Title: Agreement: Armed Security Services for Department of Utilities Facilities
[Published for 10-Day Review 04/26/2018]

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's
designee to sign a Non-Professional Services Agreement with Paladin Private Security to
provide Armed Security Services for an initial term of one-year with the option to extend for
four additional years, for a total amount not-to-exceed $1,750,000.

Contact: Lisa Deklinski, Program Manager, (916) 808-1309; William Busath, Director of
Utilities (916) 808-1434; Stacy Larkin, Administrative Technician, (916) 808-6356; Department
of Utilities

Presenter: None

Attachments:
1-Description/Analysis
2-Agreement: Paladin Private Security
Description/Analysis

Issue Detail: The Department of Utilities (DOU) operates and maintains water, wastewater, and drainage facilities throughout the City of Sacramento. To effectively manage and deter metal theft, vandalism, and other illegal activities at these remote locations, DOU has an ongoing need to provide armed security services at our facilities.

Currently, armed security services for the North Area are being performed by Paladin Private Security (Paladin) under a contract with DOU that concludes on May 31, 2018. DOU has also contracted with Securitas USA to provide unarmed services for the South Area. DOU now desires to provide armed security services for facilities in the North and South Areas (50 in total). Staff recommends Council approve a contract with Paladin to provide these services.

Policy Considerations: City Council approval is required for contracts of $100,000 or more.

Economic Impacts: None

Environmental Considerations: The Community Development Department, Environmental Services Manager has determined that the proposed activity is not a “project” pursuant to Section 15378(b)(2) of the CEQA Guidelines. The proposed agreement for security services consists of ongoing administrative activities that are not a “project” and are not subject to CEQA (CEQA Guidelines Section 15060(c)(3)).

Sustainability: Armed security patrols for the DOU area facilities support the goals of the City’s Sustainability Master Plan by enabling DOU to protect sources of water.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: On February 13, 2018, Request for Proposals (RFP) P18141222009 for Armed Security Services was issued and publicly advertised. On the due date of Tuesday, February 27, 2018, proposals were received from the following four firms: Paladin Private Security, National Security Industries, US Metro Group and First Security Services. The proposals were evaluated and scored by a three-member evaluation team that included staff from DOU. Scores were tabulated and totaled with the proposal from Paladin Private Security having the highest score.

Financial Considerations: The Armed Security Services Agreement will have an estimated annual cost of $350,000 per year with a maximum not-to-exceed amount of $1,750,000 for the 5-year term.
Sufficient funding is available in the proposed DOU Fiscal Year (FY) 2018/19 Security and Emergency Preparedness budget to cover the first year of the contract subject to City Council approval of the FY2018/19 budget. Funding for succeeding fiscal years shall be subject to funding availability.

**Local Business Enterprise (LBE):** Paladin Protection Specialists, Inc. is an LBE.

**Background:** DOU operates and maintains water, wastewater, and drainage facilities throughout the City of Sacramento. In FY2010/11, DOU encountered a recurring series of copper wire thefts in the north Sacramento area resulting in thousands of dollars in loss and affecting DOU’s ability to provide essential services to those communities. In an effort to reduce the theft, DOU hired the citywide awarded security contractor to provide unarmed security services at 22 high-risk facilities in north Sacramento.

DOU has seen a large increase in metal theft, vandalism, and other illegal activities at its facilities in the north Sacramento area, which were difficult for the previous unarmed patrol service contractor to remedy. It was determined that more aggressive security efforts were needed. On May 29, 2013, DOU contracted with Paladin to provide one year of armed security services for 22 north Sacramento area facilities. Paladin was selected due to its competitive rate and well-established reputation in the North Natomas community. The firm was able to provide armed security for DOU with better response times to incidents because it was already working in surrounding neighborhoods. This in turn provided discounted services to DOU.

DOU has provided Paladin with a City approved “Right of Agency” that allows it to write citations to trespassers on DOU property and a special access permit for City parks that allows Paladin employees to enter City parks adjacent to DOU facilities after hours for security purposes.

Over the last year of armed security services, Paladin has risen to the challenges. Paladin’s armed security patrol services have significantly reduced theft and vandalism problems. The adjoining neighborhoods have been pleased and complimentary of Paladin services at the DOU facilities. Paladin continues to maintain a good working relationship with the Sacramento Police and Parks Departments. Paladin has provided excellent customer service and has been very responsive arranging unplanned assistance as events occur. Based on proven results over the last year from Paladin’s armed patrol services and the need to have the ability to cite trespassers and provide a more authoritative presence, staff is recommending a contract with Paladin to patrol up to 50 critical remote DOU sites.

Staff is requesting a one-year contract with Paladin in the amount of $350,000 per year with the option to extend for four additional years, to provide mobile patrols to approximately 50 critical DOU sites throughout the City.
PROJECT NAME: ARMED SECURITY SERVICES
AGREEMENT TERM: 1 YEAR
AUTHORIZED RENEWALS: 4
DEPARTMENT: UTILITIES
DIVISION: SECURITY AND EMERGENCY PREPAREDNESS

CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

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

Paladin Private Security
320 Commerce Circle, Sacramento, CA 95815
Phone: (916) 331-3175/Fax: (916) 331-4329/E-mail: mcarroll@paladinprivatesecurity.com

("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  
   Contractor’s Bid Proposal Form  
   Technical Specifications  
   Local Business Enterprise (LBE) Requirements*  
   Living Wage Requirements for Nonprofessional Service Agreements*  
   Requirements of the Non-Discrimination in Employee Benefits Code*  
   Ban-The-Box Requirements*

   *The above documents followed by an asterisk (*) can be viewed at [http://www.cityofsacramento.org/Finance/Procurement/Standard-Agreements](http://www.cityofsacramento.org/Finance/Procurement/Standard-Agreements)*

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 the 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 the services: (a) CONTRACTOR notifies CITY and CITY agrees that the 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 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 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 CONTRACTOR to perform 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, which 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 those terms or conditions.

6. **Wage Requirements.** This Agreement may be subject to the provisions of Sacramento City Code Chapter 3.58, Living Wage. A summary of the requirements of Sacramento City Code Chapter 3.58, entitled “Living Wage Requirements for Nonprofessional Service Agreements,” can be viewed at: [http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements](http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements). By signing this Agreement, CONTRACTOR acknowledges and represents that CONTRACTOR has read and understands these requirements and agrees to fully comply with all applicable requirements of Sacramento City Code Chapter 3.58. If requested by CITY, CONTRACTOR agrees to promptly provide such documents and information as may be required by CITY to verify CONTRACTOR’s compliance. Any violation by CONTRACTOR of Sacramento City Code Chapter 3.58 constitutes a material breach of this Agreement, for which the CITY may terminate the Agreement and pursue all available legal and equitable remedies. CONTRACTOR agrees to require its subcontractors to fully comply with all applicable requirements of Sacramento City Code Chapter 3.58, and include these requirements in all subcontracts covered by Sacramento City Code Chapter 3.58. In addition, for services that constitute “public works” under California Labor Code section 1720 et seq., payment of the prevailing rate of wages is required as indicated in Exhibit A, Section 4 of this Agreement. If both prevailing wage and living wage requirements apply, CONTRACTOR shall pay the higher of the two rates.

7. **Non-Discrimination in Employee Benefits.** This Agreement may be subject to the requirements of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. A summary of the requirements of Sacramento City Code Chapter 3.54, entitled “Requirements of the Non-Discrimination in Employee Benefits Code,” can be viewed at: [http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements](http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements). By signing
this Agreement, CONTRACTOR acknowledges and represents that CONTRACTOR has read and understands these requirements and agrees to fully comply with all applicable requirements of Sacramento City Code Chapter 3.54. If requested by CITY, CONTRACTOR agrees to promptly provide such documents and information as may be required by CITY to verify CONTRACTOR’s compliance. Any violation by CONTRACTOR of Sacramento City Code Chapter 3.54 constitutes a material breach of this Agreement, for which the CITY may terminate the Agreement and pursue all available legal and equitable remedies.

8. **Considering Criminal Conviction Information in the Employment Application Process.** This Agreement may be subject to the requirements of Sacramento City Code Chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements of Sacramento City Code Chapter 3.62, entitled “Ban-The-Box Requirements,” can be viewed at: [http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements](http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements). By signing this Agreement, CONTRACTOR acknowledges and represents that CONTRACTOR has read and understands these requirements and agrees to fully comply with all applicable requirements of Sacramento City Code Chapter 3.62. If requested by CITY, CONTRACTOR agrees to promptly provide such documents and information as may be required by CITY to verify CONTRACTOR's compliance. Any violation by CONTRACTOR of Sacramento City Code Chapter 3.62 constitutes a material breach of this Agreement, for which the CITY may terminate the Agreement and pursue all available legal and equitable remedies. CONTRACTOR agrees to require its subcontractors to fully comply with all applicable requirements of Sacramento City Code Chapter 3.62, and include these requirements in all subcontracts covered by Sacramento City Code Chapter 3.62.

9. **Authority.** The person signing this Agreement for CONTRACTOR represents and warrants that he or she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.

10. **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

By:__________________________________________

Print name:___________________________________

Title:__________________________________________

For: Howard Chan, City Manager

ATTEST:

__________________________________________
City Clerk

APPROVED AS TO FORM:

__________________________________________
City Attorney

Attachments

Exhibit A    Scope of Services
Exhibit B    Fee Schedule/Manner of Payment
Exhibit C    Facilities/Equipment Provided
Exhibit D    General Provisions
CONTRACTOR:

PALADIN PROTECTION SPECIALISTS, INC. (DBA PALADIN PRIVATE SECURITY)

NAME OF FIRM

56-2414344
Federal I.D. No.

C2564604
State I.D. No.

135096

TYPE OF BUSINESS ENTITY (check one):

_____ Individual/Sole Proprietor

_____ Partnership

X Corporation (may require 2 signatures)

_____ Limited Liability Company

_____ Other (please specify: ______________________)


Signature of Authorized Person

Matthew Carroll, VP of Operations
Print Name and Title

Additional Signature (if required)

Louis Aliens, President
Print Name and Title
EXHIBIT A
NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

Lisa Deklinski, Program Manager
1395 35th Avenue, Sacramento, CA 95822
Phone: (916) 808-1309/E-mail: ldeklinski@cityofsacramento.org

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:

Matthew Carroll, VP of Operations and Information Technology
Paladin Private Security
320 Commerce Circle, Sacramento, CA 95815
Phone: (916) 331-3175/Fax: (916) 331-4329/E-mail: mcarroll@paladinprivatesecurity.com

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address or e-mail 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.

3. Time of Performance. The services described herein shall be provided for the period beginning July 1, 2018 through and including June 30, 2019, with the option to extend for four additional years.

4. Public Works Requirements. [To be completed by the City Representative:]

The services provided under this Agreement constitute “public works” under California Labor Code section 1720 et seq. and are either [check one if applicable]:

- Construction work in an amount exceeding $25,000; or
- Alteration, demolition, repair, or maintenance work in an amount exceeding $15,000.
If either line is checked above, this Agreement is subject to the following requirements:

A. **Payment of Prevailing Wages**: The provisions of Sacramento City Code section 3.60.180 require, among other things, that CONTRACTOR and every lower-tier subcontractor pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations pursuant to California Labor Code section 1773. CONTRACTOR and every lower-tier subcontractor shall submit certified payrolls and labor compliance documentation electronically when and as required by CITY. CONTRACTOR is responsible for compliance with Sacramento City Code section 3.60.180, and shall include these requirements in every subcontract. This Agreement is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in California Labor Code section 1771.4.

B. **DIR Registration**: California Labor Code Section 1725.5 requires the CONTRACTOR and all lower-tier subcontractors performing public works services to be currently registered with the California Department of Industrial Relations (DIR), as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to California Labor Code Section 1725.5. The CONTRACTOR shall list the CONTRACTOR’s current DIR registration number, and the current DIR registration number of all lower-tier subcontractors, below:

CONTRACTOR’s DIR No. __________________________
Subcontractor name: ____________________________ DIR No. __________
Subcontractor name: ____________________________ DIR No. __________
Subcontractor name: ____________________________ DIR No. __________

Further information can be found on DIR’s website at http://www.dir.ca.gov/Public-Works/Contractors.html. The above summary is provided solely for informational purposes, and does not in any way affect the CONTRACTOR’s and subcontractors’ obligation to comply in all respects with all other applicable laws and regulations. The CONTRACTOR shall disseminate these provisions to every lower-tier subcontractor.
ATTACHMENT 1 TO EXHIBIT A
SCOPE OF WORK

The City of Sacramento, Department of Utilities requires mobile armed security patrols at certain pumping facilities, reservoirs located in the North and South Sacramento areas as well as three water treatment facilities. Several of the facilities have been burglarized for their copper wiring, have had graffiti issues, trespassing, and homeless encampments blocking normal operations. These facilities are located mostly in remote areas and will need to be patrolled by armed patrol officers. There are currently 50 high risk facilities in this area that will need to be patrolled twice nightly.

Patrol hours are from 6:00 p.m. to 4:00 a.m. seven (7) days per week. Contractor shall patrol the facilities listed in Attachment 2 to Exhibit A twice during this patrol period.

Typical duties of the security guards at City facilities include, but are not limited to the following:

1. Perform armed inspection rounds twice nightly to determine that fences, gates, doors, windows and facility equipment are properly closed and/or locked and have not been vandalized or tampered with.

2. Respond to emergency situations while on patrol at facilities and notify appropriate City personnel when emergency occurs. Notify Utilities/SAC Control at (916-808-4961) and 911.

3. Investigating unusual or suspicious conditions including potential safety hazards.

4. Preventing trespassing or, damage to, or theft of City property.

5. Reporting a dishonest or criminal act committed on City premises by City personnel or other persons.

6. Relock gates and/or after exiting the facilities.

7. Issue trespassing violations when necessary.

8. Confront suspicious individuals.

9. Perform additional duties as necessary such as first responders to alarms, providing security for DOU employees at questionable locations, post duties at water treatment facilities when needed, post duties at locations where construction or maintenance is being performed and equipment cannot be secured, and other duties as necessary.

10. Monitoring cameras and other security equipment.

OTHER DUTIES MAY INCLUDE:

- Monitoring admittance of personnel and authorized visitors to City facilities.

- Operating telephones and transmitter/receiver radios, cameras, and automated security system equipment.
• Responding to emergency situations and notifying appropriate City personnel when emergencies occur.

• Turning lights off and on.

• Investigating unusual or suspicious conditions including potential safety hazards and reporting these findings to the proper authorities (DOU’s Sac Control first then Police Department, Emergency contact at 911, etc.).

• Preventing trespass on, damage to, or theft of City property.

• Inspecting parking areas, for instance are gates/doors locked.

• Monitoring environmental systems, such as heating and air conditioning.

• Screening and documenting any City property leaving or entering the City premises as directed by the City designee.

• Reporting any dishonest or criminal act committed on City premises by City personnel or other persons to the Police Department Emergency contact at 911, as well as the contractor’s management.

• Traffic-control duties may be included at some assignments.

• Other security-related duties as may be required by the City.

• Monitoring surveillance equipment for unusual or suspicious activity and rotate surveillance tapes as needed, where applicable.

• Monitoring alarm systems, including daily verification of operability (checking to insure system is on and appears to be working properly).
## ATTACHMENT 2 TO EXHIBIT A

### POSSIBLE NORTH AREA FACILITIES

<table>
<thead>
<tr>
<th>Sump/Reservoir/Water Plant</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sump 11</td>
<td>4964 Natomas Blvd.</td>
</tr>
<tr>
<td>Sump 12</td>
<td>2004 Elkhorn Blvd</td>
</tr>
<tr>
<td>Elkhorn Reservoir</td>
<td>Across from Sump 12</td>
</tr>
<tr>
<td>Sump 15</td>
<td>#2 Terracina Drive</td>
</tr>
<tr>
<td>Capitol Gateway Reservoir</td>
<td>Across from Sump 15</td>
</tr>
<tr>
<td>Sump 16</td>
<td>3470 Airport Road</td>
</tr>
<tr>
<td>Sump 17</td>
<td>3320 Wittier Way</td>
</tr>
<tr>
<td>San Juan Reservoir</td>
<td>Across from Sump 17</td>
</tr>
<tr>
<td>Sump 20</td>
<td>3611 Truxel Rd Behind Home Depot</td>
</tr>
<tr>
<td>Sump 58</td>
<td>1158 Azusa Way</td>
</tr>
<tr>
<td>Sump 62</td>
<td>120 Promenada Circle</td>
</tr>
<tr>
<td>Sump 64</td>
<td>1501 Striker Ave</td>
</tr>
<tr>
<td>Sump 83</td>
<td>712 Del Paso Blvd</td>
</tr>
<tr>
<td>Sump 98</td>
<td>3075 Northstead Dr</td>
</tr>
<tr>
<td>Sump 102</td>
<td>310 Bowman Ave (In Gardenland Park)</td>
</tr>
<tr>
<td>Well 159</td>
<td>Across from Sump 102</td>
</tr>
<tr>
<td>Sump 103</td>
<td>32 Altos Ave</td>
</tr>
<tr>
<td>Sump 129</td>
<td>2901 San Juan Ave 2 Azevedo</td>
</tr>
<tr>
<td>Sump 130</td>
<td>2634 West El Camino @ Grassland Dr</td>
</tr>
<tr>
<td>Sump 140</td>
<td>188 Pinsdale Ave</td>
</tr>
<tr>
<td>Sump 141</td>
<td>921 Elm Ridge Way</td>
</tr>
<tr>
<td>Sump 144</td>
<td>4101 May Street</td>
</tr>
<tr>
<td>Sump 151</td>
<td>600 Leisure Lane Canterberry, West of the Raddison</td>
</tr>
<tr>
<td>Sump 153</td>
<td>2300 Colfax Street</td>
</tr>
<tr>
<td>Sump 154</td>
<td>77 Arcade Blvd @ Colfax Street</td>
</tr>
<tr>
<td>Sump 157</td>
<td>#1 Morrison Ave @ Western Ave</td>
</tr>
<tr>
<td>Sump 158</td>
<td>300 Fairbanks Ave</td>
</tr>
<tr>
<td>Sump 159</td>
<td>813 Arcade Blvd</td>
</tr>
<tr>
<td>Sump 160</td>
<td>Corner of Shorebird &amp; Kittywake Drive</td>
</tr>
<tr>
<td>Fairbairn Water Plant</td>
<td>7501 College Town Drive</td>
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<tr>
<td>Sac Water Plant</td>
<td>1 Water Street</td>
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<tr>
<td>Well 155</td>
<td>2320 Roanoke Ave</td>
</tr>
<tr>
<td>Robla Reservoir</td>
<td>4405 Rio Linda Blvd</td>
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<tr>
<td>Sacramento River Intake</td>
<td>450 Jibboom Street</td>
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### POSSIBLE SOUTH AREA FACILITIES

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<tr>
<td>Sump 28</td>
<td>7788 Freeport Blvd.</td>
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<tr>
<td>Sump 31</td>
<td>6441 Elvas Ave.</td>
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<tr>
<td>Sump 34</td>
<td>7851 Freeport Blvd.</td>
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<tr>
<td>Sump 38</td>
<td>5701 J Street</td>
</tr>
<tr>
<td>Sump 66</td>
<td>4949 Florin Perkins Road</td>
</tr>
<tr>
<td>Sump 67</td>
<td>7756 Center Parkway</td>
</tr>
<tr>
<td>Sump 68</td>
<td>8121 Center Parkway</td>
</tr>
<tr>
<td>Sump 69</td>
<td>8221 Center Parkway</td>
</tr>
<tr>
<td>Sump 96</td>
<td>6525 – 65th Street</td>
</tr>
<tr>
<td>Sump 97</td>
<td>6343 – 24th Street</td>
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<tr>
<td>Sump 99</td>
<td>3401 Lanatt Street</td>
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<tr>
<td>Sump 101</td>
<td>5707 Elvas Ave.</td>
</tr>
<tr>
<td>Sump 115</td>
<td>4100 Brookfield Dr.</td>
</tr>
<tr>
<td>Sump 116</td>
<td>5890 – 88th Ave.</td>
</tr>
<tr>
<td>Sump 128</td>
<td>3951 Mack Rd.</td>
</tr>
<tr>
<td>Sump 138</td>
<td>7531 Maple Tree Way</td>
</tr>
</tbody>
</table>

**NOTE:** The above listing constitutes an estimate of current service needs. The total number of hours is subject to addition, increase, decrease, or deletion at each location and in total. Some sites may from time to time require additional hours on and “as needed” basis. The City and/or affiliated organizations are under no obligation to guarantee a minimum number of hours at any site, or in total, and expressly reserve the right to change hours and to add or delete sites and hours as necessary. The number of sites (50) however will never change. Normally total number of sites will be divided as 25 in the north portion of the City and 25 in south portion of the city.
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 $1,750,000.

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, 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/Project Name
   (2) CITY’s current Purchase Order Number
   (3) CONTRACTOR’s Invoice Number
   (4) Date of Invoice Issuance
   (5) Work Order Number (if applicable)
   (6) CITY representative identified on the Purchase Order
   (7) CONTRACTOR’s remit address for payment
   (8) Description of services billed under Invoice
   (9) Amount of Invoice (itemize all authorized Reimbursable Expenses)
   (10) Total Billed to Date under Agreement

   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 above.
D. Submitting Invoices:

(1) **Email.** Submit email invoices and any attachments to:

    apinvoices@cityofsacramento.org

(2) **Postal mail.** If emailing invoices and attachments is not an option, mail to:

    A/P PROCESSING CENTER
    CITY OF SACRAMENTO
    915 I ST FL 4
    SACRAMENTO CA 95814-2608

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 the 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 the 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 the 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 the 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.
<table>
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<th>TASK</th>
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<th>HOURLY RATE</th>
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<td>Mobile Patrols</td>
<td></td>
<td>$</td>
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<tr>
<td>Level 3 Security Officer</td>
<td>Armed Patrol Officer w/vehicle</td>
<td>$34.23</td>
</tr>
<tr>
<td>Stationary Guard</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Level 1-3 Security Officer</td>
<td>Armed or Unarmed Security Officer</td>
<td>$40.00</td>
</tr>
<tr>
<td></td>
<td>(overtime rate / special events)</td>
<td>$</td>
</tr>
</tbody>
</table>

Second Year Increase Rate 3% % (Not to exceed 3%)
Third Year Increase Rate 3% % (Not to exceed 3%)
Fourth Year Increase Rate 3% % (Not to exceed 3%)
Fifth Year Increase Rate 3% % (Not to exceed 3%)
EXHIBIT C
NONPROFESSIONAL SERVICES AGREEMENT

FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY

CITY shall [check one] ______ Not furnish any facilities or equipment for this Agreement;

or

XXXXX Furnish the following facilities or equipment for the Agreement [list, if applicable]:
- Access to facilities listed in the Scope of Work
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, photostatting, 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 rendered 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. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the CITY.

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, arising out of activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors, and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors, with limits of not less than five million dollars ($5,000,000) 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 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 accident. 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) **Excess Insurance:** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance shall contain, or be endorsed to contain, a provision that it shall apply on a primary basis for the benefit of the CITY, and any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of such umbrella or excess coverage and shall not contribute with it.

(4) **Workers’ Compensation Insurance** with statutory limits, and **Employers’ Liability Insurance** with limits of not less than one million dollars ($1,000,000). The Workers’ Compensation policy shall include a waiver of subrogation in favor of the CITY. If no work or services will be performed on or at CITY facilities or CITY Property, the CITY Representative may waive this requirement by selecting the option below:

Workers’ Compensation waiver of subrogation in favor of the CITY is not required. _____ (CITY Representative initials)

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)

(5) **Crime Insurance**
Contractor shall maintain a Third Party Crime Coverage Policy to insure against loss of money, securities, or other property referred to hereunder which may result from employee dishonesty, forgery or alteration, theft, disappearance and destruction, computer fraud, and burglary and robbery with limits of not less than $1,000,000. The policy shall contain a Loss Payable Endorsement in favor of the City or shall be written into policy form.

**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, its sub-consultants, and subcontractors; products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors; and
premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors.

(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, including excess insurance, 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:VI. 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 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) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o EXIGIS LLC
P.O. Box 4668 ECM- #35050
New York, NY 10168-4668
Insurance certificates also may be faxed to (888) 355-3599, or e-mailed to:
certificates-sacramento@riskworks.com

(3) 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 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 sub-consultants and 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 that 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:

Form Approved by City Attorney 02-14-2017

Exhibit D - Page 9
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.