



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 12/13/2011

**Report Type:** Consent

**Title: Contract: Integrated Pest Management Services**

**Report ID:** 2011-00983

**Location:** Citywide

**Recommendation:** Adopt a Resolution: 1) awarding a five-year contract to Applied Pest Management, Inc., the lowest responsive and responsible bidder, for the purchase of integrated pest management services for City buildings and property in an amount not to exceed \$225,000 for the five-year period; and 2) authorizing the City Manager or the City Manager's designee to execute the contract specified above.

**Contact:** Marc Robles, Program Analyst, (916) 808-6343; Craig Lymus, Acting Procurement Services Manager, (916) 808-5524

**Presenter:** None

**Department:** General Services Dept

**Division:** Procurement Services Admin

**Dept ID:** 13001061

## **Attachments:**

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- 1-Description/Analysis
- 2-Attachment 1 Bid Analysis
- 3-Resolution
- 4-Exhibit A Contract With Applied Pest Management

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### **City Attorney Review**

Approved as to Form  
Lan Wang  
12/1/2011 1:10:21 PM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Russell Fehr  
11/28/2011 9:49:20 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Reina Schwartz - 12/1/2011 8:00:41 AM

## Description/Analysis

**Issue:** The Department of General Services, Facilities and Real Property Management Division, has an ongoing need to provide integrated pest management services for City buildings and property to ensure the health and safety of citizens and employees, and regulatory compliance for the City.

**Policy Considerations:** The recommendations in this report are in accordance with the provisions of City Code Chapter 3.56 and Resolution No. 2010-346 prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** The recommendations in this report involve the purchase of integrated pest management services. Continuing purchases of services are not a 'project' and are not subject to CEQA, in accordance with Section 15378(b)(2) of the CEQA Guidelines. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

**Sustainability:** Integrated Pest Management is a sustainable practice which minimizes harm to people and the environment.

**Commission/Committee Action:** None

**Rationale for Recommendation:** The Department of General Services, Facilities and Real Property Management Division, has an ongoing need to provide integrated pest management services for City buildings and property to ensure the health and safety of citizens and employees, and regulatory compliance for the City.

On October 28, 2011, Procurement Services, in accordance with City Code Chapter 3.56, issued Invitation for Bid No. B12131061004 for the purchase of integrated pest management services. Four responses were received. Applied Pest Management, Inc. was the lowest responsive and responsible bidder. The bid results are provided in Attachment 1.

**Financial Considerations:** Funding for this service will be provided by the various department operating budgets or capital improvement project (CIP) budgets that utilize the service. Pricing for the first year of the contract will be at the original bid price. Annual price increases are capped at a maximum of four percent for each year of the contract after the first year. Sufficient funding is available in the FY2011/12 operating and CIP budgets for purchases through June 30, 2012. Purchases made after June 30, 2012 are subject to funding availability in the budget adopted for the applicable fiscal year(s). In determining the recommended spending authority, Facilities and Real Property Management, and Procurement staff reviewed the expenditure history for this service and considered future needs. Annual estimated expenditures are provided in the table below.

Vendor	Estimated Expenditures					
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Applied Pest Management, Inc.	\$40,000	\$42,500	\$45,000	\$47,500	\$50,000	\$225,000

**Emerging Small Business Development (ESBD):** Applied Pest Management, Inc. is certified with the City as an emerging/small business firm.



## BID RESULTS - BID NO. B12131061004

	<b>Applied Pest Management, Inc.</b>	<b>Neighborly</b>	<b>Pestmaster</b>	<b>Terminix</b>
Integrated pest management services	\$36,264.00	\$42,036.00	\$75,680.28	\$66,972.00
5% E/SBE preference	(\$1,813.20)	None	(\$3,784.01)	None
1% City limit preference	None	None	None	None
Prompt payment discount	(\$1,813.20)	None	(\$1,513.61)	None
Total bid evaluation	\$32,637.60 <sup>(1)</sup>	\$42,036.00	\$70,382.66	\$66,972.00

Award contract to: Applied Pest Management, Inc.  
2425 Sonoma Blvd.  
Vallejo, CA 94590

Total contract amount: \$225,000<sup>(1)</sup>

No. of E/SBE bids solicited: 2  
No. of E/SBE bids responses: 2  
Award to E/SBE vendor: Yes

<sup>(1)</sup>The lowest responsible bid amounts represent the total for the quantities selected for evaluation purposes only, which was calculated on historic annual expenditures. Authorization is requested to enter into contract in a total amount not to exceed \$225,000, which anticipates a cost increase and more closely reflects the actual amount anticipated to be expended overall for the potential five-year period.



## **RESOLUTION NO. 2011-XXXX**

Adopted by the Sacramento City Council

December 13, 2011

### **AWARDING CONTRACT FOR INTEGRATED PEST MANAGEMENT SERVICES**

#### **BACKGROUND**

- A. The Department of General Services, Facilities and Real Property Management Division, has an ongoing need to provide integrated pest management services for City buildings and property to ensure the health and safety of citizens and employees, and regulatory compliance for the City.
- B. On October 28, 2011, Procurement Services, in accordance with City Code Chapter 3.56, issued Invitation for Bid No. B12131061004 for the purchase of integrated pest management services. Four responses were received. Applied Pest Management, Inc. was the lowest responsive and responsible bidder.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. Applied Pest Management, Inc. is awarded a five-year contract for the purchase of integrated pest management services in a total amount not to exceed \$225,000 for the five-year period.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the contract specified above, provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).
- Section 3. Exhibit A is a part of this resolution.



# City of Sacramento Contract Cover and Routing Form

Requires Council Approval:  No  YES Meeting: Dec. 13

## General Information

Type: Non Professional Services

CHANGE: None

CH #:

\$ Not to Exceed: \$ 225,000.00

Original Contract Number:

Original Contract Amount:

Contractor: Applied Pest Management, Inc.

Project Name: Integrated Pest Management (IPM) Services

Project Number:

Bid Transaction #: B12131061004

E/SBE-DBE-M/WBE: No



## Department Information

Department: General Services

Division: Procurement

Project Mgr: Marc Robles

Supervisor: Craig Lymus

Contract Services:

Division Mgr:

Phone Number: x6343

Org Number: 13001611

Comment:

## Review and Signature Routing

Department	Signature or Initial	Date
Project Mgr:	<i>MR</i>	11.23.11
Accounting:	-	
Contract Services:		
Supervisor:	<i>CL</i>	11/23/11
Division Manager:	<i>CR</i>	11/23/11

City Attorney	Signature or Initial	Date
City Attorney:	<i>AW</i>	11/29/11

Send Interoffice Mail  Notify for Pick Up

Authorization	Signature or Initial	Date
Schwartz, Reina Department Director:		
City Mgr: yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		

### For City Clerk Processing

#### Finalized:

Initial: \_\_\_\_\_ Date: \_\_\_\_\_

#### Imaged:

Initial: \_\_\_\_\_ Date: \_\_\_\_\_

Resolution No: (If Applicable)

Contract No:

**This coversheet is to remain with the original signed Contract.**

### Responsibility

**General Information:** May be completed by Project Manager or Contract Services.

**Department Information:** May be completed by Project Manager or Contract Services.

**Review and Signature Routing:**

**Department**

Project Manager: Verification of Technical Specs.

Accounting: Verification of Funding Sources.

Contract Services: BOT Number, Insurance, Bonds, Solicitation (BID, RFP, RFQ, RFI, Quote, Sole Source, or Emergency), Contractor Signatures, E/SBE, DBE or M/WBE Project Participation.

**City Attorney**

Approval of Contract Form and Bonds (if applicable)

Verification that Insurance Documents are Included (if required for contract approval)

**Authorization**

Department Director: Review All Contracts; Signing Authority <\$100,000

City Manager: Signing Authority delegated for < \$100,000

Signing Authority delegated to Assistant City Manager for = or > \$100,000  
**AFTER** Council Authorization

### Types of Contracts

Type	City Code	Type	City Code
Commodity	<b>3.56</b>	Reimbursement/Credit	
Development	<b>18.16</b>	Settlement	
Grant		Supplies	<b>3.56</b>
Hold Harmless			
Individual Participation			
Master Services			
Memorandum			
Non-Professional Services	<b>3.56</b>		
Owner Participation		<b>Received City Clerk (2<sup>nd</sup> Receipt)</b>	
Professional Services	<b>3.64</b>		
Public Project	<b>3.60</b>		
Real Property Lease City Owned	<b>3.68</b>		
Real Property Sale City Owned	<b>3.88</b>		
Real Property Non-City Owned (NCO)			

PROJECT #:
PROJECT NAME: INTEGRATED PEST MANAGEMENT (IPM) SERVICES
DEPARTMENT: GENERAL SERVICES
DIVISION: PROCUREMENT

CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made at Sacramento, California, as of December 4, 2011 by and between the CITY OF SACRAMENTO, a municipal corporation ("CITY"), and

Applied Pest Management, Inc.
2425 Sonoma Blvd., Vallejo, CA 94590
(707) 554-0110

("CONTRACTOR"), who agree as follows:

- 1. Contract. The Contract shall consist of this Agreement and each of the following documents (if applicable), which are incorporated herein by reference:

- Invitation to Bid
Instructions to Bidders
Certificate(s) of Insurance
Drug-Free Workplace Policy and Affidavit
Declaration of Compliance (Equal Benefits Ordinance)
Declaration of Compliance (Living Wage Ordinance)
Workers= Compensation Certificate
Contractor=s Bid Proposal Form
ESBD Program Statement
Technical Specifications

- 2. Services. Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.

- 3. Payment. CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.

- 4. Facilities and Equipment. Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing

**BID NO. B12131061004**

services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.

- 5. **General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.
- 6. **Living Wage Requirements.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.58, Living Wage. The requirements of Sacramento City Code Chapter 3.58 are summarized in Exhibit E. The CONTRACTOR is required to sign the attached Declaration of Compliance (Living Wage Ordinance) to assure compliance with these requirements.
- 7. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit F. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
- 8. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
- 9. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

**CITY OF SACRAMENTO**  
A Municipal Corporation

ATTEST:

By: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Print name: \_\_\_\_\_

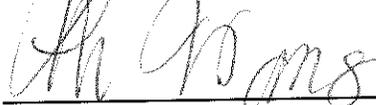
Attachments

Title: \_\_\_\_\_

For: John F. Shirey, City Manager

- Exhibit A - Scope of Service
- Exhibit B - Fee Schedule/Manner of Payment
- Exhibit C - Facilities/Equipment Provided
- Exhibit D - General Provisions
- Exhibit E - Living Wage Requirements
- Exhibit F - Non-Discrimination in Employee Benefits

APPROVED TO AS FORM:

  
\_\_\_\_\_

City Attorney

CONTRACTOR:

Applied Pest Mgmt., Inc.  
NAME OF FIRM

UG-0020879  
Federal I.D. No.

301-5934  
State I.D. No.

52973  
City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (check one):

- Individual/Sole Proprietor
- Partnership
- Corporation (require 2 signatures)
- Corporation (may require 2 signatures)
- Limited Liability Company
- Other (please specify: \_\_\_\_\_)

James Farnsworth  
Signature of Authorized Person  
JAMES FARNSWORTH BRANCH MANAGER  
Print Name and Title

\_\_\_\_\_  
Additional Signature (if required)

\_\_\_\_\_  
Print Name and Title

DECLARATION OF COMPLIANCE  
Living Wage Ordinance

Name of Contractor: Applied Pest Management, Inc.

Address: 2425 Sonoma Bl., Vallejo, CA 94590

The above-named contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Living Wage Requirements (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Contract, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Living Wage Ordinance codified at Chapter 3.58 of the Sacramento City Code (the "Ordinance"). If required by the Ordinance, Contractor will pay not less than the minimum compensation specified in the Ordinance to Contractor's employees, for all time spent performing any work under this Contract.
3. If the amount of this Contract is less than \$100,000, as a condition of receiving this Contract, Contractor will notify the City of Sacramento ("City") in writing if the aggregate value of this Contract and of any other Nonprofessional Services contract(s) covered by the Ordinance that the City has awarded to Contractor within the previous 12 months, is \$100,000 or more.
4. Contractor acknowledges and agrees that the Requirements, the Ordinance and this Declaration shall constitute part of this Contract, and that these provisions shall govern in the event of any conflict with any other provisions of the Contract.
5. Contractor further acknowledges and agrees that any violation of the Requirements or the Ordinance constitutes a material breach of this Contract, and that, if such a breach occurs, the City will be authorized to terminate the Contact, and pursue all available legal and equitable remedies.
6. If requested by the City, Contractor will promptly submit certified payroll records to the City, for itself and/or for Contractor's subcontractor(s), as requested by the City, and Contractor will take any other steps as may be required by the City to determine whether Contractor's subcontractor(s) or Contractor have complied with the Requirements and the Ordinance.
7. Contractor will require all of its subcontractors who are covered by these requirements to comply with the Requirements and any additional requirements that may be specified in the Ordinance, and Contractor will include these requirements in all subcontracts covered by the Ordinance.
8. Contractor agrees to defend, indemnify and hold harmless the City, its officers and employees against any claims, actions, damages, costs (including reasonable attorney fees) or other liabilities of any kind arising from any violation of the Requirements or the Ordinance by Contractor or by any subcontractor retained to perform work or provide services under this Contract.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

James Farnsworth  
Signature of Authorized Representative

Date: 11-23-2011

Print name: JAMES FARNSWORTH

Title: BRANCH MANAGER

**DECLARATION OF COMPLIANCE  
Equal Benefits Ordinance**

Name of Contractor: Applied Pest Management Inc.  
 Address: 2425 SONOMA BL., VALLEJO, CA 94590

The above-named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit F.
2. As a condition of receiving this Contract, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
  - a. Bereavement Leave
  - b. Disability, life, and other types of insurance
  - c. Family medical leave
  - d. Health benefits
  - e. Membership or membership discounts
  - f. Moving expenses
  - g. Pension and retirement benefits
  - h. Vacation
  - i. Travel benefits
  - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
  - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
  - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.
  - c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
  - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
  - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Contract is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Contract is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.

- f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Contract is executed by the City.
  - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
  - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
  - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits, are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Contract is executed by the City.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Contract for cause; repayment of any or all of the Contract amount disbursed by the City; debarment for future contracts until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.
7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Contract award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

James Farnsworth  
Signature of Authorized Representative

11-23-2011  
Date

JAMES FARNSWORTH  
Print Name

Branch Manager  
Title

**EXHIBIT A**  
**NONPROFESSIONAL SERVICES AGREEMENT**  
**SCOPE OF SERVICES**

**1. Representatives.**

The CITY Representative for this Agreement is:

*Marc Robles, Program Analyst*  
5730 24<sup>th</sup> Street, Bldg. 1, Sacramento, CA 95822  
(916) 808-6240

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

Name/Title Carolyn Fore, Office Manager

Address 2425 Sonoma Blvd., Vallejo, CA 94590

Phone/Fax/E-mail (707) 554-0110

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

- 2. Scope of Services.** The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein. The scope of services shall be the Special Provisions and Technical Specifications of Bid No. B12131061004
- 3. Time of Performance.** The services described herein shall be provided during the period of December 13, 2011 through December 12, 2016.

## ATTACHMENT 1 TO EXHIBIT A

**A. SPECIAL PROVISIONS****SCOPE**

The Contractor shall demonstrate an understanding of the concept of IPM principles and practices of pest control; furthermore, the Contractor must be able to identify important pests and describe life cycles, habits, and conditions that affect populations of those pests. The implementation of management practices in an IPM program is not based on the routine application of pesticides, but on monitoring and inspecting for pests, modifying structures, improving sanitation, and changing personnel practices that can contribute to pest problems. Pest control is achieved in an IPM program by emphasizing pest prevention and making informed, accurate decisions as to when control measures are needed and the type of control measures to be used.

The City of Sacramento will be requiring structural pest control applicators to be fully IPM Certified, or in the process of achieving certification, by a certifying agency such as EcoWise or equivalent. Contractors claiming to have comprehensive IPM services but are not IPM certified may be awarded a contract contingent upon the Contractor's ability to demonstrate adequate knowledge and experience in IPM principles and practices. City representatives will determine if non-certified IPM practitioners contain adequate knowledge and skills to implement a comprehensive IPM program satisfactorily meeting the needs of the City; additionally, there must be at least one, City-approved IPM practitioner overseeing the implementation of the IPM program, and all technicians will be required to attend annual IPM training programs.

**CONTRACT PERIOD**

Any contract(s) resulting from this bid shall be effective for a period of five (5) years from the date of award by City Council.

**PRICES**

- a. Prices are maximum for the first year of the contract. In the event of a price decline, the benefit of such lower prices shall be immediately extended to the City.
- b. All requests for price adjustments must be submitted in writing prior the end of each contract year, and shall be reviewed and approved in writing by the City's contract representative and the Procurement Services Division before such increases are applied.

Note: A 4% maximum price increase may be allowed on the contract anniversary date, shall be based on the prior year pricing and shall remain in effect until the next contract anniversary date. Justification and/or proof of labor cost increases (union contracts, etc.) shall be required upon the request of an increase for the cost of services.

- c. The prices quoted to the City shall be as low or lower than those charged the supplier's most favored customer for comparable quantities under similar terms and conditions, in addition to any discounts for prompt payment.
- d. The successful bidder(s) agrees to extend any resultant contract to participating governmental agencies in the Sacramento geographical area, including the County of Sacramento.

FACILITIES AND PESTS COVERED IN CONTRACT

The City facilities listed in the preceding Price Schedule will require either Comprehensive Integrated Pest Management (IPM) Services or Routine IPM Services. Designated facilities will receive comprehensive Pest Management Plans for pest control services, and remaining facilities are to receive Routine IPM services as needed; moreover, Comprehensive and Routine services shall include the control of all pests in and around facilities such as, but not necessarily be limited to: ants, fleas, stinging insects and nests, mites, mice, rats, roaches, spiders, birds, bats, and squirrels utilizing proper and safe use of least toxic pesticides.

Provisions for the more Comprehensive IPM services and provisions for Routine IPM services for pest control are indicated in the Technical Specifications.

TOTAL CHARGE PER YEAR

The contractor shall furnish all labor, materials, and equipment to implement the surveillance, trapping, and pesticide application aspects for a comprehensive IPM program in designated facilities. The contractor shall also make detailed, site-specific recommendations for structural and procedural modifications to achieve pest suppression for all listed facilities.

The price(s) bid is/are the total charge per month/year for each area listed in the Pricing Schedule and shall include all wages, payroll taxes, fringe benefits, insurance, transportation, equipment, materials, supplies, overhead and profit.

MODIFICATION OF CONTRACT

The City may order changes in the work herein required and may order extra work in connection with the performance of the contract and the Contractor may comply with such orders, except that:

- a. If changes in requirements, reports, or materials are of such a nature as to increase or decrease the cost of any part of the work, the price fixed in the contract will be increased or decreased by such amount as the Contractor and the Procurement Services Manager may agree upon as the reasonable and proper allowance for the increase or decrease in the cost of work.
- b. No order for any alteration, modification, or extra work which will increase or decrease the cost of the work shall be valid unless the resulting increase or decrease in price shall have been agreed upon in writing and approved by the Procurement Services Manager. No oral statement of any person whomsoever shall in any manner or degree modify or otherwise affect the terms of this contract, including the requirements of the specifications.

CONTRACT REPRESENTATIVES

During performance of the contract, the City will be represented by Gary Holm, telephone (916) 808-6321; and the City IPM manager for IPM plan(s), services and site manager for sites without a designated site manger will be Roxanne Dilley, telephone (916) 808-1458.

DEFAULT BY CONTRACTOR

In case of default by Contractor, the City reserves the right to procure the articles or services from other sources and to hold the Contractor responsible for any excess costs occasioned to the City thereby.

CONTINUED USE OF FACILITIES

The buildings involved in this project will continue to be occupied during the contract. Work will be performed in an orderly manner with minimum disturbance and inconvenience to the occupants. The Contractor shall confine and limit its personnel to only those areas required in performing the work. Contractor agrees to perform work as called for between the hours of 7 A.M. and 7 P.M. Work accomplished on weekends or legal holidays, if done at Contractor's option and authorized by City Representative, will be performed at no additional expense to the City.

MATERIAL SAFETY DATA SHEETS (MSDS)

It is mandatory for the service contractor to supply a MSDS for all chemicals used during the performance of this contract to the City Safety Office, 915 I Street, 4<sup>th</sup> Floor Sacramento, CA 95814. Also, at any time the content of a MSDS is revised, the Contractor will provide new information to same. For facilities containing a comprehensive Pest Management Plans, MSDS will be included within the Plan.

CONTRACT INTENT

Specifications contained within this Statement of Work are written with the intent to meet and comply with all requirements but the final certification to comply shall rest with the Contractor and not the City of Sacramento. Should requirements as specified not comply, the Contractor is required to re-figure and revise the specifications to meet all laws, rules and regulations where it applies, and the City of Sacramento is to be notified thereof.

DISMISSAL OF UNSATISFACTORY EMPLOYEES

The Contractor shall only furnish employees who are competent and skilled for work under this contract. If, in the opinion of the City, an employee of the Contractor is incompetent or disorderly, refuses to perform in accordance with the terms and conditions of the contract, threatens or uses abusive language while on City property, or is otherwise unsatisfactory, that employee shall be removed from all work under this contract.

PROTECTION OF EXISTING FACILITIES

Contractor shall take every precaution to protect all public and private property during the performance of this contract. Any damages caused by Contractor's personnel or equipment will be promptly repaired to the condition existing before the damage or be replaced. All such costs for such repairs or replacement shall be the sole responsibility of the Contractor.

ENVIRONMENTALLY PREFERABLE PROCUREMENT

The City has adopted a "Sustainable Procurement Policy (SPP) and program. The goal is to encourage the procurement of products and services that help minimize environmental impact resulting from use and disposal of these products. Contractors are encouraged to offer Energy Star, Green Seal, EcoLogo, EPEAT, or products that meet FEMP (Federal Energy Management Program) standards for energy consumption. City also encourages contractors to offer products that are produced with recycled materials, where appropriate, unless otherwise requested in this IFB. Contractors will offer products that have minimal virgin materials and maximum use of recycled products. Contractor must work with the City to attain these goals.

Notwithstanding the above, the Contractor agrees to supply the City of Sacramento with environmentally preferable and effective products in compliance with the specifications in this solicitation and provide services that help minimize environmental impact resulting from use and disposal of products specified in this bid.

The Contractor further agrees that its products specified in this bid do not contain any items, ingredients or components prohibited under the City's SPP Policy.

The City may terminate this contract or take other appropriate actions if the contractor fails to comply or provide adequate supporting documentation to substantiate compliance with the City's SP Policy and requirements specified in the bid.

The City's SPP Policy is available on line at:

[http://www.cityofsacramento.org/generalservices/procurement/documents/Sustainable Purchasing Policy SP P.pdf](http://www.cityofsacramento.org/generalservices/procurement/documents/Sustainable_Purchasing_Policy_SP_P.pdf) or by contacting the Procurement Services Division at (916) 808-6240.

## SECTION II – CONTRACT DOCUMENTS

C. TECHNICAL SPECIFICATIONSGeneral Provisions

1. The city reserves the right to add or delete locations according to its needs. Additional locations shall be quoted on the same cost basis as other locations. The City is not limited to purchasing all of its requirements from any contract resulting from this bid.
2. All work performed under this agreement shall be performed under the rules and regulations of the Structural Pest Control Act in effect at the time of performance.
3. All materials and workmanship shall be industry standard in every respect. All work shall be subject to general supervision and satisfaction of the City representative in charge, who may exercise such control of the work as is required to safeguard the interests of the City.
4. Contractor shall plan and conduct the work in a manner that will safeguard all persons from injury and take all precautions required by applicable regulations of the State Department of Industrial Relations and OSHA
5. Contractor shall be licensed by the State of California Structural Pest Control Board and shall possess a valid structural pest control operator's license in branches I, II and III. Persons employed by the contractor to perform pest control services on this contract shall either be licensed by the same board and possess a field representative's license in the proper branch or be under the direct on-site supervision of an employee holding a valid field representative's license in the proper branch.
6. It is incumbent upon the contractor and those in its employ to be aware of the injurious nature of any pesticide used and to insure proper safeguards in the application of those pesticides. It is the responsibility of the contractor to secure any necessary use permits or licenses required for the use of any pesticides and to abide by any conditions set forth in those permits or licenses.
7. The date and time of regularly scheduled service shall, in advance of service, be as agreed upon between the contractor and the individual building manager/supervisor or, if none, the City representative. Service reports must be submitted to City Service Building Manager / Supervisor or designated employee when service is performed and a copy submitted with invoice. All invoices should be mailed to:
 

City of Sacramento  
5730 24<sup>th</sup> Street, Bldg. #1  
Sacramento, CA 95822  
Attn: Accounts Payable
8. Whenever, in the opinion of the City, the said service is not satisfactory, the contractor shall be advised of the reasons. If the contractor fails to correct the unsatisfactory conditions with ten (10) days, the City Purchasing Agency may declare this contract terminated and contract with another services supplier. It shall be understood and agreed that the contract may be terminated by either party to the contract upon thirty days notice in writing. In the event of unresolvable differences of service to be performed, the City may call upon the State of California Structural Pest Control Board for clarification.
9. Notwithstanding any provision to the contrary herein, City shall have no obligation to give more than two notices of unsatisfactory performance in any calendar year. In the event two such notices of unsatisfactory performance are given in any calendar year, and in the event that contractor(s) shall

again fail to satisfactorily perform services pursuant to this contract, City may thereupon terminate this contract immediately.

## **Comprehensive Integrated Pest Management (IPM) Services**

### **Background**

The Central Valley Regional Water Quality Control Board recently approved a Pesticide Plan to be implemented by the City of Sacramento as required by the municipal storm water National Pollutant Discharge Elimination System (NPDES) Permit No. CAS082597. The Pesticide Plan is a comprehensive plan with a goal to reduce the discharge of pesticides from municipal storm water systems to urban creeks within Sacramento County to the maximum extent practicable. It was decided that the best way to minimize the water quality risks associated with pesticides was to promote Integrated Pest Management (IPM).

IPM is a relatively new concept in urban areas. Traditional structural pest control, as contracted by the City government in the past, was largely reactive to pest infestations and bases much of its response on the routine, scheduled spraying of pesticides. This spraying was often done in locations remote from the centers of pest populations with limited effectiveness in providing adequate control.

Conversely, IPM is a process, or planned program, for long-term pest suppression. The process is based on surveillance and the interpretation of data to estimate the pest population in a given area. This monitoring allows accurate decisions to be made on when control measures are needed, the type of control measure(s) selected, and the method of application. Control practices in an IPM program must extend beyond the application of pesticides to predominantly include structural and procedural modifications, which establish physical barriers to pests, and reduce the food, water, and harborage available to them.

The City of Sacramento is in the process of establishing IPM policies and procedures for its facilities and land use areas; consequently, the City is implementing IPM strategies for designated facilities, and will be expanding upon these IPM services as a greater understanding of IPM services evolves.

### **1.0 GENERAL IPM PROGRAM REQUIREMENTS**

This program incorporates the advantageous use of all appropriate control options including: education, habitat modification, sanitation, alteration of maintenance activities, trapping and chemical controls -- so that pests and the environment can be managed in such a way as to balance cost, benefits, public health, safety, and environmental quality through the cooperation of all concerned.

#### **1.1 Routine IPM SERVICES**

For facilities without Pest Management Plans, the Contractor shall also demonstrate an understanding of the concept of the IPM method of pest control. Routine IPM Services shall include the control of all pests in around the facilities based on monitoring and inspecting for such pests. Any structural modifications, sanitation improvements, and personnel practices observed that may be contributing to pest problems shall be reported to the Facility Liaison. Optimally, services shall be provided monthly to all sites and prices quoted in this bid should be in accordance; however, the severity of current budgetary impacts to the City may not allow for monthly frequencies in some instances and pricing will be modified on a case by case basis should those instances occur.

General requirements of the IPM program shall include the following for each building specified in this contract:

## 1.2 Initial Site Assessment

A thorough, initial inspection shall be conducted during the first few months of the contract by the Contractor's entomologist (or experienced IPM technician) and the user Facility Liaison. The purpose of this initial inspection is for the contractor to evaluate the pest control needs of the premises and to discuss these needs with the Department.

The following specific points should be addressed:

- a) Identification of problem areas in and around the building.
- b) Identification of structural features or personnel practices that are contributing to pest infestations.
- c) Discussion of the effectiveness of previous control efforts.
- d) Facilitation of contractor access to all necessary areas. Access to building space shall be coordinated with the facility liaison.
- e) Informing the contractor of any restrictions or special safety precautions.

## 1.3 Submission of Plan

Following the initial inspection, the contractor will develop a detailed Pest Management Plan and Service Schedule for each of the designated buildings. This written plan and schedule must be submitted to the user Department representative/Facility Liaison for approval prior to initiation. The plan and schedule should address any structural or operational changes, which might facilitate the pest management effort. In addition, the plan must identify the proposed primary pesticides and alternatives by California Environmental Protection Agency (EPA) accepted common name (generic name); the building; and rationale for each type of use. Proposed trapping, exclusion devices for pests, if any, should also be included. The plan should describe in detail the contractor's means for monitoring pest populations in and around the building.

The plan and schedule shall be submitted not more than **ten (10) working days** following the initial inspection of the premises. The user Department will render a decision regarding the acceptability of the plan and schedule **within ten (10) working days** following receipt. The contractor shall be on-site to implement the plan and schedule within **five (5) working days** following notice of approval of the plan. If the plan is disapproved, the contractor shall have **three (3) working days** to submit a revised plan and schedule. The schedule may be amended by Contractor upon City Approval. The City reserves the right to request amendments/revisions to the plan as a greater understanding of what level of IPM services the City is capable of achieving evolves

## 1.4 Monitoring and Inspection

A critical aspect of the Pest Management Plan shall be the establishment of a monitoring and inspection program to identify infested zones and allow an objective assessment of pest population levels. Monitoring and inspection shall be continued throughout the duration of this contract. Where appropriate, glue traps (insect monitors) shall be employed to monitor cockroach populations in selected areas.

## 1.5 Structural Modifications

Unless otherwise stated in the project definition, structural modifications for pest suppression shall **not** be the responsibility of the contractor. The contractor shall make recommendations to the user department of what structural modifications can reasonably be accomplished. However, Contractor must provide adequate pest management even if structural modifications have not been accomplished as requested. Non compliance to the structural modification can be discussed with the Department Representative/Facility Liaison so that issues can be resolved to provide effective, efficient, economical IPM program.

## 1.6 Pesticide Treatment

As a general rule, application of pesticides in any area inside or outside the premises - i.e. in any room, closet, hallway, stairwell, court, driveway, planting bed, and similar locations - shall not occur unless inspections or monitoring indicate the presence of pests in that specific area and alternate IPM methods or measures (physical, cultural, mechanical, biological) fail to suppress the pest population. An actual specimen of an insect pest, or active signs of same, must be seen before pesticides are applied. A rodent dropping, burrow, or runway is sufficient to indicate the presence of rodents in an area.

Preventive treatments as applicable by California law & Regulations (Department of Pesticide Regulations) and or California Structural pest control Board, of inside and outside areas where inspections indicate a potential insect or rodent infestation are acceptable only on a case-by-case basis with approval from the user department. The contractor must indicate areas for the preventive treatment in the Pest Management Plan for the building and list the methods of application.

## 1.7 Record Keeping

The contractor shall be responsible for maintaining a complete and accurate pest management log for the designated facilities. Each of the designated buildings that contains a Pest Management Plan shall have its own binder/file, which will be kept in the user department designated office and maintained on each visit by the contractor and copies of all service receipts.

The binder/file shall contain the following items:

- a) A copy of the Pest Management Plan and Service Schedule for the site.
- b) A copy of the current label and EPA registration number (California DPR Registration Number) for each pesticide used in the building or site, including the Material Safety Data Sheet. Pesticide labels are normally interpreted as including in-depth safety and use documentation.
- c) Pest surveillance data which record, in a systematic fashion, the number of pests or other indicators of pest population levels revealed by the contractor's monitoring program for the building: For example, number and location of cockroaches trapped by zone monitors, number and location of rodents trapped or carcasses removed, number and location of new rat burrows observed, degree of feeding in rodent bait stations, etc.
- d) The location of all traps, trapping devices, and bait stations in or around the premises. This information can be in either tabular, list, or map format. However, map format is preferred.
- e) The user department's work order or other requests to service log form. These forms will be supplied by the contractor and will be used to advise the contractor of routine service requests and to document the performance of all work. Upon completion of a service visit to the building, the contractor's

representative performing the service shall complete, sign and date the log, and return it to the user department's office on the same or succeeding day of the performance of the service.

f) The contractor's Service Report forms, documenting arrival and departure time of the contractor's representative performing the service, and all information on pesticide application required by statute. These report forms may incorporate some or all of the past surveillance data required in item c) above.

### **1.8 Chemical Controls**

Since this is an IPM contract, chemical controls shall be used primarily as a last resort and only after approval by the user department representative on a case-by-case basis.

### **1.9 IPM Contact Person and Facility Liaison**

To provide the degree of oversight and consistency of services necessary for a successful IPM program, the City shall designate an IPM Contact Person for the City and a Facility Liaison for each of the designated facilities. These people should have the interest and capability to address pest management issues. The IPM Contact Person should participate in all decisions that may directly or indirectly affect pest management. A list of personnel designated as Facility liaisons should be provided to the Contractor by the City. The Contractor's pest management technician should meet with the facility liaison, upon initiation of the contract, and prior to performing pest management services. The Contractor and Facility Liaison will:

1. Identify and discuss specific problem areas in the facility;
2. Facilitate access to all management areas for that facility;
3. Identify and discuss building features or personnel practices that might contribute to pest infestations;
4. Discuss effectiveness of previous control efforts; and
5. Notify pest management personnel of any new restrictions or special safety precautions.

EXHIBIT B

NONPROFESSIONAL SERVICES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of \$225,000.
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum or other basis, as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein.
3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
  - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
  - B. All invoices submitted by CONTRACTOR shall contain the following information:
    - (1) Job Name
    - (2) Description of services billed under this invoice, and overall status of project
    - (3) Date of Invoice Issuance
    - (4) Sequential Invoice Number
    - (5) CITY's Purchase Order Number
    - (6) Total Contract Amount
    - (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
    - (8) Total Billed to Date
    - (9) Total Remaining on Contract
    - (10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.
  - C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

*City of Sacramento  
5730 24<sup>th</sup> St., Bldg. 1, Sacramento, CA 95822  
(916) 808-6210  
Attn: Accounts Payable*

5. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform said Additional Services.
6. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
7. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

**REVISED PRICING SCHEDULE**

For furnishing to the City of Sacramento prices in accordance with the provisions and specifications contained herein. Pricing shall be all inclusive. No surcharges or additional fees will be allowed.

**Note:** All items must be priced in order for your bid to be considered responsive.

<b>Item no.</b>	<b>Facility</b>	<b>Address</b>	<b>Annual Cost</b>
1	City Hall (Historic)	915 I Street	600.00
2	City Hall (new)	915 I Street	600.00
3	911 Call Center	7397 San Joaquin Street	360.00
4	Max Baer Community Center	7815 35th Ave.	300.00
5	Clunie Club House	3301 H Street	300.00
6	Coloma Community Center	4623 T Street	600.00
7	Belle Cooleage Community Center	5699 South Land Park Dr.	312.00
8	Ethel McCloud Hart Senior Center	915 27th Street	420.00
9	Evelyn Moore Community Center	1402 Dickson Street	288.00
10	Garden & Arts Community Center	3316 McKinley Blvd.	288.00
11	Joe Mims Jr. / Hagginwood Community Center	3271 Marysville Blvd.	300.00
12	Johnston Park (Carl) Community Center	231 Eleanor Ave.	300.00
13	Clunie Community Center	601 Alhambra Blvd.	300.00
14	Miller Park (Fredrick) Boat Harbor Office	2701 Harbor View Drive	180.00
15	Oak Park Child Care Center	3930 8th Ave.	300.00
16	Oak Park Community Center	3425 M. Luther King Blvd.	300.00
17	Robertson Community Center	3525 Norwood Ave.	300.00
18	Sam Pannell Community Center	2450 Meadowview Road	300.00
19	George Sim Park Community Center	6207 Logan Street	300.00
20	Public Safety Admin Building (Police)	5770 Freeport Blvd.	540.00
21	Animal Shelter	2127 Front Street	840.00
22	Bing Maloney Golf Pro Shop/Restaurant	6801 Freeport Blvd.	300.00
23	Cavanaugh Golf Course Club House	8325 River Road	150.00
24	Cavanaugh Golf Course Hack House	8325 River Road	300.00
25	Cavanaugh Golf Course Snack Bar/Restroom	8325 River Road	168.00
26	Haggin Oaks Pro Shop/Restaurant	3645 Fulton Avenue	600.00
27	Wm. Land Park Golf Pro Shop & Restaurant	1501 Sutterville Rd.	480.00
28	Meadowview Service Center Admin - Bldg A	2812 Meadowview Road	540.00
29	Meadowview Service Center Lockers - Bldg B	2812 Meadowview Road	540.00
30	Meadowview Service Center Security - Bldg E	2812 Meadowview Road	480.00
31	Meadowview Service Center Shops - Bldg C	2812 Meadowview Road	120.00
32	New Building	300 Richards Blvd.	840.00
33	Sutter's Landing	20 28th Street	288.00
34	City Cemetery Office	1001 Broadway	300.00
35	Sequoia Pacific Building	551 Sequoia Pacific Blvd.	420.00
36	Plaza Parking Garage	1000 I Street	300.00
37	Joseph E. Rooney Police Facility	5303 Franklin Blvd	300.00

38	Sequoia Pacific Police Property Warehouse	555 Sequoia Pacific Blvd.	470.00
39	William J. Kinney Police Facility	3550 Marysville Blvd.	360.00
40	Drill Tower Fire Maint. Bldg.	3230 J Street	174.00
41	Drill Tower Fire Maint. Bldg.No. 2	3230 J Street	174.00
42	Fire Maintenance Building	3230 J Street (rear)	174.00
43	Fire Station # 01	624 Q Street	174.00
44	Fire Station # 02	1229 I Street	174.00
45	Fire Station # 03	7208 West Elkhorn Blvd.	174.00
46	Fire Station # 04	3145 Granada	174.00
47	Fire Station # 05	731 Broadway	174.00
48	Fire Station # 06	3301 M. Luther King Blvd.	174.00
49	Fire Station # 07	6500 Wyndham Way	174.00
50	Fire Station # 08	5990 H Street	174.00
51	Fire Station # 09	1910 Arica Way	174.00
52	Fire Station # 10	5642 66th Street	174.00
53	Fire Station # 11	785 Florin Road	174.00
54	Fire Station # 12	4500 24th Street	174.00
55	Fire Station # 13	1341 43rd Ave.	174.00
56	Fire Station # 14	1341 N. C Street	174.00
57	Fire Station # 15	1591 Newborough	174.00
58	Fire Station # 16	7363 24th Street	174.00
59	Fire Station # 17	1311 Bell Ave.	174.00
60	Fire Station # 18	746 N. Market Blvd.	174.00
61	Fire Station # 19	1700 Challenge Way	174.00
62	Fire Station # 20	2512 Rio Linda Bl.	174.00
63	Fire Station # 30	1901 Club Center Dr.	174.00
64	Fire Station # 43	4201 El Centro Rd.	174.00
65	Fire Station # 56	3720 47th Ave.	174.00
66	Fire Station # 57	7927 East Parkway	174.00
67	Fire Station # 60	3301 Julliard Dr.	174.00
68	Fire Station # 99	5801 Florin Perkins Rd.	174.00
69	EMS Warehouse	300 Arden Way	174.00
70	Fire Training Center	3230 J Street (rear)	174.00
71	Memorial Auditorium	1515 J Street	470.00
72	Convention Center Theater	1301 L Street	360.00
73	Convention Center	1100 14th Street	960.00
74	Convention Center (Classique Catering Admin.)	1100 14th Street	240.00
75	Convention Center Admin. (Pannatoni)	1030 15 <sup>th</sup> Street	300.00
76	Discovery Mussum	101 I Street	348.00
77	South Natomas Community Center	2921 Truxel Road	300.00
78	North Area Corp Yard (NACY)	918 Del Paso Road	470.00
79	Police IA Unit	5780 Freeport Blvd.	360.00
80	Police Equestrian/Boat Units Bldg.	Miller Park Corp Yard	144.00
81	Police Barn	Miller Park Corp Yard	144.00
82	Water Conservation Office	2260 Glen Ellen Circle	480.00
83	Woodlake Clubhouse	500 Arden Way	300.00
84	Dept. of Utilities Admin.	1391-1395 35 <sup>th</sup> Ave.	2,700.00
85	E.A. Fairbairn Water Treatment Plant	7501 College Town Dr.	2,700.00
86	Sacramento River Water Treatment Plant	1 Water Street	2,160.00
87	Crocker Art Museum	216 O Street	360.00

88	Corp Yard Building # 01	5730 24th Street	120.00
89	Corp Yard Building # 03	5730 24th Street	120.00
90	Corp Yard Building # 04	5730 24th Street	120.00
91	Corp Yard Building # 05	5730 24th Street	120.00
92	Corp Yard Building # 06	5730 24th Street	120.00
93	Corp Yard Building # 07	5730 24th Street	120.00
94	Corp Yard Building # 08	5730 24th Street	120.00
95	Corp Yard Building # 09	5730 24th Street	120.00
96	Corp Yard Building # 10	5730 24th Street	120.00
97	Corp Yard Building # 11	5730 24th Street	120.00
98	Corp Yard Building # 12	5730 24th Street	120.00
99	Corp Yard Building # 13	5730 24th Street	120.00
100	Corp Yard Building # 14	5730 24th Street	120.00
101	Corp Yard Building # 16	5730 24th Street	120.00
102	Corp Yard Building # 19	5730 24th Street	120.00
103	Corp Yard Building # 20	5730 24th Street	120.00
104	Corp Yard Building # 21	5730 24th Street	120.00
105	Corp Yard Building # 22	5730 24th Street	120.00
106	Corp Yard Guard House	5730 24th Street	120.00
107	Science Center	3615 Auburn Blvd.	420.00
108	City Archives (McClellan Business Park) (aka 5001 D Bailey Loop, Bldg. 251)	5001 Luce Ave.	540.00
<b>Total Annual Cost</b>			<b>\$ 36,090.00</b>



**EXHIBIT D  
NONPROFESSIONAL SERVICES AGREEMENT**

**GENERAL PROVISIONS**

**1. Independent Contractor.**

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.
- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

**2. Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all

licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. In addition, CONTRACTOR shall comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.
7. **CONTRACTOR Information.**
  - A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other

deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.

- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR's proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.

8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.

**9. Term; Suspension; Termination.**

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.
- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
  - (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
  - (2) CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services render by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that CITY may have in law or equity.

**10. Indemnity.**

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of CITY, its agents, servants, or independent contractors who are directly responsible to CITY, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR.

B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

11. **Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." \_\_\_\_\_ (CONTRACTOR initials)

- (3) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

X  Workers' Compensation waiver of subrogation in favor of the City is required for all work performed by the CONTRACTOR.

No Workers' Compensation insurance shall be required if CONTRACTOR completes the following certification:

"I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers' Compensation insurance." \_\_\_\_\_ (CONTRACTOR initials)

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR, and premises owned, leased or used by CONTRACTOR. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

X Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

**12. Equal Employment Opportunity.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such

sanctions as it may determine to be appropriate including, but not limited to:

- (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;
- (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.
14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
15. **Waiver.** Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.
16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:
  - A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Contract or Agreement

and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.

- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.
- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Contract or Agreement.

**EXHIBIT E**

**LIVING WAGE REQUIREMENTS**  
(Nonprofessional Service Agreement)

**The Living Wage Ordinance**

The City of Sacramento's Living Wage Ordinance (the "LWO") is codified as Chapter 3.58 of the Sacramento City Code. The LWO requires certain firms that enter into agreements or contracts (all subsequent references to a "contract" or "contracts" will refer to both contracts and agreements) to provide certain services to or for the CITY, to pay a specified minimum level of compensation to their employees for time spent performing any work on the CITY contract. The LWO also applies to certain subcontractors.

The LWO applies to contracts entered into, amended, or renewed or extended at the CITY's discretion, on or after March 1, 2004 (the "LWO Effective Date").

**Contracts and Contractors Covered by the LWO**

Determining whether the LWO applies to a specific CITY contract, contractor or subcontractor, depends on whether the contract, contractor and/or subcontractor meet the criteria specified in the LWO for contract type, contract amount, contractor size (# of employees), subcontract amount and subcontractor size (# of employees). These criteria are summarized below.

Contract Type

The LWO applies only to contracts for Nonprofessional Services. Under the LWO, this includes contracts for any services of a nonprofessional character, including but not limited to tree trimming services, repair services for motor vehicles and office equipment, vehicle towing, and security services.

The LWO does not apply to: (1) Incidental services, such as delivery, installation or maintenance, that are provided under contracts for the purchase or lease of equipment, supplies, or other personal property; (2) contracts that are subject to CITY, state, or federal prevailing-wage requirements; (3) contracts for professional services (including but not limited to services rendered by engineers, architects, auditors, banks, consultants, actuaries and attorneys); and (4) contracts with nonprofit corporations that are organized under section 501 of the Internal Revenue Code and have fewer than 100 employees, whether full or part time.

Contract Amount

The LWO applies to contracts entered into or amended after the LWO Effective Date that provide compensation from the CITY of \$100,000 or more. In addition, the LWO applies to a contract entered into or amended after the LWO Effective Date that, by itself, does not reach this amount, if the aggregate value of that contract and of any other Nonprofessional Services contracts covered by the LWO that the CITY has awarded to the same person or firm within the previous 12 months, is \$100,000 or more. IT IS THE CONTRACTOR'S RESPONSIBILITY TO DETERMINE WHETHER THIS AGGREGATE VALUE IS \$100,000 OR MORE, AND TO NOTIFY THE CITY IN WRITING WHENEVER THIS IS THE CASE.

Contractor Size

The LWO only applies to a contractor that has at least 25 employees, working either full or part time. The number of employees that a contractor has is determined by adding the contractor=s employees and the employees of any other person or entity deemed to be a "Related Person" under the LWO.<sup>a</sup>

Subcontract Amount

The LWO applies to a subcontractor providing services under a covered contract if the amount of the subcontract is at least 25 % of the contract amount, without regard to the number of employees the subcontractor has.

Subcontractor Size

The LWO also applies to a subcontractor providing services under a covered contract if the subcontractor has at least 25 employees, working either full or part time, whether or not the amount of the subcontract is at least 25 % of the contract amount.

**Payment of Living Wage to Covered Employees**

If a contractor or subcontractor meets the criteria specified in the LWO for contract type, contract amount, contractor size, subcontract amount and/or subcontractor size, the contractor or subcontractor is deemed to be a "Covered Employer" under the LWO. The LWO requires a Covered Employer to provide specified minimum compensation to its employees who perform work directly related to the CITY contract (these employees are called "Covered Employees" under the LWO), for all hours the Covered Employees perform under the CITY contract.<sup>b</sup>

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<sup>a</sup> The LWO provides that a person or entity is a Related Person when any of the following circumstances exists:

- (1) The person or entity and the contractor are both corporations, and (i) share a majority of members of their governing boards, or (ii) have two or more officers in common, or (iii) are controlled by the same majority shareholder or shareholders (control means more than 50% of the corporation=s voting power), or (iv) are in a parent-subsidiary relationship (such a relationship exists when one corporation directly or indirectly owns shares possessing more than 50% of another corporation=s voting power); or
- (2) The person or entity otherwise controls and directs, or is controlled and directed by, the contractor, as determined by the City Manager.

<sup>b</sup> A Covered Employee includes full-time, part-time, contingent, contract and temporary employees, but does not include: (1) individuals who participate in job-training-and-education programs that have, as their express purpose, the provision of basic job skills and education to participants, with

The minimum compensation required is as follows:

- (1) If health benefits are provided to Covered Employees and the Covered Employer=s contribution for the benefits is at least \$1.50 for each hour, then the rates are as follows:
  - (a) During 2007, the greater of \$10.00 an hour or \$9.00 adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1, 2004, through December 31, 2006.
  - (b) For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1 through December 31 of the immediately preceding year.
  
- (2) If health benefits are not provided to Covered Employees or if health benefits are provided but the Covered Employer=s contribution for the benefits is less than \$1.50 for each hour, then the rates are as follows:
  - (a) During 2007, the greater of \$11.50 an hour or \$10.50 adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1, 2004, through December 31, 2006.
  - (b) For each year after 2007, the rate shall be based on the rate from the immediately preceding year adjusted by the increase in the Consumer Price Index for All Urban Consumers, San Francisco/Oakland/San Jose area (1982--1984=100) from January 1 through December 31 of the immediately preceding year.

**Notification to Covered Employees**

The LWO requires a Covered Employer to give each existing employee and (at the time of hire) each new employee a copy of the following written notification:

**This company may enter into a contract to perform services for the City of Sacramento. If you work on such a contract, then you are entitled to be paid a living wage for each hour so worked. For more information, see Chapter 3.58 of the Sacramento City Code, which can be viewed at [www.cityofsacramento.org](http://www.cityofsacramento.org).**

The LWO requires the above notification to be provided in each language spoken by 10% or more of the Covered Employer=s workforce.

The LWO also requires a Covered Employer to inform all employees of their possible right to the federal Earned Income Credit (EIC), and to make available to those employees any forms required to secure advance EIC payments from the Covered Employer.

the goal of earning a high-school-equivalency diploma and permanent employment; (2) student interns; (3) individuals participating in specialized-training programs; and (4) an employee whose term and conditions of employment are governed by a bona fide collective-bargaining agreement containing an express waiver of the LWO.

**Subcontractor Compliance**

A contractor is responsible for requiring all of its subcontractors who are covered by these requirements to comply with the provisions of the LWO, by including these requirements in all subcontracts covered by the LWO.

**Other Provisions of the LWO**

Use of Funds Paid Under CITY Contracts

Under the LWO, Covered Employers may not directly use CITY funds to persuade Covered Employees to support or oppose unionization, and Covered Employers may not directly use CITY funds to schedule or hold meetings related to union representation during the Covered Employees= working hours. These restrictions do not apply to expenditures made during good-faith collective bargaining or to expenditures required under bona fide collective-bargaining agreements.

No Reduction in Non-Wage Benefits

Under the LWO, Covered Employers may not fund any wage increases required by the LWO, nor shall Covered Employers otherwise respond to the enactment of the LWO, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of their employees.

No Retaliation

The LWO prohibits a Covered Employer from taking any adverse action against a Covered Employee because the Covered Employee does any of the following: (1) exercises or asserts his or her rights under the LWO; (2) informs or assists other Covered Employees concerning their rights and the Covered Employer=s obligations under the LWO; (3) complains about the Covered Employer=s failure to comply with the LWO; or (4) seeks to enforce the LWO.

No Reduction in Collective-Bargaining Wage Rates

The LWO does not require or authorize any Covered Employer to reduce wages set by a collective-bargaining agreement or required under any prevailing-wage law.

**Violations and Monitoring**

The LWO provides that any violation of the LWO by a CITY contractor constitutes a material breach of the contract, and authorizes the CITY to terminate the contract and pursue all available legal and equitable remedies. In order to monitor compliance, the LWO authorizes the CITY to require Covered Employers to verify their compliance with the LWO by submitting certified payroll records to the CITY, and to take such other steps as may be necessary for the CITY to determine whether the requirements of the LWO have been satisfied.

The LWO also includes provisions authorizing an employee or interested person to file a judicial action against a contractor or subcontractor for violation of the LWO.

**Declaration of Compliance**

To assure compliance with the LWO, any person or entity entering into a contract to provide Nonprofessional Services to or for the CITY, on or after March 1, 2004, is required to provide the CITY with a signed Declaration of Compliance in the form required by the CITY, prior to the CITY=s

execution of the contract. The Declaration of Compliance shall be signed by a duly authorized representative of the person or entity entering into the contract, and, when accepted by the CITY, shall constitute part of the contract.

**Additional Information**

- X For a complete description of the LWO=s provisions, refer to the LWO codified at Sacramento City Code Chapter 3.58. The Sacramento City Code is available on the internet at [www.cityofsacramento.org](http://www.cityofsacramento.org).
- X For more information on the LWO requirements and the CITY=s LWO program, contact Procurement Services, 916-808-6240.

**EXHIBIT F**

**REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE**

**INTRODUCTION**

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

**APPLICATION**

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$25,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

**DEFINITIONS**

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the

City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

"Contractor" means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the City. "Contractor" does not include a public entity.

"Domestic Partner" means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

"Employee Benefits" means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. "Employee benefits" shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

### **CONTRACTOR'S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION**

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee's name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

### **EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS**

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment "A."

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment "B."

Attachment A



**YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE**

On ..... (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for ..... (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento  
Procurement Services  
5730 24<sup>th</sup> Street, Bldg. 1  
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
  - Reinstatement, injunctive relief, compensatory damages and punitive damages
  - Reasonable attorney's fees and costs

Attachment B



**YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE**

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

**You May . . .**

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:  
  
City of Sacramento  
Procurement Services  
5730 24<sup>th</sup> Street, Bldg. 1  
Sacramento, CA 95822
- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

**Discrimination and Retaliation Prohibited.**

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

**You May Also . . .**

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.



**Sacramento, CA**

# Edit Insured

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<input type="button" value="Name"/>		<input type="button" value="Address"/>		<input type="button" value="Details"/>	
<input type="button" value="Requirements and Enforcement"/>		<input type="button" value="Internal Contacts, Organizational Units and Projects"/>		<input type="button" value="Contracts"/>	
Editing: <b>APPLIED PEST MANAGEMENT INC (Z326796)</b>					
<b>Insured Name and ID</b> ID Number <input type="text" value="Z326796"/> (ISN: 326796) Insd Name <input type="text" value="APPLIED PEST MANAGEMENT INC"/>				<b>Current Status</b> <b>CertScore: 100</b>  Compliant Next Expiry: 1/1/2012	
<input type="button" value="Go Back"/>					
<b>REQUIRED ITEMS</b>					
✓ An ID Number must be entered.		✓ Enter a name for the Insured.			
✓ An address must be entered for the Insured		✓ Requirements must be selected			
✓ An enforcement level must be selected		✓ Assign at least one internal contact to the Insured			
Last Changed: 5/3/2011 3:57:10 PM (US Eastern Time)					

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 Thank you for using Ebix BPO

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 Contact your Ebix BPO Account Representative if you are unsure if this applies to you or not.

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