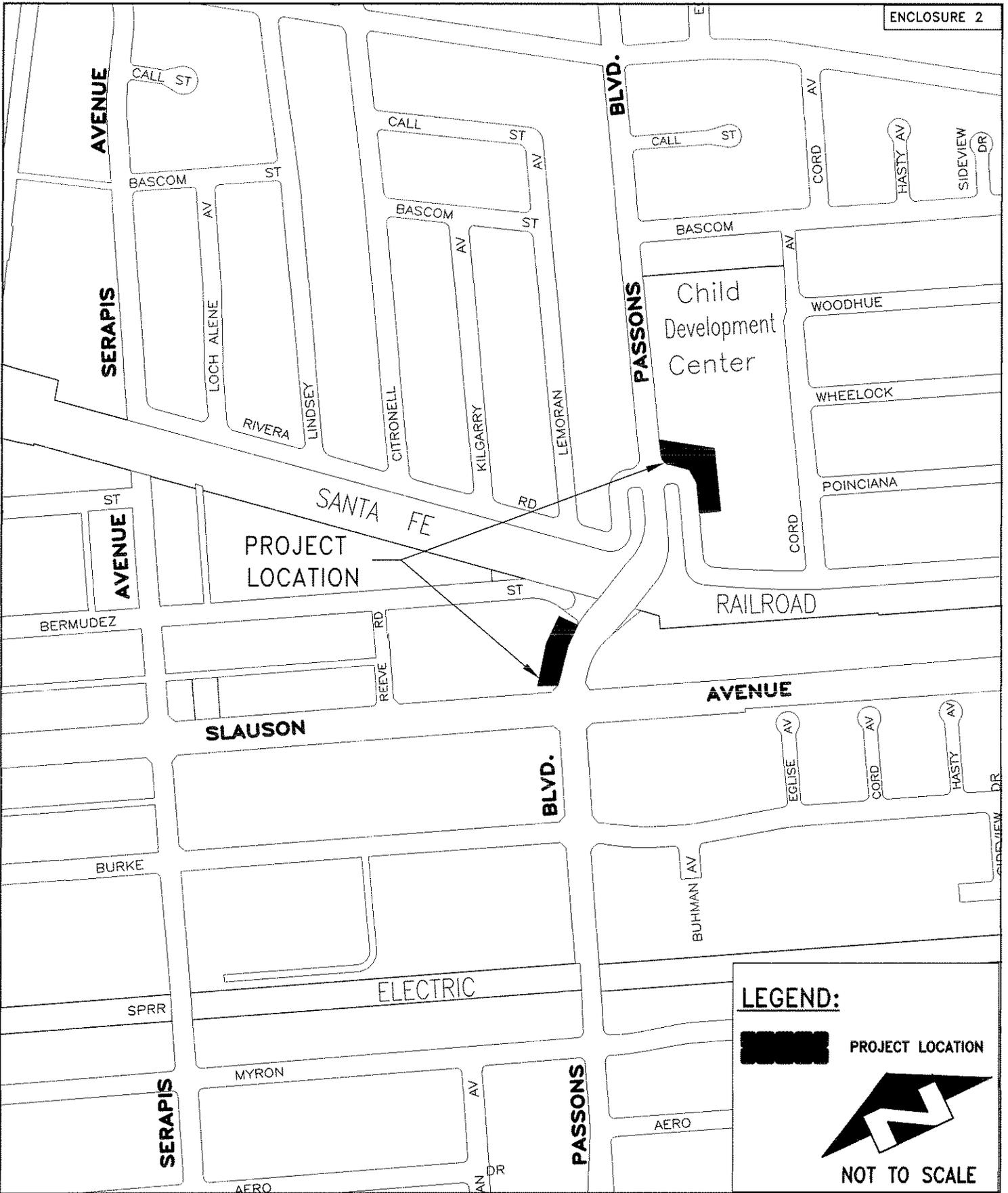
The Contractor agrees that the City shall have the right to increase or decrease the quantity of any bid item or portion of the work or to omit portions of the work as may be deemed necessary or expedient, and that the payment for incidental items or work, not separately provided in the proposal shall be considered included in the price bid for other various items or work.

The above unit prices include all incidental and appurtenant work and materials necessary for the satisfactory completion of the items. In case of discrepancies between words and figures, the words shall govern, and in case of discrepancies between unit price and total, the unit price shall govern.

Bidder acknowledges that he has thoroughly reviewed the attached Notice of Inviting Bids, Instructions to Bidders, Bid Specifications, and Agreement and is aware of all the requirements thereof, both stated and implied.

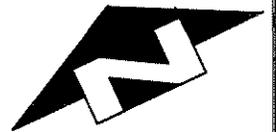
Accompanying this proposal is the bidder's security consisting of bid bond payable to the City of Pico Rivera in the amount of 10% equivalent to at least ten (10) percent of the total aggregate bid price hereof based on the quantity shown and the unit price quoted; and the undersigned bidder hereby agrees that should he be awarded a contract on the basis hereof, and thereafter fails to properly execute and return the contract agreement together with the required bonds in connection therewith within ten (10) days after it has been delivered or mailed to him or his authorized agent, the City will be damaged by the delay so caused in an amount that is impossible to definitely ascertain, bidder's security; said bidder further agrees that in such an event the amount of security shall become the property of the City and may be collected thereby, and that otherwise it shall be returned.

I am aware of the of the provision of Section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's 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 the contract.



LEGEND:

 PROJECT LOCATION



NOT TO SCALE

CITY OF PICO RIVERA

DEPARTMENT OF PUBLIC WORKS - ENGINEERING DIVISION

PASSONS BOULEVARD PHASE IV IMPROVEMENTS PROJECT

PREPARED BY: M. NGUYEN

SCALE: NOT TO SCALE

DATE: 6-4-14





To: Mayor and City Council

From: City Manager

Meeting Date: June 24, 2014

Subject: JANITORIAL SERVICES, RFB 2014-005 - AWARD SERVICE CONTRACT

Recommendation:

- 1) Award a three year service contract in the amount of \$174,708 to General Building Management for Janitorial Services.
- 2) Authorize the City Manager to execute the contract in a form approved by the City Attorney.

Fiscal Impact: \$58,236 in FY 14-15. This item is included in the budget.

Discussion:

The Public Works Department currently manages the performance of janitorial services at City Hall, City Hall West, City Yard, and the Parks & Recreation Building. Effective July 1, 2014, the City will also be responsible of managing janitorial services at the new Pico Rivera Library and the Rivera Library.

On a daily basis, the services will include: general cleaning, dusting, vacuuming, mopping, emptying trash cans, cleaning windows, wiping counters and walls, and replenishing supplies as required in offices, restrooms, kitchen areas, break rooms, and the Council Chambers. Monthly services will include cleaning partition walls, cleaning ceiling and A/C vents, and deodorizing and sanitizing floor drains. Quarterly services will include shampooing carpets, cleaning ceramic tile and grout, and cleaning outside windows. Other services, as needed, will include cleaning stoves, refrigerators, and microwave ovens.

The City requested bids for custodial services by advertising in the Whittier Daily News on April 23, 2014. On Monday, May 19, 2014 ten (10) bids were received and opened with General Building Management being the lowest responsible bidder.

The following is the bid summary:

<u>Contractor</u>	<u>Total Bid</u>
1. General Building Management	\$ 174,708.00
2. Professional Building Maint.	\$ 198,360.00
3. All Care Industries	\$ 203,220.00
4. Williams & Associates	\$ 225,684.00
5. United Maintenance Systems	\$ 226,800.00
6. Santa Fe Building Maintenance	\$ 230,451.12
7. Valley Maintenance Corp.	\$ 230,940.00
8. Come Land Maintenance Serv.	\$ 313,920.00
9. Executive Suite Services	\$ 316,620.00
10. DH Maintenance Services	\$ 327,600.00

After completion of the bid analysis, including reference checks, General Building Management was confirmed to be the lowest responsible bidder. They have met all bid specifications and have municipal experience, having worked for City of Irvine, City of Rialto, and the County of San Bernardino.

General Building Management has the capability, capacity, and experience to perform the work required under the bid solicitation. They have more than 13 years of experience in the business of providing janitorial services.

 *Ronald Bates*

Ronald Bates

RRB:MC:FP:lg

Enc.

- 1) Agreement
- 2) Bid Comparison

CONTRACTUAL SERVICES AGREEMENT

AGREEMENT NUMBER _____

THIS AGREEMENT is made and entered into June 16, 2014 the City of Pico Rivera, a municipal corporation, (hereinafter referred to as "CITY") and General Building Management Co. (hereinafter referred to as "CONTRACTOR").

SECTION 1. RECITALS.

WHEREAS, CITY has requested bid proposals for a Janitorial Services and

WHEREAS, CITY has described the services required for said Janitorial Services within RFB 2014-005, hereinafter referred to as RFB 2014-005;

WHEREAS, CONTRACTOR submitted a bid proposal dated May 16, 2014, and incorporated by reference as fully set forth herein; and

WHEREAS, the CITY and CONTRACTOR desire to contract with one another for Janitorial Services ; as described in bid proposal May 16, 2014, hereinafter referred to as EXHIBIT A;

NOW THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows: .

SECTION 2. SERVICES.

- a. CONTRACTOR shall provide the services described in RFB 2014-005 and shall be compensated in accordance with the fee schedule as set forth in said EXHIBIT A, but not exceeding the maximum contract amount of \$174,708 (herein "Contract Sum").
- b. CITY understands and hereby agrees that the services provided by CONTRACTOR under these Agreements will be performed wholly or in large part by CONTRACTOR.
- c. CITY agrees to cooperate with, and to provide all necessary information and assistance to, CONTRACTOR in order that CONTRACTOR may fulfill its obligations pursuant to these Agreements.

SECTION 3. TERM.

As stated within RFB 2014-005, the term of this contract shall be for services three (3) years with a series of two (2) one year optional renewals, based mutual agreement by authorized representatives from both the CITY and the CONTRACTOR.

This Agreement shall commence on June 16, 2014, and shall expire on June 30, 2017, unless sooner terminated as hereinafter provided. In no event shall this Agreement extend beyond June 30, 2019.

CONTRACTUAL SERVICES AGREEMENT

SECTION 4. PERFORMANCE.

- a. CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.
- b. CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Contractor hereunder, in meeting its obligations under this Agreement.
- c. CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

SECTION 5. EXTRA SERVICES.

No extra services shall be rendered by CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the City Manager or his designee.

SECTION 6. CITY DESIGNEE.

The City Manager, or his designee, shall have the authority to act for and exercise any of the rights of the CITY as set forth in herein agreement, subsequent to the authorization by the CITY.

SECTION 7. TERMINATION.

- a. CITY and CONTRACTOR shall have the right to terminate this Agreement, with or without cause, for any reason, with thirty days' written notice. Termination shall become effective 30 days after delivery of written notice to the other party. The parties shall continue to perform their respective obligations under this Agreement during the 30-day notice period.
- b. Either party may terminate this Agreement for cause, effective immediately, upon written notice to the other party. For purposes of the Agreement, "cause" shall include, but not be limited to, a material breach of this Agreement.
- c. Upon termination with or without cause, CITY shall pay to CONTRACTOR, within thirty (30) days of receipt of a final invoice, all amounts due and owing to Contractor through the effective date of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by CONTRACTOR during the term of this Agreement.

SECTION 9. NON-LIABILITY OF OFFICIAL AND EMPLOYEES OF THE CITY.

No official or employee of the City shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.

SECTION 10. INDEPENDENT CONTRACTOR.

- a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent CONTRACTOR. Neither the CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of the CITY. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONTRACTOR for performance hereunder for CITY. CITY shall not be liable for compensation

CONTRACTUAL SERVICES AGREEMENT

- to CONTRACTOR, CONTRACTOR'S employees or CONTRACTOR'S subcontractors for injury or sickness arising out of performing services hereunder.
- b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.
 - c. CITY shall not deduct from the compensation paid to CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONTRACTOR. CITY shall have no responsibility to provide CONTRACTOR, its employees or subcontractors with workers' compensation or any other insurance.

SECTION 11. LEGAL RESPONSIBILITIES.

CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Pico Rivera Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 12. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONTRACTOR'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 13. INSURANCE COVERAGE.

The CONTRACTOR shall obtain and maintain during the life of this Agreement all of the following insurance coverage's:

- a. Comprehensive general liability, including premises-operations, broad form property damage, blanket contractual liability, independent contractors, and personal injury in the amount of \$1,000,000.00 per occurrence;
- b. Automobile liability for owned, hired and non-owned vehicles utilized by CONTRACTOR, its employees or subcontractors, in the amount of \$1,000,000.00 per occurrence; and
- c. CONTRACTOR shall obtain and maintain during the life of this Agreement workers compensation insurance for its employees and subcontractors.

Endorsements for the policies under subsections a and b of this section shall designate the CITY as an additional named insured. CONTRACTOR shall provide the CITY proof of insurance in the form of both certificates of insurance and endorsement forms as approved by the office of the City Attorney.

SECTION 14. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by

CONTRACTUAL SERVICES AGREEMENT

each party. If any term, condition or covenant of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

SECTION 15. WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 16. GOVERNING LAW.

This Agreement shall be interpreted and construed according to the laws of the State of California and venue shall be in the County of Los Angeles, State of California. SECTION 17.

SECTION 17. ATTORNEY'S FEES & COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 18. WARRANTIES

Each of the parties represents and warrants to one another as follows:

- a. It has as received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 19. MISCELLANEOUS

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original

CONTRACTUAL SERVICES AGREEMENT

manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

- f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party 's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 20. NOTICE.

All notices shall be personally delivered or mailed to the addresses listed below:

CONTRACTOR: General Building Management Company

CITY: Purchasing Division, 6615 Passons Blvd. Pico Rivera, CA 90660

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:
a municipal corporation

CITY OF PICO RIVERA,

By: _____
City Clerk

By: _____
City Manager

APPROVED AS TO FORM:

City Attorney

CONTRACTOR:

By: _____
(Print)

Signature: _____

Title: _____

EXHIBIT A
ATTACHMENT 1
COMPANY INFORMATION FORM
RFB 2014-005 Janitorial Services

Name of Company: GENERAL BUILDING MANAGEMENT Co.

Type of Company: CORPORATION, CALIFORNIA

Company Address: 3255 WILSHIRE BLVD #1222

LOS ANGELES, CA 90010

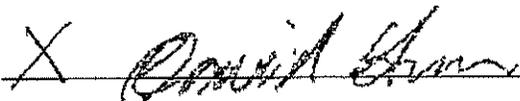
Website: WWW.GBM21.COM

Number of years the company has been in business: 13 YEARS

By submitting a Bid, Bidder agrees that they have read and understands the RFB in its entirety, including, without limitation, the scope and nature of the work, all appendices, attachments, exhibits, schedules, and addendum, as applicable. Should the Bidder have any objections to the RFB, they must be clearly stated below, specifically referencing the particular section number, paragraph, and page number of the objection. However, making an objection does not relieve the Bidder from complying with the requirements of the RFB.

YES, GENERAL BUILDING MANAGEMENT CO. AGREES.

Person from your company who completed the bid package:

Signature: X  Date: MAY 16, 2014

Printed Name and Title: DAVID HAN - PRESIDENT

E-Mail: GBM@GBM21.COM

Phone: 213-388-0554 FAX: 213-388-6337

EXHIBIT A
ATTACHMENT 1
COMPANY INFORMATION FORM
RFB 2014-005 Janitorial Services

1. Have you, your firm, or any officer or partner thereof, ever failed to complete a janitorial services contract? *"No"*

If yes, give details, including dates: (use another sheet of paper, if necessary)

2. Has your firm ever been assessed damages or penalties for failing to perform janitorial services in a satisfactory manner or for failing to complete a contract within the scope of work specified in the Request for Bid? *"No"*

If yes, give details: (use another sheet of paper, if necessary)

3. Does your firm have any ongoing investigations by an agency regarding violations of the State Labor Code, California Business and Professional Code, or other laws?

"NO"
If yes, give details: (use another sheet of paper, if necessary)

4. Does your firm have any outstanding judgments, demands or liens resulting from violations of the State Labor Code, California Business and Professional Code, or other laws?

"No"
If yes, give details: (use another sheet of paper, if necessary)

5. Has your firm been cited for violations of OSHA Standards and Requirements within the past five (5) years?

"No"
If yes, give details: (use another sheet of paper, if necessary)

EXHIBIT A

ATTACHMENT 2
REFERENCES FORM
RFB 2014-005 Janitorial Services

Bidder is required to provide a minimum of three (3) references where services of a similar size and nature were performed within the past three (3) years. This will enable the City of to judge the responsibility, experience, skill, and business standing of the Bidder.

Company Name: CITY OF IRVINE, CA Contact Name: MARIO LUJAN - SUPERVISOR
Address: 1 CIVIC CENTER PLAZA Phone Number: 949-724-7707
IRVINE, CA 92606 Email: MLUJAN@CI.IRVINE.CA.US

Dollar Value of Contract: \$ 690,468⁰⁰/YEAR Contract Dates: MAY 2010 - PRESENT

Requirements of Contract: CONTRACT # 6436 FOR JANITORIAL SERVICES
FOR VARIOUS CITY FACILITIES INCLUDING CITY HALL.

SENIOR CENTER, POLICE DEPT, PARKS AND OTHER BUILDINGS.

Company Name: CITY OF RIALTO, CA Contact Name: SUSANNE WILCOX

Address: 335 W. RIALTO AVE Phone Number: 909-820-2525 EXT. 2062
RIALTO, CA 92376 Email: SWILCOX@RIALTOCA.GOV

Dollar Value of Contract: \$ 204,000⁰⁰/YEAR Contract Dates: AUG 2009 - July 2013

Requirements of Contract: RFP # 09-099 FOR JANITORIAL SERVICES

FOR VARIOUS CITY FACILITIES INCLUDING CITY HALL, SENIOR CENTER,
POLICE DEPT, PARKS AND OTHER BUILDINGS

Company Name: COUNTY OF SAN BERNARDINO Contact Name: PHYLLIS FACIO - SPONSOR

Address: 200 S. LENA ROAD Phone Number: _____

SAN BERNARDINO, CA 92415 Email: PFACIO@FM.SBCOUNTY.GOV

Dollar Value of Contract: \$ 352,968⁰⁰/YEAR - 0055 Contract Dates: (CFC) 909-841-5992
AND 262,904⁰⁰/YEAR (FAX) 909-387-5992

Requirements of Contract: CONTRACT # 11-919 AND RFP 13-003 FOR

JANITORIAL SERVICES FOR VARIOUS COUNTY BUILDINGS INCLUDING
CHILD CARE CENTER, POLICE DEPT, JAILS, MUSEUMS AND OTHER
BUILDINGS.

EXHIBIT A

**ATTACHMENT 3
 BID FORM
 RFB 2014-005 Janitorial Services**

Item No.	Quantity	UOM	Location	Monthly Cost	Extended Cost
1	36	Mo.	City Hall	1,510 ⁰⁰	54,360 ⁰⁰
2	36	Mo.	City Hall - West	180 ⁰⁰	6,480 ⁰⁰
3	36	Mo.	City Yard	632 ⁰⁰	22,752 ⁰⁰
4	36	Mo.	Parks & Recreation Offices	576 ⁰⁰	20,736 ⁰⁰
5	36	Mo.	Pico Rivera Library	1,469 ⁰⁰	52,884 ⁰⁰
6	36	Mo.	Rivera Library	486 ⁰⁰	17,496 ⁰⁰
				Total Bid Amount	174,708 ⁰⁰

In submitting this Bid, Respondent agrees to comply with the terms and conditions illustrated in this RFB.

Person from your company who completed the bid package:

Signature: X *David Han* Date: MAY 16, 2014
 Printed Name and Title: DAVID HAN - PRESIDENT
 E-Mail: GBM@GBM21.COM
 Phone: 213-388-0554 OR 310-918-3295



ADDENDUM # 1
RFB 2014-005 Janitorial Services

NOTICE TO ALL BIDDERS

You are hereby notified of the following changes to the Request for Bid document. Such changes are hereby made part of the said document and shall take precedence over anything to the contrary therein.

VOLUNTARY JOB WALK OF FACILITIES

The City shall conduct a walk-thru of the sites on Tuesday, May 6, 2014, beginning at 9:00 a.m. at City Hall in the Council Chambers, located at 6615 Parsons Blvd, Pico Rivera, CA 90660. Should the number of interested parties wishing to attend the walk-thru exceed a manageable number, a second walk-thru may be conducted on Wednesday, May 7, 2014 beginning at 9:00 a.m.

Those planning to attend the walk-thru must contact Angelica Deaner at aceaner@pico-rivera.ca.gov no later than Friday, May 2, 2014, so it can be determined in advance if an additional walk-thru will be necessary.

The City desires to provide all interested parties with fair and equal access to all relevant City personnel and necessary information. At the same time, the City desires to keep disruption to the organization as a result of this process to a minimum. Interested Bidders must provide their own transportation to each of the sites that will be inspected. It is highly recommended that all interested Bidders attend the scheduled walk-thru, as requests for subsequent inspections will not be granted. Additionally, those who attend will be able to hear all questions posed and related answers.

Whether or not they attend the walk-thru, Bidders will be responsible for determining the boundaries of each site, examining the physical conditions and surroundings of the proposed work, and judging for themselves the extent to which these factors will influence the performance of the contract work. The existing condition of each proposed location is not intended, nor to be inferred, as a representation of satisfactory maintenance or performance, whether expressed or implied by the City or its employees. The Bidder shall not be relieved of liability under the Contract, nor shall the City be liable for any loss sustained by the Bidder, as a result of any variance between conditions as referred to in the Services and the actual condition revealed during the examination of the locations of the proposed work.

Issued By: Angelica Deaner, Procurement Coordinator: *Angelica Deaner*

Issued By: Glen Infuso, Field Operations Manager: *Glen Infuso* April 29, 2014

PLEASE NOTE RECEIPT OF ADDENDUM # 1 BY SIGNING BELOW AND INCLUDING WITH YOUR FIRM'S SUBMISSION.

I ACKNOWLEDGE RECEIPT OF ADDENDUM #1:

Company	GENERAL BUILDING MANAGEMENT Co.
Name	DAVID HAN
Title	PRESIDENT
Signature	X <i>David Han</i>
Date	APRIL 29, 2014

EXHIBIT A

Capability/Ability/Statement of Experience/Work Plan

General Building Management Company(GBM) has been in the janitorial and cleaning business for more than 13 years. We have provided exceptional cleaning services for commercial, industrial and government facilities throughout California. GBM services 17 City of Irvine facilities and other prominent clients such as 12 City of Rialto facilities, 15 County of San Bernardino and 11 US Army Engineering among others. Also we had provided The Shop at Montebello Mall with janitorial services as subcontractor as well. We will adhere to the specifications and frequencies as outlined in this request for proposal. We completely understand the critical issues and opportunities associated with this project.

GBM is pleased and proud to submit this proposal to The City of Pico Rivera.

Our performance as demonstrated in this proposal reflects a vendor that has successfully obtained and retained many contracts similar to this solicitation. Our past performance provides points of contact and narrative about our qualifications. It defines how GBM achieved its ability to attract and retain satisfied clients over several years. Our proposal conclusively shows:

- Our in-depth understanding of the requirements for janitorial services at The City of Pico Rivera.
- Current and past contracts that reflect Total Customer Satisfaction.
- Current contract experience that will meet or exceed the requirements of tasks in the Statement of Work.
- A corporation dedicated to the requirements of the solicitation and assurance that we complete the project on time and within specified budget requirements.
- A corporation that meets all of its obligations by carefully planning and developing strategies to ensure we meet succeed in providing quality services and comply with client requirements.
- A comprehensive and effective employee hiring, training and retention program.
- A corporation not only committed to the satisfaction of the client, but most importantly, your clients, the patrons visiting your facilities.

We have successfully implemented various employee incentive programs that not only reduce turnover, but also inspires the employee to perform at his or her best.

We offer some appealing reasons why you select GBM as your vendor of choice:

- Our size: By definition of the SBA, we are an 8(a) small minority business concern. However, our size should not influence a decision as to whether or not we are prepared to handle a contract such as this. GBM is selective as to which contracts we pursue. In our decision process, we first determine if our corporate structure can effectively manage a contract. We consider the location of the contract in relation to our corporate and field offices; we also consider the financial obligations we would inherit from the award of a contract. We have more than 13 years of success in meeting all our contractual obligations. Our past performance will attest to this statement.
- Our experience in working at government and commercial facilities.
- Our proven and effective phase-in and phase-out approach. Incidentally, this phase-in approach will be transparent to your management and clients.
-

Submitted by General Building Management Co.

EXHIBIT A

- Our Quality assurance and Training Programs (designed to actually train the employees and keep them productive while being safe). Safety is our first priority! Quality assurance is in compliance with ISO 9002 specifications.
 - Our Safety practices that are leading us to the goal of being one of the safest companies in our industry.
 - Our cost effectiveness: We are constantly doing studies and researching commodity and labor prices. Savings we realize will also be realized through offers to our clients.
 - Our partnership philosophy: When you verify our references, you will see that GBM will bend over backwards to ensure you and your clients are satisfied. We go well beyond the scope as specified in the contract. Our objective is to provide you not only with clean and groomed facilities, but to ensure you are given services that exceed your expectations.
-
- GBM, has the resources (financial, people, equipment, skills and commitment), to make certain the Management of The City of Pico Rivera. Your employees and park patrons are completely satisfied with our services. Services at your facilities does not stop with cleanliness and grooming. They go beyond. We are prepared to ensure you have reduced cost associated with special events. How will we do this? We will drastically reduce the employee turnover. Each employee is well trained in his or her areas of responsibility. We can do this because our philosophy is to treat the employee not just fair, but as one of our own.

Our Phase-In-Approach: Initially you will only see improvement. You will not see any problems normally associated with the transition you may expect with a new company. The reason for this is because our senior management is accustomed to working with government entities and management. As you review our Quality Assurance and other programs, you will be able to see how we discipline and train our employees and management. This discipline and training is specifically developed to be in compliance with international quality assurance programs such as ISO 9002. We are delighted to say that this quality assurance system is effective in both government and commercial facilities. It is disciplined. It saves a lot of time, resources and explicitly defines areas of responsibility and expectations.

Our management plan is designed to establish accountability down to the supervisor/lead levels. Productivity will be enhanced while at the same time; theft and security will be controlled. It is all part of our scheduling and quality assurance programs, which are, designed to reduce employee idleness and to enhance employee accountability and responsibility.

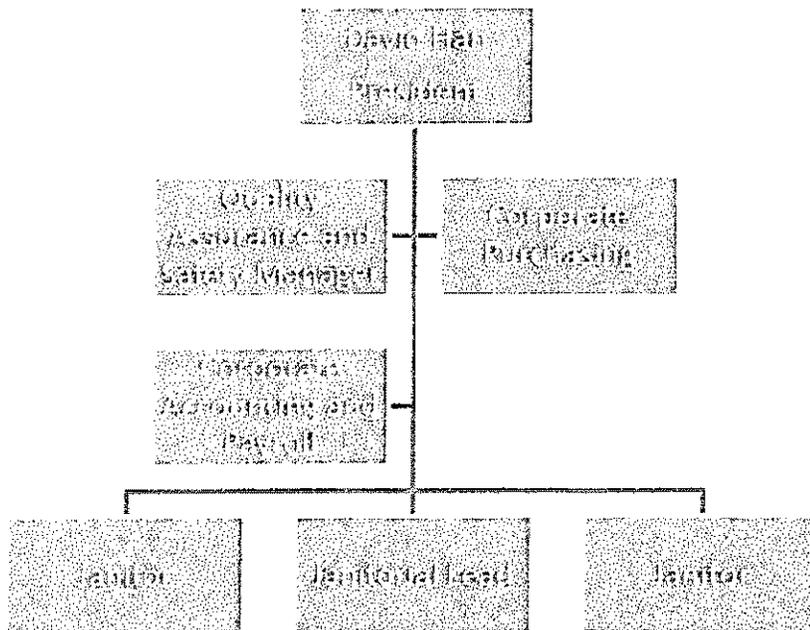
Submitted by General Building Management Co.

EXHIBIT A

CONTRACT MANAGEMENT APPROACH

Management Team:

The following illustration depicts our corporate organization. As you will note, all administrative and management report directly to our President David Han. Our proposed supervisor (yet to be determined who this will be), reports directly to our President. He/she receives direct assistance from our Quality and Safety Manager, Corporate Purchasing and our accounting department.



- Quality Assurance and Safety will be actively involved in the contract. This person will make frequent and regular visits to The City of Pico Rivera facilities to inspect not only the housekeeping but also the equipment and Housekeeping Inspection Records. All housekeeping inspection records will be retained in accordance with our Quality Assurance Procedures.

Submitted by General Building Management Co.

EXHIBIT A

- **Person who will assign to monitor janitorial services for The City of Menifee facilities:**

James Han-Vice President

Tel: 213-388-0554

Fax: 213-388-6337

Cel: 213-254-7449

E mail: jameshan@gbm21.com

Corporate Commitment and Support:

GBM is fully committed to this program not only during phase-in, but for the life of the contract. Corporate personnel during phase-in will assist in the following special functions:

- Provide assistance with modifications to plans and preparation of standard operating procedures and policies
- Review operations and manpower assignments with recommendations for change and improvement
- Assist with total quality management assessment tools and methods for improvement;

Scheduling:

During phase-in major emphasis is placed on:

- Putting in place the management
- Installing GBM equipment
- Initiating a new Quality Control Plan based on Total Quality Management principles and site specific requirements for the City of Pico Rivera facilities.

Finalizing GBM policies, procedures, standard operating procedures and phase-in procedural items.

Our Phase-in milestone schedule activities are updated weekly over the entire transition period. A detailed schedule is established prior to the onset of the phase-in start date to provide for daily requirements within each activity. By strict schedule control slippage is minimized and functions are accomplished within time constraints.

- Tracking of phase-in progress will be monitored by our President. Events will be included in our weekly status report for internal review and reporting to The City of Pico Rivera representatives.
- Should problems arise, they are identified and brought to the attention of the phase-in team members. Corrective action is assigned and all schedules, issues and plans of action are reviewed weekly.
- The master phase-in schedule is adjusted as necessary to identify all completed actions and when revised target dates are required.

Submitted by General Building Management Co.

EXHIBIT A

- **Project Manager Responsibilities and Duties:** *(Note: on the contract for The City of Pico Rivera facilities, our Vice President, Mr. James Han, will serve as the Project Manager). He will make daily visits to the sites meeting with employees and the Supervisor).*

Requirements:

Minimum of ten years experience managing janitorial contracts. Successful completion of seminars and/or formal training in front-line-leadership skills. Completion of training and/or seminars in dealing with difficult people. Industries training in proper floor care techniques.

Duties:

- Interviewing applicants, advertisement for applicants, screening employees, hiring employees, administering employee motivation and discipline programs.
- Ensuring involvement and monitoring the site quality assurance program.
- Direct involvement and monitoring the Employee Safety Training Program.
- Issuance of purchase orders and equipment repair orders.
- Oversees inventory of consumables via procurement and inventory computer database.
- Responsible for accuracy and availability of MSDS sheets.
- Coordinates cleaning schedules and floor schedules with Department Heads and subordinate supervisors.
- Coordinates cleaning schedules and floor schedules with Department Heads and subordinate supervisors.
- Public relations and communications with client and client staff.
- Supervisor-Team Leader: *Note: our on-site team / leader will be working supervisor. This person will make visitations to each location in The City of Pico Rivera facilities on a daily basis to monitor and inspect.*

- *(Please note: we have not identified our supervisor-team leaders as of the time this proposal was written-however, we will provide The City of Pico Rivera with their resumes and references prior to actually assigning them to this project).*

Minimum of five years experience in supervising janitorial contracts in excess of 200,000 square feet. Successful completion of seminar and/or formal training in front-line-leadership skills. Completion of training in dealing with difficult people. Industry training in the use of chemicals and equipment and floor care. *Note: upon notification of contract award, we will bring in equipment and chemical specialists to train these individuals.*

Duties:

- Responsible for ensuring designated areas are maintained in accordance with standardized specifications.
- Quality Assurance review and inspection of entire area and facilities on a daily basis.
- Training and reinforced training of employees in productivity, operations and safety. Maintain employee training records and safety records.

Submitted by General Building Management Co.

EXHIBIT A

Quality Control Plan/Approach

Our management plan is designed to establish accountability down to the supervisor/lead levels. Productivity will be enhanced while at the same time; theft and security will be controlled. It is all part of our scheduling and quality assurance programs, which are, designed to reduce employee idleness and to enhance employee accountability and responsibility.

Our Quality Assurance Program: Quality Assurance at GBM is tailored after the international quality standards of ISO 9002.

So, how does that materialize into better quality assurance being introduced into the janitorial services at The City of Pico Rivera facilities?

What it means is there is a place and time for all activities, including safety, employee training, supervisor training, HAZCOM training, housekeeping inspections, and recycling inspections. It also means better record keeping, environmental protection, etc. Our Quality Assurance Plan Manual and the administration of the plan will ensure adherence to all specifications of the solicitation and contract. This includes but is not limited to the following quality objectives:

- Employee Training
- Equipment Inspection and Maintenance
- Vehicle Inspection and Maintenance
- Safety Compliance
- Housekeeping Inspections
- Recycling Compliance and Inspections
- Security Education Compliance
- Requisitioning and Purchasing Monitoring (evaluation of subcontractors)
- Adherence to The City of Pico Rivera and the State of California Environmental Concerns
- Drug and Alcohol Compliance Programs
- Accident and Incident Reporting
- HAZCOM compliance

Training: We have a comprehensive Procedures and Training Manual that is used by our Project Managers and on-site Supervisors to regularly and frequently train employees on proper cleaning procedures. Our Project Manager holds weekly meetings with our employees and reiterates the proper and safe processes to perform their tasks. The following examples are excerpts from our Employee and Training Procedures.

Responsibilities of the on-site supervisor was defined earlier in this proposal. It includes the responsibility of ensuring quality standards are met and that employees are properly trained in both techniques and safety.

The Chief of Quality for our organization is the President of our corporation. Reporting directly to the President is the Quality Assurance Manager. The Quality Assurance Manager shall have the right and obligation to demand quality assurance documents from the various projects on a weekly basis.

Submitted by General Building Management Co.

EXHIBIT A

Responsibility and Authority:

The Quality Assurance Manager shall reserve the right and obligation to obtain documents relating to quality, inspections, safety and employee training upon demand. The Quality Assurance Manager (through the authority of the Project Manger), shall have the authority to inspect and intervene in the following functions:

Quality at **GBM** will be actively involved in the following:

- Employee Training
- Timely Completion of Work
- Complaint Resolution Process and Documentation
- Equipment Inspection System
- Vehicle Inspections
- Safety Compliance
- Housekeeping Inspections
- Security Education Compliance
- Purchasing
- Employee Evaluation
- The City of Pico Rivera Environmental Concerns
- Drug and Alcohol Program Compliance
- Accident and Incident Reporting
- HAZCOM compliance

Duties of the Quality Assurance Manager:

1. The Quality Assurance Manager upon discovery of any occurrence of any nonconformities relating to service, process and quality systems will intervene and initiate action to prevent occurrence or reoccurrence.
2. The Quality Assurance Manager shall identify and record any problems relating to the service, process and quality systems.
3. The Quality Assurance Manager shall initiate resolution through the affected project manager/supervisor as appropriate. This shall include recommendations and/or solutions. The QA Manager will immediately notify the President of the company of any adverse findings, their recommended solutions and cause.
4. The Quality Assurance Manager upon discovery of any occurrence of any nonconformities relating to service, process and quality systems will intervene and initiate action to prevent occurrence or reoccurrence.
5. The Quality Assurance Manager shall identify and record any problems relating to the service, process and quality systems.
6. The Quality Assurance Manager shall initiate resolution through the affected project manager/supervisor as appropriate. This shall include recommendations and/or solutions. The QA Manager will immediately notify the President of the company of any adverse findings, their recommended solutions and cause.
7. The QA Manager shall verify the implementation of the solutions.

The QA Manager shall have the authority to control future services by operating through designated channels. Designated channels are the President of the corporation and the on-site project manager.

Submitted by General Building Management Co.

EXHIBIT A

Each month, the Project Manager or Supervisor shall review the specifications of the solicitation and the contract to ensure we are in compliance with the contract.

- a. In reviewing the contract and solicitation requirements, the Project Manager and/or supervisor shall review the designated work schedule in relation to the contract and frequencies to ensure we are providing service to all designated areas at the specified intervals. Secondly, the Project Manager/supervisor shall review the frequency of inspections to ensure we are complying with the specifications of the solicitation and/or contract. This review shall be documented and filed in accordance with the Quality Assurance Manual.;
- b. Any difference between the contract and the service we are providing shall be documented and resolved. The findings and resolution shall be documented.
- c. In this review, the Project Manager will identify resources to determine if he/she has the capability to meet the contract requirements. If it is identified that additional resources are needed, the Project Manager/supervisor shall implement a plan to acquire those resources within his/her authority. Should the acquisition of the resources exceed the Project Manager's/supervisor's authority, he will immediately notify the Quality Assurance Manager and the President of **General Building Management Co.**

Our Quality Assurance Plan provides the basis for the evaluation of the quality of service at three levels:

- Work Level
- Supervisory and Lead Personnel Level
- Project Management Level

The plan includes methods for the evaluation of work performed, materials used, procedures, personnel skills, manning levels, systems, tools and equipment, records, training, supervision, and management. The plan describes and establishes an active, on-going system with built-in feedback, independent checks, and corporate involvement.

The Quality Management Program established by the plan ensures that acceptable levels of service are achieved and also that the methods used are the most cost-effective. The Quality Management Program results in measurable savings that will be passed on to the Government because of our:

- Efficient use of personnel, systems, materials, and equipment
 - Ability to do the job right, the first time
 - Reduced downtime or outages
 - Improved communications
 - Reduced lost time due to unavailability or quality of tools and materials
 - Extensive employee skills development and training programs
- Reduced accident rate and damaged property

Submitted by General Building Management Co.

EXHIBIT A

The following tables are excerpts from GBM employee training and procedures manual for cleaning restrooms and showers:

General Cleaning Steps:

General Cleaning	
1	Place caution signs at the entrance or edge of the work area and remove walk off mats that need replacing.
2	Use a caddy and broom or a counter brush and dust pan to remove all debris and large soil from tables and floor surfaces. Use caution. Some debris may contain sharp objects.
3	Remove and seal trash liners. Replace the liner neatly in the receptacle. If the receptacle is wet due to leakage, properly clean and dry the container before putting in a new liner.
4.	High dusting may not be a daily necessity. A standard rule is "avoid dusting where there are occupants in the room." When high dusting is scheduled, all air vents, ceiling fixtures, drapery rods and other overhead items should be dusted with a special dusting tool or vacuum unit.
5	Surfaces of tables and other hard surface furniture should be cleaned using a spray bottle filled with cleaning solution. Solution should be with a clean, lint-free cloth or disposable towel. When cleaning electrical appliances, spray the cloth directly, and then wipe the appliance surface. If lint-free cloths are used, they should be cleaned and changed frequently.
6	When all the floor surfaces have been cleaned of large debris, the floor should be dry mopped or vacuumed. First, when dusting or dry mopping keep mop head on the floor or very close to it. This will eliminated unwanted airborne dust. Remove any substances stuck to the floor with a putty knife. Do not remove dust from the mop head until you have moved out of the work area. The second step is damp or wet mopping to remove any additional soil prior to a floor maintenance technique of spray buffing or burnishing.
4	When cleaning the floor in large areas, divide the room into sections moving tables and chairs and other furniture accordingly. After each section of the floor has been cleaned and dried, replace all tables, chairs, and furniture, and repeat the same procedure on the remaining sections until the entire area is cleaned. Solution should be discarded and not used in any other room

Submitted by General Building Management Co.

EXHIBIT A

General Restroom Cleaning Procedures:

Restroom Cleaning Procedures	
Step	Procedures
1	Place room closed or caution signs in the entrance way. Remove all large debris from all surfaces. Carefully remove all urinal blocks and screens and place in a bucket of detergent/disinfectant.
2	Flush toilet to remove any loose soil.
3	Push the water down the trap of the toilet with the bowl swab.
4	Hold the swab over the bowl and pour the bowl cleaner onto the swab. Beginning cleaning up under the rim and work your way down the bowl around the sides and into the trap. Follow manufacturer's recommended contact time.
5	Flush toilet, rinsing out bowl swab as the clean water enters.
6	Use the same technique for cleaning urinals.
7	Spray the exterior surfaces of all toilets and urinals with your detergent/disinfectant solution. Don't forget under the seats and lids of toilet fixtures. Allow detergent/disinfectant solution to sit on exterior surfaces for ten minutes while you spray vanities, sinks, and other fixtures.
8	Wipe down exterior surfaces with disposable towels and discard them. Repeat this procedure on all toilets and urinals. It is recommended that you spray all surfaces with an approved disinfectant and allow it to air dry for additional protection against cross infection.
9	Clean mirrors with a glass cleaning product. To prevent streaking, spray from the bottom up and remove solution by wiping from the top down. Discard disposable towels.
10	Replace all urinals screens and blocks, add new paper products and refill all soap dispensers.
11	Clean floor surface by applying detergent/disinfectant solution from the back of the room to the back of the room to the edges. Wet floor sufficiently so that it remains wet for at least ten minutes to ensure complete disinfection. Pay special attention to areas around toilets and urinals.
12	Remove excess solution with damp mop. Allow surface to air dry.
13	When room is complete, give a visual check before removing room closed sign.
Note:	All cleaning and disinfecting solutions should be mixed at the work closet in or near your work station. Wear your personal protective equipment, gloves and glasses. Follow the manufacturer's direction on product labels when mixing.

Submitted by General Building Management Co.

EXHIBIT A

Shower Stalls:

In some facilities, exercise tubs and showers are in special rooms. These rooms should also be cleaned and disinfected on a daily basis.

Shower Stalls	
Step	Procedure
1	All shower stall vertical surfaces should be sprayed with a detergent/disinfectant solution from the bottom to the top of the stall to prevent streaking.
2	Rinse off surfaces with clean water to wash soil down the drain.
3	Excess solution and moisture should be wiped down with clean towels.
4	An application of an appropriate disinfectant which air dries on the surface is an additional precaution.
5	All support equipment can be sprayed with a detergent/disinfectant solution and wiped down with clean towels.
6	The floor area is last to be cleaned and disinfected. Damp mop the floor with a detergent/disinfectant solution starting from the rear of the room and working toward the entrance. Be sure the floor is thoroughly dry before the room is opened for use by residents.

Trash Receptacles:

All trash receptacles throughout the facility and at the facility entrance must be emptied daily or more frequently to prevent overflow, odor or other unsanitary and unsightly conditions.

Trash Receptacles Procedure	
Step	Procedure
1	Remove liner containing trash.
2	If receptacle is soiled, wash with degreasing cleaner solution and a brush at the slop sink.
3	Use a disinfectant to kill germs and eliminate odor.
4	Insert a new liner
5	As needed, clean exterior of container with degreasing cleaner and a disposable wipe.

Window and Glass Cleaning Procedures:

Glass is one of the easiest surfaces to be cleaned, yet it is one which shows soiling the most quickly. Clean glass lends to the appearance of cleanliness, while glass with soils, smears and fingerprints gives the entire facility an unkempt and unsanitary appearance.

Submitted by General Building Management Co.

EXHIBIT A

Small Glass Areas:

Materials Required:

1. Glass cleaner
2. Paper towels

Small Glass Areas Procedures	
Step	Procedure
1	Pre-clean any heavily soiled areas (i.e., fingerprints, food soils, smears) by spraying the soiled area with glass cleaner and rubbing vigorously with a paper towel. Repeat procedure if any soil remains.
2	Clean the entire surface by lightly misting surface and then wiping dry with a paper towel. Discard towel when it becomes soiled and dry with a paper towel. Discard towel when it becomes soiled and start with a fresh, clean one.
Note	On vertical glass surfaces, always spray from the bottom of the surface up and wipe clean from the top of the surface down to prevent streaking. Move across the surface in a horizontal fashion (side to side).

Large Glass Windows:

Materials Required:

1. Trigger sprayer of glass cleaner
2. 18" window squeegee and handle
3. New single edge razor blade
4. Window brush
5. 5-gallon bucket

Large Glass Window Procedures	
Step	Procedures
1	Pre-clean any heavily soiled areas (i.e., fingerprints, food soils, smears) by spraying the soiled area with the glass cleaner and rubbing vigorously with a paper towel. Repeat procedure if any soil remains.
2	Remove any tape adhesive from signs, etc., with a razor blade. Always use a NEW blade which is free of nicks. Hold the blade flat on the glass, and remove the tape by pressing gently and sliding the blade over the soiled area.
3	Next, mix solution into the 10 quart bucket:
3a.	Using the window brush, wet a window with the solution. Cover the entire surface and agitate the solution as it is applied.
3b	To squeegee the window, begin by running the squeegee across the top and down the sides of the window. Next, in one continuous motion, squeegee the entire center portion going from side to side in overlapping strokes. Wipe squeegee blade with paper towel when it becomes soiled after cleaning the window. Dry any streaked areas with a paper towel. With practice, you will be able to clean without streaking.
3c.	Change solutions when they become soiled. Clean, dry, and store the equipment properly when the task is completed.

Submitted by General Building Management Co.

EXHIBIT A

Mopping:

*Discuss with your supervisor double or single bucket mopping procedures.

Materials Required:

1. 48" dust mop, or disposable cloths, handle and frame.
2. Bucket on casters with wringer. (Two buckets for double bucket method).
3. Clean wet mop and handle.
4. Counter brush and dustpan.
5. Wet Floor signs.
6. Putty knife for scraping matted substances, such as chewing gum.
7. Solution of detergent/disinfectant or all purpose cleaner (whatever is applicable).
8. Automatic scrubber. (as required)

Single Bucket Mopping Procedure:

Single Bucket Mopping Procedure	
Step	Procedure
1	Dust mop is to remove loose soil. Pick up excess with dust pan.
2	Fill mop bucket approximately 2/3 with cool water and cleaner or detergent/disinfectant from water tap in closet.
3	Set up "Wet Floor" signs at either end of approximately 100 square foot area (5'x20'). Note: Some of our contracts require the area to be roped off.
4	Thoroughly wet one clean mop with cleaner or detergent/disinfectant and wring out tightly. Begin mopping the designated area. Use heel of mop to clean along baseboards (use putty knife to dig out corners, if necessary). Next, cover the entire area with side-to-side passes of the mop, reversing direction with a figure-8 at the end of each pass.
5	Keep the mop wet with cleaner or detergent/disinfectant solution. The heel of the mop should always be firm on the floor with strands evenly spread. Turn the mop several times between immersions to obtain full use of solution.
6	Change the mop solution when the solution becomes cloudy or soiled to avoid recontamination of surfaces.
7	When the floor area is dry, remove the wet floor signs and continue to the next area.

Submitted by General Building Management Co

EXHIBIT A



CERTIFICATE OF LIABILITY INSURANCE

OP ID: ST

DATE (MM/DD/YYYY)
02/26/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER KORAM INSURANCE CENTER, INC. 3807 WILSHIRE BLVD., SUITE 400 LOS ANGELES, CA 90010		CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: GENBU01	
INSURED GENERAL BUILDING MANAGEMENT, CO, INC. 3255 WILSHIRE BL #1222 LOS ANGELES, CA 90010	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: HARTFORD CASUALTY INSURANCE		29424
	INSURER B: STATE COMPENSATION INS. FUND		35076
	INSURER C: PROGRESSIVE WEST INS. CO.		24260
	INSURER D: CHARTIS		
	INSURER E: THE HARTFORD INSURANCE CO		19682
INSURER F:			

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		72SBMUW7198	03/16/2013	03/16/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
	GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO. FEET <input type="checkbox"/> LOC					
C	<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS		0835687692	12/14/2013	12/14/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (PER ACCIDENT) \$ \$ \$
	<input checked="" type="checkbox"/> SCHEDULED AUTOS		0835687692	12/14/2013	12/14/2014	
	<input checked="" type="checkbox"/> HIRED AUTOS		0835687692	12/14/2013	12/14/2014	
	<input checked="" type="checkbox"/> NON-OWNED AUTOS		0835687692	12/14/2013	12/14/2014	
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> EXCESS LIAB		BE068027832	03/16/2013	03/16/2015	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ \$
	DEDUCTIBLE \$ RETENTION \$					
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	1966073-14	01/29/2014	01/29/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	E FIDELITY BOND		72BDDGH7226	07/03/2013	07/03/2014	500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
EVIDENCE OF INSURANCE

CERTIFICATE HOLDER	CANCELLATION
EVIDENCE OF INSURANCE	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

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BID COMPARISON

Solicitation Number: RFB 2014-005 Janitorial Services

Closing Date: 5/19/2014 at 9:00 am

ENCLOSURE 2

Item No.	Months	Description	All Care Industries		Executive Site Services		Professional Building Maint.		Santa Fe Building Maintenance	
			Each	Est Cost	Each	Est Cost	Each	Est Cost	Each	Est Cost
1	36	City Hall	\$1,445.00	\$52,920.00	\$2,830.00	\$101,880.00	\$1,308.00	\$47,088.00	\$1,818.66	\$65,471.76
2	36	City Hall - West	\$350.00	\$12,600.00	\$425.00	\$15,300.00	\$311.00	\$11,196.00	\$263.86	\$9,498.96
3	36	City Yard	\$750.00	\$27,000.00	\$1,325.00	\$47,700.00	\$488.00	\$17,568.00	\$1,241.42	\$44,691.12
4	36	Parks & Recreation Offices	\$700.00	\$25,200.00	\$840.00	\$30,240.00	\$428.00	\$15,408.00	\$1,030.11	\$37,083.96
5	36	Pico Rivera Library	\$1,650.00	\$59,400.00	\$2,385.00	\$85,860.00	\$2,005.00	\$72,180.00	\$1,490.70	\$53,665.20
6	36	Rivera Library	\$750.00	\$27,000.00	\$990.00	\$35,640.00	\$970.00	\$34,920.00	\$556.67	\$20,040.12
Total Bid			\$203,220.00	\$316,620.00	\$316,620.00	\$198,360.00	\$198,360.00	\$220,451.12	\$230,451.12	

Item No.	Months	Description	Valley Maintenance Corps		DH Maintenance Services		General Building Management		Williams & Associates	
			Each	Est Cost	Each	Est Cost	Each	Est Cost	Each	Est Cost
1	36	City Hall	\$1,690.00	\$60,840.00	\$2,375.00	\$85,500.00	\$1,510.00	\$54,360.00	\$739.00	\$26,604.00
2	36	City Hall - West	\$365.00	\$13,140.00	\$775.00	\$27,900.00	\$180.00	\$6,480.00	\$1,427.00	\$51,372.00
3	36	City Yard	\$780.00	\$28,080.00	\$625.00	\$22,500.00	\$632.00	\$22,752.00	\$492.00	\$17,712.00
4	36	Parks & Recreation Offices	\$760.00	\$27,360.00	\$1,000.00	\$36,000.00	\$576.00	\$20,736.00	\$498.00	\$17,928.00
5	36	Pico Rivera Library	\$2,100.00	\$75,600.00	\$3,000.00	\$108,000.00	\$1,469.00	\$52,884.00	\$876.00	\$31,536.00
6	36	Rivera Library	\$720.00	\$25,920.00	\$1,325.00	\$47,700.00	\$486.00	\$17,496.00	\$2,237.00	\$80,532.00
Total Bid			\$230,940.00	\$327,600.00	\$327,600.00	\$174,768.00	\$174,768.00	\$225,684.00		

Item No.	Months	Description	Const Land Maintenance Serv.		United Maintenance Systems	
			Each	Est Cost	Each	Est Cost
1	36	City Hall	\$2,360.00	\$84,960.00	\$1,850.00	\$66,600.00
2	36	City Hall - West	\$450.00	\$16,200.00	\$250.00	\$9,000.00
3	36	City Yard	\$1,080.00	\$38,880.00	\$750.00	\$27,000.00
4	36	Parks & Recreation Offices	\$980.00	\$35,280.00	\$850.00	\$30,600.00
5	36	Pico Rivera Library	\$2,650.00	\$95,400.00	\$1,650.00	\$59,400.00
6	36	Rivera Library	\$1,200.00	\$43,200.00	\$950.00	\$34,200.00
Total Bid			\$313,920.00	\$226,800.00	\$226,800.00	



To: Mayor and City Council
From: City Manager
Meeting Date: June 24, 2014
Subject: PARK LANDSCAPE MOWING SERVICES, RFB 2014-PW01 -
AWARD SERVICE CONTRACT

Recommendation:

- 1) Award a three year service contract in the amount of \$261,723 to BMC Landscape Management Inc. for Park Landscape Mowing Services.
- 2) Authorize the Mayor to execute the contract in a form approved by the City Attorney.

Fiscal Impact: \$87,241 (General Fund, Park Maintenance Contracted Services)

Discussion:

Currently, the Public Works Department manages the landscaping and irrigation maintenance performed at the newly acquired Pio Pico Playground and seven parks: Streamland Park (7.3 acres), Obregon Park (1.3 acres), Pico Park (17 acres), Rio Hondo Park (13 acres), Smith Park (16 acres), Rio Vista Park (4.5 acres), and Rivera Park (14.8 acres). Currently, the parks are scheduled to be mowed once every two weeks, provided that there are no changes to the regularly scheduled maintenance program, including changes such as special requests and/or reduced staffing due to extended leaves/disability.

Council directed staff to increase the landscape maintenance and the 2014-15 Budget included necessary budget increases to fund the increase level of service to the parks. Staff obtained proposals to secure a contractor for park maintenance on a weekly basis, not including infields. The existing Public Works staff can focus on increasing the level of service to the turf, planters, irrigation system, and the overall condition of the parks. The services will begin with the new fiscal year beginning July 1, 2014.

Notice for Request for Bids for Park Landscape Mowing Services was advertised in the Whittier Daily News and posted on the City's website on May 14, 2014. Individual notices were also emailed to 37 contractors. Seventeen contractors requested bid packages. On Thursday, June 12, 2014, eleven bids were received and opened with BMC Landscape Management Inc. being the lowest responsible bidder.

COUNCIL AGENDA REPORT – MTG. OF 6/24/14
PARK LANDSCAPE MOWING SERVICES, RFB 2014-PW01-AWARD SERVICE
CONTRACT
Page 2 of 2

The following is the bid summary:

<u>Contractor</u>	<u>Total Bid</u>
1. BMC Landscape Management Inc.	\$261,722.52
2. L. Barrios & Associates, Inc.	\$265,680.00
3. Azteca Landscape	\$286,556.40
4. ValleyCrest Landscape Maintenance	\$302,220.00
5. S.C. Yamamoto, Inc.	\$315,900.00
6. Mariposa Lanscape, Inc.	\$359,244.00
7. Marina Landscape, Inc.	\$427,680.00
8. Complete Landscape Care, Inc.	\$431,100.00
9. Orozco Landscape & Tree Company	\$442,800.00
10. Pierre Landscape, Inc.	\$572,004.00
11. Campesino Landscape Inc.	\$901,393.92

After completion of the bid analysis, including reference checks, BMC Landscape Management, Inc. was confirmed to be the lowest responsible bidder. They have met all bid specifications and have municipal experience. They have worked for the City of Pasadena as well as providing landscape maintenance for Barlow Respiratory Hospital and Downey Regional Medical Center.

BMC Landscape Management, Inc. exhibits the capability, capacity, and experience to perform the work required under the bid solicitation. They have provided similar services and products with more than 46 years in the business.

 FOR RONALD BATES

Ronald Bates

RRB:MC:FP:lg

Enc.

- 1) Agreement
- 2) Bid Comparison

AGREEMENT NO. _____

FOR Park Landscape Mowing Services

THIS Agreement (hereinafter referred to as "Agreement") by and between the CITY OF PICO RIVERA, (hereinafter referred to as "City") and BMC LANDSCAPE MANAGEMENT, INC. (hereinafter referred to as "Contractor") is effective as of the 1st day of July 2014.

RECITALS

WHEREAS, the City desires to engage the Contractor to perform Park Landscape Mowing Services;

WHEREAS, the Contractor represents to the City that the Contractor has the necessary skill, experience, and expertise to provide Park Landscape Mowing Services;

WHEREAS, the principal representative is authorized to enter into this Agreement on behalf of the Contractor and the Contractor is willing to perform such services under this agreement; and

WHEREAS, the City and Contractor (hereinafter referred to jointly as "Parties" or individually as "Party") desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement, the Parties agree as follows:

1. **RETENTION.** The City retains the Contractor to provide Park Landscape Mowing Services. The Contractor accepts the employment and agrees to render such services on the terms and conditions stated in this Agreement.

2. **INDEPENDENT CONTRACTOR.** The Contractor is an independent contractor. As such, the Contractor shall have no power or authority to incur any debt, obligation or liability on behalf of the City. Further, the Contractor is not entitled to any benefit typically associated with an employee, such as medical, sick leave or vacation benefit.

3. **PERS ELIGIBILITY INDEMNITY.** In the event that the Contractor or any employee, agent, or subcontractor of the Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California

Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, the Contractor shall indemnify, defend and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits of behalf of the Contractor of its employees, agents or subcontractors, as well as for the payment of any penalties and interest on such contributions which would otherwise be the responsibility of the City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the Contractor and any of its employees, agents and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit or any incident of employment of the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by the City for employer contribution and/or employee contributions for PERS benefits.

4. SCOPE OF SERVICES. The scope of the Contractor's service is set forth in Exhibit "A which is attached to this Agreement.

5. COMPENSATION. The City agrees to pay the Contractor for the above stated services, as set forth in the attached Exhibit "B." The Contractor agrees that fees for services shall not exceed the authorized amounts of \$87,240.84 per year, unless the City has given specific advance approval in writing.

6. TERM. This Agreement shall be effective for a period of three (3) years, commencing July 1, 2014 and ending June 30, 2017 with an option to extend for up to two (2) additional one year periods based on satisfactory service/performance.

7. INDEMNITY AND INSURANCE

A. INDEMNITY. Contractor hereby agrees to protect, indemnify and hold the City and its employees, officers and servants free and harmless from any kind and all losses, claims, liens, demands and causes of actions of every kind and character including, but not limited to, the amounts of judgment, interests, court costs, legal fees and other expenses incurred by the City arising in favor of any party, including claims, liens, debts, personal injuries, including employees of the City, death or damages to property (including property of the City) and without limitation by enumeration, all other claims or demands of every character occurring or arising directly out of the negligent acts, errors or omissions by the Contractor in the performance of its services under this Agreement, except

only such injury to persons or damage to property due or claimed to be due to the sole negligence of the City. This provision is not intended to create any cause of action in favor of any third party against the Contractor or the City or to enlarge in any way the Contractor's liability but is intended solely to provide for indemnification of the City for liability for damages or injuries to third persons or property arising from Contractor's negligent performance hereunder.

B. **INSURANCE.** The Contractor shall provide and maintain insurance naming the City as an insured or additional insured with the Contractor regardless of any inconsistent statement in the policy or any subsequent endorsement whether liability is attributable to the Contractor or the City. The insurance provisions shall not be construed to limit the Contractor's indemnity obligations contained in the Contract. The Contractor shall save, keep, and hold harmless the Agency, its officers, employees and agents from all damages, costs or expenses in law or equity that may at any time arise to a person or property by reason of or in the course of performing the Work, or which may be caused by a negligent act or omission by the Contractor, the Contractor's employees, or a subcontractor.

With the exception of workers' compensation insurance, the policies furnished by the Contractor shall be issued by an insurance company authorized by the Insurance Commissioner to transact business in the State of California. The insurance company shall have a policy holder rating of "A" or higher and a Financial Class VII or higher as established by A.M. Best, or higher rating established by Moody's or Standard & Poor's.

The Contractor shall notify the City within five (5) days of the date of being notified by its insurance carrier of any changes or cancellation of the policy.

The contractor shall submit documents including an additional insured endorsement, certificate of insurance, and waiver of subrogation.

The cost of the defense of any claims against the City shall not erode or take away from the specified limits of liability.

No separate payment will be made for insurance. Payment shall be considered as included in the Agreement Price.

General Liability Insurance. The policy shall insure the City, its officers, employees and agents while acting within the scope of their duties on the Work, against all claims arising out of or in connection with operations. The certificate of insurance submitted to the City shall state that the Contractor's insurance is primary and that any other insurance held by the City is non-contributory.

The Contractor may file insurance acceptable to the City covering more than one contract. The coverage shall provide the following minimum limits:

General Aggregate Limit	\$2,000,000
Other than Products/Completed Operations Aggregate	\$2,000,000
Products/Completed Operations Aggregate Limit	\$2,000,000
Personal Injury Limit	\$1,000,000
Each Occurrence	\$1,000,000

The policy or policies shall be endorsed to provide that the insurer waives all rights of subrogation against the City, and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of the policy or policies and which arise from work performed by the named insured for the City.

Workers' Compensation Insurance. Pursuant to Sections 1860 and 3700 of the Labor Code, the Contractor shall secure, pay for and maintain in full force for the duration of the Agreement, workers' compensation insurance. The insurance company shall have a policy rating equal to or better than that of the California State Compensation Insurance Fund (SCIF). The City, its officers, employees and agents, shall not be held responsible for any claims in law or equity occasioned by failure of the Contractor to comply with this requirement.

Pursuant to Sections 1860 and 1861 of the Labor Code, the Contractor shall submit the following certification to the City prior to execution of the Contract:

"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.”

The policy or policies shall be endorsed to provide that the insurer will waive all rights of subrogation against the City and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of the policy or policies and which arise from work performed by the named insured for the City.

Auto Liability Insurance. The Contractor shall provide a certificate of insurance to the City showing coverage of at least \$1,000,000 for bodily injury and property damage or a combined single limit. This policy shall be for “any auto” or for “all autos either owned, hired or non-owned.”

8. INSPECTION OF DOCUMENTATION. All reports, documents or other written material developed by the Contractor in the performance of this Agreement shall be subject to the City’s inspection at any time and the City has the right to make copies of the same.

9. TERMINATION FOR CONVENIENCE. Either the City or the Contractor may terminate this Agreement at any time without cause by giving thirty (30) calendar days written notice to the other of such termination and specifying the effective termination date. If this Agreement is terminated as provided herein, the Contractor will be paid a total amount equal to the service he has provided as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

10. NOTICE OF DEFAULT and TERMINATION FOR CAUSE. If for any reason the Contractor shall fail to fulfill in a timely and proper manner its obligation under this Agreement, or the Contractor has violated any of the covenants, conditions or stipulations of this Agreement, the City shall then provide notice to the Contractor, setting forth the covenants, conditions or stipulations of this agreement which are then in breach. The Contractor shall then have ten (10) days (or a longer period if granted by the City) to cure the covenants, conditions or stipulations expressed in the City’s written notice. If the Contractor fails to cure and bring into compliance all terms specified, the City shall then have the right to terminate this Agreement without further notice to the Contractor. The notice shall refer to this clause, specify the nature of the alleged default and shall specify the effective date of the termination in the event that breach does lead to termination. The Contractor will be paid a total amount equal to the service he has

provided as of the termination date. In no event shall the amount payable upon termination exceed the total maximum compensation provided for in this Agreement.

11. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICE.

The representatives of the parties who are primarily responsible for the administration of this Agreement, and to whom formal notice, demands and communications shall be given, are as follows:

- A. The principal representative of the City shall be:

City Manager
City of Pico Rivera
PO Box 1016
6615 Passons Boulevard
Pico Rivera, California 90660-1016

With a courtesy copy to the City Attorney:

Arnold M. Alvarez-Glasman
Alvarez-Glasman & Colvin
13181 Crossroads Parkway North
Suite 400 – West Tower
City of Industry, California 91745

- B. The principal representative of the Contractor shall be:

Gustavo Occhiuzzo, President
BMC Landscape Management, Inc.
250 N. Westlake Blvd, Suite 230
Westlake Village, California 91362

- C. Formal notices, demands and communications to be given hereunder by either party shall be made in writing and may be effected by personal delivery or by mail.

- D. If the name of the principle representative designated to receive the notices, demands or communications, or the address of such person, is changed, written notice shall be given within five (5) working days of said changes.

12. NON-EXCLUSIVE CLAUSE. The City does not warrant to contract exclusively with a single contractor to perform Park Landscape Mowing Services.

13. ASSIGNMENT AND SUBCONTRACTING. Neither Party shall assign or subcontract the rights or responsibilities under this Agreement without the express written consent of the other Party, which may be withheld for any reason and for no reason.

14. WARRANTY. The Contractor warrants that the services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily provided by an experienced and competent professional organization rendering the same or similar services. The Contractor shall re-perform any of said services, which are not in conformity with standards as determined by the City. The Contractor will be relieved of its obligation to re-perform said services if the City does not notify the Contractor within thirty (30) days after the completion of the non-conforming service. Compensation for the Contractor to re-perform said services shall be subject to the approval of the City, but in no event shall such compensation exceed the actual cost of said services. Except as herein provided, with respect to personal injury or property damage the foregoing are the Contractor's entire responsibilities and the City's exclusive remedies for service rendered or to be rendered hereunder, and no other warranties, guarantees, liabilities or obligations are to be implied.

15. RESOLUTION OF DISPUTES.

- A. Disputes regarding the interpretation of application of any provisions of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties.
- B. If any action, at law or in equity, is brought to enforce or to interpret any provisions of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees, costs and necessary disbursements, in addition to such other relief as may be sought and awarded.

16. FORCE MAJEURE. The respective duties and obligations of the Parties hereunder shall be suspended while and so long as performance hereto is prevented or impeded by strikes, disturbances, riots, fire, severe weather, government actions, war acts, acts of God, or any other cause similar or dissimilar to the foregoing which are beyond the control of the party from whom the affected performance was due.

17. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY. In the performance of this Agreement, the Contractor shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation. The Contractor will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.

18. SEVERABILITY. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions nevertheless will continue in full force and effect without being impaired or invalidated in any way.

19. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

20. ENTIRE AGREEMENT. This Agreement, together with Exhibits "A" and "B" supersede any and all other agreements, either oral or in writing, between the parties with respect to the subject matter herein. Each party to this Agreement acknowledges that no representation by any party, which is not embodied herein, nor any other agreement, statement or promise not contained in this Agreement shall be valid and binding. Any modification of the Agreement shall be effective only if it is in writing and signed by all parties.

21. NONWAIVER OF TERMS, RIGHTS AND REMEDIES. Waiver by either Party of any conditions of performance shall not be a waiver of any other condition of performance. The City's payment to the Contractor shall not constitute a waiver of any breach or any default which may then exist on the part of the Contractor.

22. HEADINGS. Paragraph headings are only for convenience and shall not be used to construe meaning or intent.

23. NO CONSTRUCTION OF AGREEMENT AGAINST ANY PARTY. Each Party has cooperated in the drafting and preparation of this Agreement. Therefore, this

Agreement shall not be construed against any Party on the basis such Party drafted this Agreement or any provision within it.

24. **EXHIBITS.** All exhibits are incorporated in to this Agreement by reference.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their respective officers hereunto duly authorized.

“CITY”
CITY OF PICO RIVERA

“CONTRACTOR”
BMC Landscape Management, Inc.

Brent A. Tercero, Mayor

Dave Richards

Dave Richards, VP

Dated: _____

Dated: 6/18/14

ATTEST:

APPROVED AS TO FORM:

Anna M. Jerome, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

EXHIBIT A

SCOPE OF SERVICES

Park Landscape Mowing Services

1.0 SCOPE OF WORK

- 1.1 The Bidder shall provide landscape mowing services at eight (8) City parks as listed in Attachment 3 Bid Form of this RFB. Bidder hereby acknowledges that before submitting the Bid for this Contract, Bidder has visited all existing areas to be maintained, verified the approximate size of the areas, noted for each park the proposed work, and informed themselves fully as to all conditions that might affect the work specified. Bidder shall not be relieved of liability under this Agreement, nor the City held liable, for any loss sustained by the Bidder, as a result of any variance between conditions referred to in this RFB and the actual conditions revealed during the examination of the locations of the proposed work.
- 1.2 The work shall be done in a thorough and workmanlike manner to the satisfaction of the City. The work areas shall be maintained at the level of service provided for in this Scope of Services at all times.

2.0 UNIFORMS AND IDENTIFICATION BADGES

- 2.1 The Bidder shall ensure that their employees are appropriately identified.
- 2.2 The Bidder shall ensure that every on-duty employee wears a visible photo identification badge identifying the following: employee name, physical description, and Bidder's name. Such badge shall be displayed on employee's person at all times when he/she is on City designated property.
- 2.3 Employees assigned to City facilities shall wear an appropriate uniform shirt at all times. The uniform shirt must display the Bidder's name.

3.0 MATERIALS AND EQUIPMENT

- 3.1 The Bidder is responsible for purchasing all materials and equipment to provide the needed services of the City facilities.
- 3.2 The Bidder shall use equipment that is commercial grade, safe for the environment, and safe for use by the employee.

- 3.3 The Bidder is required to keep all equipment used to maintain the City facilities in a safe and operable manner. All equipment shall be checked daily for safety.
- 3.4 Bidder shall display a sign indicating Bidder's name and license number on both sides of all maintenance vehicles. The City shall approve all signs.
- 3.5 City will not provide any storage facilities for the Bidder for materials and equipment.
- 3.6 City will pay for the maintenance related water and electrical utilities.

4.0 CONTACT INFORMATION

- 4.1 The Bidder is required to maintain an office and provide the telephone services so that all calls from the City have no toll charge. If a telephone answering service is utilized, the answering service shall be capable of contacting Bidder by radio or cell phone. Bidder is further required to provide the City with a 24-hour emergency number for contact outside normal working hours. In response to a call from the City, Bidder shall respond within 2 hours.

5.0 SAFETY

- 5.1 The Bidder agrees to perform all work outlined in this Scope of Work in such a manner as to meet all accepted standards for safe practices during maintenance operations and to safely maintain and operate all equipment, machines, and materials consequential or related to the work; and is solely responsible for complying at all times with all local, County, State, Federal, or other legal requirements including, but not limited to, California Department of Food and Agriculture, O.S.H.A. Orders, Department of Transportation Drug and Alcohol testing provisions, CalTrans Traffic Control Manuals, and APWA Traffic Control Handbook, so as to protect all persons, including Bidder's employees, agents of the City, vendors, members of the public, and others from foreseeable injury to themselves or damage to their property. Furthermore, Bidder must contact Underground Service Alert (Dig Alert) before excavating a location, as necessary. Bidder shall inspect all hazards and potential hazards in maintained areas and keep a log indicating the date inspected and action taken. All employees working within the roadway right-of-way shall wear reflective safety vests.
- 5.2 It shall be the Bidder's responsibility to inspect and identify any practices and conditions that render any portion of the maintained areas unsafe. The City shall be notified immediately of any unsafe conditions that require major correction. Bidder shall be responsible for making minor corrections

including, but not limited to, filling holes in turf areas, replacing valve box covers, and repairing irrigation systems so as to protect members of the public or others from injury. Bidder shall cooperate fully with City in the investigation of any accidental injury or death occurring in any of the maintained areas, including a complete written report thereof to the City within five (5) days of the injury or death.

6.0 EMERGENCY PROCEDURES

- 6.1 The Bidder shall immediately report any emergency situations such as vandalism, broken equipment, etc., by calling the following:
- 6.2 During business hours, the Bidder shall contact the City's Public Works Department at (562) 801-4415.
- 6.3 After-hours, the Bidder shall contact the Public Works Stand-by Employee at (562) 755-0768.

7.0 HOURS AND DAYS OF SERVICE

- 7.1 Maintenance service may be conducted between the hours of 6:00 a.m. and 3:00 p.m. on those days maintenance is to be provided pursuant to the work schedule approved in advance by the City.
- 7.2 Eight (8) hours of labor shall constitute a legal day's work for all workers employed in the execution of this Contract and the Contractor and any subcontractor under him/her shall comply with and be governed by the laws of the State of California having to do with working hours as set forth in Division 2, Part 7, Chapter 1, Article 2 of the Labor Code of the State of California as amended.
- 7.3 Within ten (10) days of the effective date of the Contract, Bidder will be requested to submit a work schedule to the City for approval. When actual performance differs substantially from previously scheduled work, the Bidder shall submit for approval a revised schedule within five (5) working days.

8.0 GENERAL CONDITIONS

- 8.1 The Bidder shall have the duty to mow, edge, and trim turf areas at City parks as specified in the RFB.
- 8.2 The Bidder shall not perform any operation, particularly during periods of inclement weather, which may destroy or damage plant, ground cover, or turf areas. The Director of Public works, or his designee(s), shall have the authority to suspend the work, wholly or in part, for such period as he may deem necessary, due to unsuitable weather or to such other conditions as are considered unfavorable for the suitable execution of the work. Any

mowing missed due to inclement weather and not rescheduled shall be deducted from the monthly billing statement.

- 8.3 Bidder shall be required to assign a designated foreman as contract work manager. This individual will be the contact person for this Contract and must be available to respond to inquiries, 'walk-throughs', and inspections of the work as required. The foreman shall be on site for a minimum of ten (10) hours per week. At least one member of any maintenance crew at each maintenance area shall be able to read and speak English fluently.
- 8.4 The foreman shall perform a maintenance inspection weekly during daylight hours of all areas within the maintained areas. Such inspection shall be both visual and operational.
- 8.5 The foreman shall prepare and submit to the Director of Public Works, or his designee(s), a weekly report. The weekly report shall indicate the overall condition of the maintained areas and shall list specifically any unusual or problem areas/situations. The report shall also include action to be taken by the Bidder to rectify said situation and indicate the anticipated time frame for compliance.
- 8.6 The Bidder shall schedule operations so as not to interfere with the public's use of the maintained areas. Bidder shall conduct its operations so as to provide the maximum safety for the public and to offer the least possible obstruction and inconvenience to the public, or disruption to the peace and quiet of the area around which the services are performed.
- 8.7 If any person employed by the Contractor or any subcontractor shall fail or refuse to carry out the directions of the Director of Public Works, or his designee(s), or is in the opinion of the Director, incompetent, intemperate, or disorderly; or uses threatening or abusive language to any person on the work site; or is otherwise unsatisfactory, he shall be discharged from the project immediately, and shall not again be employed on the work except with the written consent of the Director of Public Works or his designee(s). Bidder shall transfer or discharge any such person within a reasonable time following notice therefore from the Director and such person shall not be employed at any other area maintained by the Bidder for the City except with the written consent of the Director.
- 8.8 The Bidder shall not post advertising signs and banners within the maintained areas. All traffic control and public safety signs used by the Bidder shall be kept free of graffiti at all times.

8.2 SPECIFIC WORK REQUIREMENTS

The Bidder shall perform, at their sole expense, the following services;

- 8.1 Mowing: Turf to be mowed with an adequately sharpened power mower to ensure a smooth surface appearance without scalping. All turf grasses are to be cut so that no more than one-third the height of the grass blade is removed during any one mowing operation. Recycling mowers may only be used upon approval of the Director of Public Works, or his designee(s). The mowing heights will be adjusted according to the needs of the City or during periods of renovation. A mowing schedule will be established and maintained. This schedule will provide that all areas will be mowed once a week. All mowing missed and not completed within three (3) working days, shall be deducted from the monthly billing statement. Costs will be calculated at a rate of 25% of the total monthly maintenance costs as listed in the Proposal Schedule for subject facility. Clippings are to be removed concurrent with each mowing.
- 8.2 Edging: The edge of the grass along sidewalks, curb, shrub and flowerbeds, and walls, shall be trimmed to a neat and uniform line. Where trees occur in turf areas, all grass shall be removed six (6) inches from the trunks of trees by approved chemicals or by hand as required. Mulch may be applied to the base of tree trunks to reduce weed growth. Weed eaters may not be used to clear turf around trees. Bidder shall trim around all sprinkler heads as necessary to provide maximum water coverage. Edging will be done concurrent with each mowing. The edge of the turf shall be trimmed around valve boxes, meter boxes, backflow devices, or any structures located within the turf areas using mechanical methods. Turf edges are to be maintained to prevent grass invasion into adjacent shrub, flower, and ground cover bed areas. After mowing and edging is completed, all adjacent walkways are to be cleaned.
- 8.3 Sports Turf: All infield turf is excluded from this Scope of Work.

9.0 DAMAGE

- 9.1 All damages incurred to existing facilities by the Bidder's operation shall be repaired or replaced at the Bidder's expense.
- 9.2 All repairs will be performed by the City and the Bidder shall reimburse the City for the value of the repair.

10.0 EXTRAORDINARY REPAIRS

- 10.1 Any extraordinary incident such as vandalism, acts of God, and third party negligence which has or will affect any maintained area and is within the scope of the Bidder's responsibilities, shall be documented by Bidder by a phone call, photographs, and/or written statement, and documentation shall be given to the City within eight (8) hours. Bidder is not responsible

for reporting or documenting graffiti. Bidder shall perform the above documentation upon discovery of extraordinary incidents.

- 10.2 The City may, at its discretion, when it learns of the need for extraordinary repairs, direct the Bidder to perform necessary repairs and replacements in accordance with the following: Bidder shall submit a written estimate for the cost of performing such work to the City. City may upon review and approval of such estimate, authorize Bidder to perform said work by the issuance of a written work order. Upon completion of the work, Bidder shall submit a bill to the City.

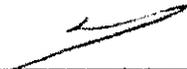
EXHIBIT B

**ATTACHMENT 3
BID FORM
RFB 2014-PW01 Park Landscape Mowing Services**

Item No.	Quantity	UOM	Location	Monthly Cost	Extended Cost
1	36	Mo.	Streamland Park 3539 Durfee Avenue 7.3 acres	\$ 1195 ⁰⁸	\$ 43,022 ⁸⁸
2	36	Mo.	Pio Pico Playground 4211 Columbia Street 1.3 acres	\$ 597 ⁵⁴	\$ 21,511 ⁴⁴
3	36	Mo.	Obregon Park 3298 Sandoval Avenue 1.3 acres	\$ 398 ³⁶	\$ 14,340 ⁹⁶
4	36	Mo.	Pico Park 9528 Beverly Boulevard 17 acres	\$ 1195 ⁰⁸	\$ 43,022 ⁸⁸
5	36	Mo.	Rio Hondo Park 8421 San Luis Potosi Place 13 acres	\$ 1792 ⁶²	\$ 64,534 ³²
6	36	Mo.	Smith Park 6016 Rosemead Boulevard 16 acres	\$ 597 ⁵⁴	\$ 21,511 ⁴⁴
7	36	Mo.	Rio Vista Park 8751 Coffman & Pico Road 4.5 acres	\$ 298 ³²	\$ 10,755 ³²
8	36	Mo.	Rivera Park 9530 Shade Lane 14.8 acres	\$ 1195 ⁰⁸	\$ 43,022 ⁸⁸
				Total Bid Amount	\$ 261,722⁵⁶

In submitting this Bid, Respondent agrees to comply with the terms and conditions illustrated in this RFB.

Person from your company who completed the bid package:

Signature:  Date: 6/9/2014

Printed Name and Title: Gustavo Occhiuzzo, President

E-Mail: info@bmclm.com

Phone: 323-770-2440

RFB 2014-PW01 Park Landscape Mowing Services

Bid Opening June 12, 2014

Vendor Name:			L. Barrios & Associates, Inc.		Orozco Landscape & Tree Company		Mariposa Landscapes, Inc.		
Item No.	Qty	UOM	Location	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost
1	36	Mo.	Streamland Park	\$ 1,052.00	\$ 37,872.00	\$ 1,800.00	\$ 64,800.00	\$ 1,325.00	\$ 47,700.00
2	36	Mo.	Pio Pico Playground	\$ 384.00	\$ 13,824.00	\$ 500.00	\$ 18,000.00	\$ 118.00	\$ 4,248.00
3	36	Mo.	Obregon Park	\$ 384.00	\$ 13,824.00	\$ 500.00	\$ 18,000.00	\$ 204.00	\$ 7,344.00
4	36	Mo.	Pico Park	\$ 1,336.00	\$ 48,096.00	\$ 2,300.00	\$ 82,800.00	\$ 1,855.00	\$ 66,780.00
5	36	Mo.	Rio Hondo Park	\$ 1,152.00	\$ 41,472.00	\$ 2,000.00	\$ 72,000.00	\$ 1,681.00	\$ 60,516.00
6	36	Mo.	Smith Park	\$ 1,152.00	\$ 41,472.00	\$ 2,200.00	\$ 79,200.00	\$ 2,243.00	\$ 80,748.00
7	36	Mo.	Rio Vista Park	\$ 768.00	\$ 27,648.00	\$ 1,000.00	\$ 36,000.00	\$ 662.00	\$ 23,832.00
8	36	Mo.	Rivera Park	\$ 1,152.00	\$ 41,472.00	\$ 2,000.00	\$ 72,000.00	\$ 1,891.00	\$ 68,076.00
Total Bid Amount				\$	\$ 265,680.00	Total Bid Amount	\$ 442,800.00	Total Bid Amount	\$ 359,244.00

Vendor Name:			Pierre Landscape, Inc.		ValleyCrest Landscape Maintenance,		Campesino Landscape Inc.		
Item No.	Qty	UOM	Location	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost
1	36	Mo.	Streamland Park	\$ 1,795.00	\$ 64,620.00	\$ 1,520.00	\$ 54,720.00	\$ 4,147.20	\$ 149,299.20
2	36	Mo.	Pio Pico Playground	\$ 268.00	\$ 9,648.00	\$ 250.00	\$ 9,000.00	\$ 518.40	\$ 18,662.40
3	36	Mo.	Obregon Park	\$ 443.00	\$ 15,948.00	\$ 325.00	\$ 11,700.00	\$ 673.92	\$ 24,261.12
4	36	Mo.	Pico Park	\$ 2,371.00	\$ 85,356.00	\$ 1,150.00	\$ 41,400.00	\$ 3,110.40	\$ 111,974.40
5	36	Mo.	Rio Hondo Park	\$ 3,221.00	\$ 115,956.00	\$ 1,290.00	\$ 46,440.00	\$ 5,702.40	\$ 205,286.40
6	36	Mo.	Smith Park	\$ 3,441.00	\$ 123,876.00	\$ 1,300.00	\$ 46,800.00	\$ 4,147.20	\$ 149,299.20
7	36	Mo.	Rio Vista Park	\$ 1,090.00	\$ 39,240.00	\$ 880.00	\$ 31,680.00	\$ 1,555.20	\$ 55,987.20
8	36	Mo.	Rivera Park	\$ 3,260.00	\$ 117,360.00	\$ 1,680.00	\$ 60,480.00	\$ 5,184.00	\$ 186,624.00
Total Bid Amount				\$	\$ 572,004.00	Total Bid Amount	\$ 302,220.00	Total Bid Amount	\$ 901,393.92

RFB 2014-PW01 Park Landscape Mowing Services

Bid Opening June 12, 2014

Vendor Name: S. C. Yamamoto, Inc.			Marina Landscape, Inc			Complete Landscape Care, Inc.			
Item No.	Qty	UOM	Location	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost
1	36	Mo.	Streamland Park	\$ 850.00	\$ 30,600.00	\$ 1,153.00	\$ 41,508.00	\$ 2,000.00	\$ 72,000.00
2	36	Mo.	Pio Pico Playground	\$ 150.00	\$ 5,400.00	\$ 205.00	\$ 7,380.00	\$ 300.00	\$ 10,800.00
3	36	Mo.	Obregon Park	\$ 150.00	\$ 5,400.00	\$ 205.00	\$ 7,380.00	\$ 750.00	\$ 27,000.00
4	36	Mo.	Pico Park	\$ 2,000.00	\$ 72,000.00	\$ 2,686.00	\$ 96,696.00	\$ 2,475.00	\$ 89,100.00
5	36	Mo.	Rio Hondo Park	\$ 1,500.00	\$ 54,000.00	\$ 2,054.00	\$ 73,944.00	\$ 1,600.00	\$ 57,600.00
6	36	Mo.	Smith Park	\$ 1,875.00	\$ 67,500.00	\$ 2,528.00	\$ 91,008.00	\$ 2,450.00	\$ 88,200.00
7	36	Mo.	Rio Vista Park	\$ 500.00	\$ 18,000.00	\$ 711.00	\$ 25,596.00	\$ 700.00	\$ 25,200.00
8	36	Mo.	Rivera Park	\$ 1,750.00	\$ 63,000.00	\$ 2,338.00	\$ 84,168.00	\$ 1,700.00	\$ 61,200.00
Total Bid Amount				\$	\$ 315,900.00	Total Bid Amount	\$ 427,680.00	Total Bid Amount	\$ 431,100.00

Vendor Name: Azteca Landscape			BMC Landscape Management, Inc.						
Item No.	Qty	UOM	Location	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost	Monthly Cost	Extended Cost
1	36	Mo.	Streamland Park	\$ 772.70	\$ 27,817.20	\$ 1,195.08	\$ 43,022.88		\$ -
2	36	Mo.	Pio Pico Playground	\$ 137.60	\$ 4,953.60	\$ 597.54	\$ 21,511.44		\$ -
3	36	Mo.	Obregon Park	\$ 137.60	\$ 4,953.60	\$ 398.36	\$ 14,340.96		\$ -
4	36	Mo.	Pico Park	\$ 1,799.45	\$ 64,780.20	\$ 1,195.08	\$ 43,022.88		\$ -
5	36	Mo.	Rio Hondo Park	\$ 1,376.05	\$ 49,537.80	\$ 1,792.62	\$ 64,534.32		\$ -
6	36	Mo.	Smith Park	\$ 1,693.60	\$ 60,969.60	\$ 597.54	\$ 21,511.44		\$ -
7	36	Mo.	Rio Vista Park	\$ 476.32	\$ 17,147.52	\$ 298.77	\$ 10,755.72		\$ -
8	36	Mo.	Rivera Park	\$ 1,566.58	\$ 56,396.88	\$ 1,195.08	\$ 43,022.88		\$ -
Total Bid Amount				\$	\$ 286,556.40	Total Bid Amount	\$ 261,722.52	Total Bid Amount	\$ -



To: Mayor and City Council
From: City Manager
Meeting Date: June 22, 2014
Subject: LETTER OF SUPPORT FOR THE COMPLETION OF INTERSTATE 710

Recommendation:

The City Council consider authorizing the Mayor to sign a letter of support for the completion of Interstate 710.

Fiscal Impact: None.

Discussion:

On June 12, 2014, the City received a request to support the completion of the I-710. Mayor Tercero has requested that this item be agendized. The 710 Coalition consists of several San Gabriel Valley and Los Angeles County cities, residents, organizations, school districts, and businesses determined to see the 710 from Alhambra to Pasadena completed via a tunnel. Alhambra is one of the member cities, and our City appreciates the assistance of Barbara Messina, Councilmember from Alhambra for supporting the Durfee Grade Separation.

According to the 710 Coalition, 20% of the Los Angeles County population lives in the San Gabriel Valley and in the east/northeast of Los Angeles yet there is no North and South freeway to connect the 10, 210, and 110. If the 710 Gap is not closed by a new tunnel, major traffic arteries between the 210 and 10 freeways will have at least 10,000 more vehicles on them every day by 2015. Gridlock on surface streets brings major environmental and public safety risks to local communities. If we complete the 710 Freeway and close the gap, we'll improve traffic in the entire region.

Ronald Bates FOR RONALD BATES

Ronald Bates

RB:RC:sp

Attachment: Support Letter

June 23, 2014

by email: 710coalition@gmail.com

Dear 710 Coalition Members:

The City of Pico Rivera strongly supports the 710 Coalition's effort to complete the Interstate 710 from Alhambra to Pasadena, and close the 4.5-mile gap in our region's freeway system as soon as possible. Pico Rivera believes that the completion of this project will help alleviate traffic in local neighborhoods, create jobs, and spur economic development for the region, and supports the will Los Angeles County voters that overwhelmingly voted in 2008 for the completion of this project with Measure R funds.

For far too long, residents of our communities have experienced unnecessary traffic congestion and the City of Pico Rivera believes the completion of the 710 tunnel will improve regional transportation and the local economies.

It is for these reasons that the City of Pico Rivera strongly supports the 710 tunnel and the 710 Coalition's efforts to make this vital project a reality.

Sincerely,

Brent A. Tercero
Mayor