

## MAINTENANCE SERVICES AGREEMENT

This Maintenance Services Agreement ("Agreement") is dated July 05, 2017 ("Effective Date") and is between the City of Manhattan Beach, a California municipal corporation ("City") and Elevators Etc., LP, a Delaware limited partnership ("Contractor"). City and Contractor are sometimes referred to herein as the "Parties", and individually as a "Party".

### RECITALS

A. City issued Request for Proposals No. 1110-17 on January 18, 2017, seeking proposals for the provision of Elevator & Escalator Maintenance. Contractor submitted a proposal dated February 24, 2017 in response to the RFP.

B. Contractor represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

C. City desires to retain Contractor as an independent contractor and Contractor desires to serve City to perform these services in accordance with the terms and conditions of this Agreement.

The Parties therefore agree as follows:

#### 1. Contractor's Services.

A. Scope of Services. Contractor shall perform the services described in the Scope of Services (the "Services"), attached as **Exhibit A**. City may request, in writing, changes in the Scope of Services to be performed. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

B. Party Representatives. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the "City Representative"). For the purposes of this Agreement, the Contractor Representative shall be [Jason Babcock], [President] (the "Contractor Representative"). The Contractor Representative shall directly manage Contractor's Services under this Agreement. Contractor shall not change the Contractor Representative without City's prior written consent.

C. Time for Performance. Contractor shall commence the Services on the Effective Date and shall perform all Services in conformance with the project timeline, set forth in **Exhibit A**.

D. Standard of Performance. Contractor shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

E. Personnel. Contractor has, or will secure at its own expense, all personnel required to perform the Services required under this Agreement. All of the Services required under this Agreement shall be performed by Contractor or under its supervision, and all personnel engaged in the work shall be qualified to perform such Services.

F. Compliance with Laws. Contractor shall comply with all applicable federal, state and local laws, ordinances, codes, regulations and requirements.

G. Permits and Licenses. Contractor shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of Services under this Agreement, including a business license.

H. Prevailing Wages. This Agreement calls for services that, in whole or in part, constitute "public works" as defined in the California Labor Code. Therefore, as to those services that are "public works", Contractor shall comply in all respects with all applicable provisions of the California Labor Code, including those set forth in **Exhibit B** hereto.

**2. Term of Agreement.** The term of this Agreement shall be from the Effective Date through July 6, 2020, unless sooner terminated as provided in Section 12 of this Agreement or extended. The City Manager is authorized to extend the term for up to two additional periods of one year each. Any such extension shall be evidenced by a writing executed by the City Manager, or his or her designee.

### **3. Compensation.**

A. Compensation. As full compensation for Contractor's Services provided under this Agreement, City shall pay Contractor the total sum of \$33,567.18 (the "Maximum Compensation"), as follows:

- FY 2017/18 \$10,860.00
- FY 2018/19 \$11,185.00
- FY 2019/20 \$11,521.00

If one or both of the one-year option periods referenced in Section 2 are authorized by the City Manager, the Maximum Compensation shall be increased as follows:

- Optional FY 2020/21 \$11,868
- Optional FY 2021/22 \$12,223

The City Manager shall have authority to increase the annual Maximum Compensation by up to 20%, any further increase requires City Council approval.

B. Expenses. The amount set forth in paragraph 3.A. above shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement.

C. Additional Services. City shall not allow any claims for additional Services performed by Contractor, unless the City Council or City Representative, if applicable, and the Contractor Representative authorize the additional Services in writing prior to Contractor's performance of the additional Services or incurrence of additional expenses. Any additional Services or expenses authorized by the City Council or City Representative shall be compensated at the rates set forth in **Exhibit A**, or, if not specified, at a rate mutually agreed to by the Parties. City shall make payment for additional Services and expenses in accordance with Section 4 of this Agreement.

#### **4. Method of Payment.**

A. Invoices. Contractor shall submit to City an invoice, on a monthly basis for the Services performed pursuant to this Agreement. Each invoice shall itemize the Services rendered during the billing period, hourly rates charged, if applicable, and the amount due. City shall review each invoice and notify Contractor in writing within ten business days of receipt of any disputed invoice amounts.

B. Payment. City shall pay all undisputed invoice amounts within 30 calendar days after receipt up to the maximum compensation set forth in Section 3 of this Agreement. City does not pay interest on past due amounts. City shall not withhold federal payroll, state payroll or other taxes, or other similar deductions, from payments made to Contractor.

C. Audit of Records. Contractor shall make all records, invoices, time cards, cost control sheets and other records maintained by Contractor in connection with this Agreement available during Contractor's regular working hours to City for review and audit by City.

**5. Independent Contractor.** Contractor is, and shall at all times remain as to City, a wholly independent contractor. Contractor shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Agreement. Contractor shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City.

#### **6. Information and Documents.**

A. Contractor covenants that all data, reports, documents, discussion, or other information (collectively "Data") developed or received by Contractor or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Contractor without prior written authorization by City. City shall grant such authorization if applicable law requires disclosure. Contractor, its officers, employees, agents, or subcontractors shall not without written authorization from the City Manager or unless requested in writing by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order

shall not be considered "voluntary," provided Contractor gives City notice of such court order or subpoena.

B. Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within the City. City may, but has no obligation to, represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, City's right to review any such response does not imply or mean the right by City to control, direct or rewrite the response.

C. All Data required to be furnished to City in connection with this Agreement shall become City's property, and City may use all or any portion of the Data submitted by Contractor as City deems appropriate. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the Services, surveys, notes, and other documents prepared in the course of providing the Services shall become City's sole property and may be used, reused or otherwise disposed of by City without Contractor's permission. Contractor may take and retain copies of the written products as desired, but the written products shall not be the subject of a copyright application by Contractor.

D. Contractor's covenants under this Section 6 shall survive the expiration or termination of this Agreement.

**7. Conflicts of Interest.** Contractor and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Contractor's Services under this Agreement, including the Political Reform Act (Gov. Code § 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Contractor may perform similar Services for other clients, but Contractor and its officers, employees, associates and subcontractors shall not, without the City Representative's prior written approval, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Contractor shall incorporate a clause substantially similar to this Section 7 into any subcontract that Contractor executes in connection with the performance of this Agreement.

## **8. Indemnification.**

### **A. Indemnities for Third Party Claims.**



1) To the fullest extent permitted by law, Contractor shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor, its officers, agents, servants, employees, subcontractors, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that Contractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees, as determined by final arbitration or court decision or by the agreement of the Parties. Contractor shall defend the Indemnitees in any action or actions filed in connection with any Liabilities with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Contractor shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Contractor shall pay all required taxes on amounts paid to Contractor under this Agreement, and indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contractor shall fully comply with the workers' compensation law regarding Contractor and Contractor's employees. Contractor shall indemnify and hold City harmless from any failure of Contractor to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Contractor under this Agreement any amount due to City from Contractor as a result of Contractor's failure to promptly pay to City any reimbursement or indemnification arising under this subparagraph A.2).

3) Contractor shall obtain executed indemnity agreements with provisions identical to those in this Section 8 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Agreement. If Contractor fails to obtain such indemnity obligations, Contractor shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from and against any and all Liabilities at law or in equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Contractor's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that Contractor's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or

willful misconduct of the Indemnitees, as determined by final arbitration or court decision or by the agreement of the Parties.

B. Workers' Compensation Acts not Limiting. Contractor's indemnifications and obligations under this Section 8, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Contractor expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Contractor because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The indemnities in this Section 8 shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liabilities, tax, assessment, penalty or interest asserted against City.

D. Survival of Terms. Contractor's indemnifications and obligations under this Section 8 shall survive the expiration or termination of this Agreement.

## **9. Insurance.**

A. Minimum Scope and Limits of Insurance. Contractor shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of \$2,000,000.00 per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of \$2,000,000.00 per project or location. If Contractor is a limited liability company, the commercial general liability coverage shall be amended so that Contractor and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of \$2,000,000.00 per accident for bodily injury and property damage. If Contractor does not use any owned, non-owned or hired vehicles in the performance of Services under this Agreement, Contractor shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under subparagraph A.1) of this Section 9.

3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of \$1,000,000.00 per accident for bodily injury or disease. If Contractor has no employees while performing Services under this Agreement, workers' compensation policy is not required, but Contractor shall execute a declaration that it has no employees.

4) Errors and Omissions Insurance with minimum limits of \$2,000,000.00 per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Section 9 shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self insurance shall not be considered to comply with the insurance requirements under this Section 9.

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming City, its officers, employees, agents and volunteers as additional insureds.

D. Primary and Non-Contributing. The insurance policies required under this Section 9 shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Contractor's insurance and shall not contribute with it.

E. Contractor's Waiver of Subrogation. The insurance policies required under this Section 9 shall not prohibit Contractor and Contractor's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by City. At City's option, Contractor shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Contractor shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Contractor shall not cancel, reduce or otherwise modify the insurance policies required by this Section 9 during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail 30 days' prior written notice to City. If any insurance policy required under this Section 9 is canceled or reduced in coverage or limits, Contractor shall, within two business days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

H. City Remedy for Noncompliance. If Contractor does not maintain the policies of insurance required under this Section 9 in full force and effect during the term of this Agreement, or in the event any of Contractor's policies do not comply with the requirements under this Section 9, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at Contractor's expense, the premium thereon. Contractor shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Contractor.

I. Evidence of Insurance. Prior to the performance of Services under this Agreement, Contractor shall furnish City's Risk Manager with a certificate or certificates

of insurance and all original endorsements evidencing and effecting the coverages required under this Section 9. The endorsements are subject to City's approval. Contractor may provide complete, certified copies of all required insurance policies to City. Contractor shall maintain current endorsements on file with City's Risk Manager. Contractor shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Contractor shall furnish such proof at least two weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Contractor shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's duty to indemnify City under Section 8 of this Agreement.

K. Subcontractor Insurance Requirements. Contractor shall require each of its subcontractors that perform Services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section 9.

## **10. Mutual Cooperation.**

A. City's Cooperation. City shall provide Contractor with all pertinent Data, documents and other requested information as is reasonably available for Contractor's proper performance of the Services required under this Agreement.

B. Contractor's Cooperation. In the event any claim or action is brought against City relating to Contractor's performance of Services rendered under this Agreement, Contractor shall render any reasonable assistance that City requires.

**11. Records and Inspections.** Contractor shall maintain complete and accurate records with respect to time, costs, expenses, receipts, correspondence, and other such information required by City that relate to the performance of the Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to City, its designees and representatives at reasonable times, and shall allow City to examine and audit the books and records, to make transcripts therefrom as necessary, and to inspect all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three years after receipt of final payment.

## **12. Termination of Agreement.**

A. Right to Terminate. City may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to Contractor at least five calendar days before the termination is to be effective. Contractor may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to City at least 60 calendar days before the termination is to be effective.

B. Obligations upon Termination. Contractor shall cease all work under this Agreement on or before the effective date of termination specified in the notice of



termination. In the event of City's termination of this Agreement due to no fault or failure of performance by Contractor, City shall pay Contractor based on the percentage of work satisfactorily performed up to the effective date of termination. In no event shall Contractor be entitled to receive more than the amount that would be paid to Contractor for the full performance of the Services required by this Agreement. Contractor shall have no other claim against City by reason of such termination, including any claim for compensation.

**13. Force Majeure.** Contractor shall not be liable for any failure to perform its obligations under this Agreement if Contractor presents acceptable evidence, in City's sole judgment, that such failure was due to strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Contractor's reasonable control and not due to any act by Contractor.

**14. Default.**

A. Contractor's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Contractor is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Contractor for any work performed after the date of default.

B. If the City Manager or his delegate determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, City shall serve Contractor with written notice of the default. Contractor shall have ten calendar days after service upon it of the notice in which to cure the default by rendering a satisfactory performance. In the event that Contractor fails to cure its default within such period of time, City may, notwithstanding any other provision of this Agreement, terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

**15. Notices.** Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Contractor's and City's regular business hours, or (c) three business days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

If to City:  
Attn: Sean Roberts  
City of Manhattan Beach  
1400 Highland Avenue  
Manhattan Beach, California 90266  
Telephone: (310) 466-0942  
Email: [sroberts@citymb.info](mailto:sroberts@citymb.info)

If to Contractor:  
Attn: Jason Babcock, President  
Elevators Etc.  
4327 East Cesar E. Chavez Ave.  
Los Angeles, CA 90022  
Telephone: (909) 599-2400  
Email: [jbabcock@elevatorsetc.org](mailto:jbabcock@elevatorsetc.org)

With a courtesy copy to:

Quinn M. Barrow, City Attorney  
1400 Highland Avenue  
Manhattan Beach, California 90266  
Telephone: (310) 802-5061  
Email: qbarrow@citymb.info

**16. Non-Discrimination and Equal Employment Opportunity.** In the performance of this Agreement, Contractor shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. Contractor will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

**17. Prohibition of Assignment and Delegation.** Contractor shall not assign any of its rights or delegate any of its duties under this Agreement, either in whole or in part, without City's prior written consent. City's consent to an assignment of rights under this Agreement shall not release Contractor from any of its obligations or alter any of its primary obligations to be performed under this Agreement. Any attempted assignment or delegation in violation of this Section 17 shall be void and of no effect and shall entitle City to terminate this Agreement. As used in this Section 17, "assignment" and "delegation" means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

**18. No Third Party Beneficiaries Intended.** This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

**19. Waiver.** No delay or omission to exercise any right, power or remedy accruing to City under this Agreement shall impair any right, power or remedy of City, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach, any failure of a condition, or any right or remedy under this Agreement shall be (1) effective unless it is in writing and signed by the Party making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

**20. Final Payment Acceptance Constitutes Release.** The acceptance by Contractor of the final payment made under this Agreement shall operate as and be a



release of City from all claims and liabilities for compensation to Contractor for anything done, furnished or relating to Contractor's work or services. Acceptance of payment shall be any negotiation of City's check or the failure to make a written extra compensation claim within ten calendar days of the receipt of that check. However, approval or payment by City shall not constitute, nor be deemed, a release of the responsibility and liability of Contractor, its employees, sub-contractors and agents for the accuracy and competency of the information provided and/or work performed; nor shall such approval or payment be deemed to be an assumption of such responsibility or liability by City for any defect or error in the work prepared by Contractor, its employees, sub-contractors and agents.

**21. Corrections.** In addition to the above indemnification obligations, Contractor shall correct, at its expense, all errors in the work which may be disclosed during City's review of Contractor's report or plans. Should Contractor fail to make such correction in a reasonably timely manner, such correction may be made by City, and the cost thereof shall be charged to Contractor. In addition to all other available remedies, City may deduct the cost of such correction from any retention amount held by City or may withhold payment otherwise owed Contractor under this Agreement up to the amount of the cost of correction.

**22. Non-Appropriation of Funds.** Payments to be made to Contractor by City for services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted fund. In the event that City does not appropriate sufficient funds for payment of Contractor's services beyond the current fiscal year, the Agreement shall cover payment for Contractor's services only to the conclusion of the last fiscal year in which City appropriates sufficient funds and shall automatically terminate at the conclusion of such fiscal year.

**23. Exhibits.** Exhibits A and B constitute a part of this Agreement and are incorporated into this Agreement by this reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Contractor's proposal, the provisions of this Agreement shall control.

**24. Entire Agreement and Modification of Agreement.** This Agreement and all exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Agreement and supersede all other prior or contemporaneous oral or written understandings and agreements of the Parties. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty except those expressly set forth in this Agreement. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by both Parties.

**25. Headings.** The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the Parties to this Agreement.

**26. Word Usage.** Unless the context clearly requires otherwise, (a) the words "shall," "will" and "agrees" are mandatory and "may" is permissive; (b) "or" is not exclusive; and (c) "includes" or "including" are not limiting.

**27. Time of the Essence.** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a Party of the benefits of any grace or use period allowed in this Agreement.

**28. Business Days.** "Business days" means days Manhattan Beach City Hall is open for business.

**29. Governing Law and Choice of Forum.** This Agreement, and any dispute arising from the relationship between the Parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of California, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a superior or federal court with geographic jurisdiction over the City of Manhattan Beach.

**30. Attorneys' Fees.** In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover actual attorneys' fees, experts' fees, and other costs, in addition to all other relief to which that Party may be entitled.

**31. Severability.** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

**32. Counterparts.** This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument.

**33. Corporate Authority.** Each person executing this Agreement on behalf of his or her Party warrants that he or she is duly authorized to execute this Agreement on behalf of that Party and that by such execution, that Party is formally bound to the provisions of this Agreement.

*[SIGNATURE PAGE FOLLOWS]*

The Parties, through their duly authorized representatives are signing this Agreement on the date stated in the introductory clause.

City:

City of Manhattan Beach,  
a California municipal corporation

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

Name: \_\_\_\_\_

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

ATTEST:

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

Name: Liza Tamura

Title: City Clerk

APPROVED AS TO FORM:

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

Name: Quinn M. Barrow

Title: City Attorney

APPROVED AS TO CONTENT:

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

Name: Bruce Moe

Title: Finance Director

Contractor:

Elevators Etc., LP,  
a Delaware limited partnership

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

Name: John Steward

Title: President

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

Name: \_\_\_\_\_

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

PROOF OF AUTHORITY TO BIND CONTRACTING  
PARTY REQUIRED

**EXHIBIT A**  
**SCOPE OF SERVICES – *See Attached***



## MAINTENANCE CONTRACT

|                       |            |                    |              |
|-----------------------|------------|--------------------|--------------|
| <b>PROPOSAL DATE:</b> | 02-24-2017 | <b>PROPOSAL #:</b> | MB-2-1110-17 |
|-----------------------|------------|--------------------|--------------|

|            |   |              |  |
|------------|---|--------------|--|
| <b>TO:</b> | City of Manhattan Beach                           | <b>FROM:</b> | Elevators Etc  |
|            | 1400 Highland Avenue<br>Manhattan Beach, CA 90266 |              | 4327 E. Cesar E. Chavez Ave<br>Los Angeles, CA 90022<br>909-599-2400 |

|                            |   |
|----------------------------|---|
| <b>EQUIPMENT LOCATION:</b> | <b>ATTN:</b>  |
| City of Manhattan Beach    | Public Works RFP# 1110-17, Elevator & Escalator Service |

| EQUIPMENT DESCRIPTION  |              |                 |                   |
|------------------------|--------------|-----------------|-------------------|
| Location               | Manufacturer | Type of Units   | Conveyance number |
| City Hall              | Montgomery   | Hydraulic       | 061229            |
| Lot M                  | Schindler    | Hydraulic       | 132803            |
| Civic Ctr, Plaza       | Mitsubishi   | Hydraulic       | 143842            |
| Public Safety Facility | Mitsubishi   | Hydraulic       | 143841            |
| Lot M                  | Schindler    | Escalator       | 143529            |
| Lot M                  | Schindler    | Escalator       | 143530            |
| Lot M                  | Schindler    | Escalator       | 143566            |
| Lot M                  | Schindler    | Escalator       | 143567            |
| Joslyn Center          | Porch        | Wheelchair Lift | 163072            |
| Marine Complex         | AEM          | Wheelchair Lift | 121864            |
| City Hall              | Porch        | Wheelchair Lift | 144972            |
| Pier at Round House    | N/A          | Wheelchair Lift | N/A               |

### ELEVATORS ETC. SERVICE

We propose to furnish Elevators Etc Service on the equipment ("Units") described above. All work will be performed during our regular working hours of our regular working days, unless otherwise specified in this Agreement. Should trouble develop between regular examinations, we will upon receipt of notification by you, dispatch a service mechanic to perform necessary adjustments.



*Under this Contract, we will service the Units on the following terms and conditions:*

**MAINTENANCE INCLUDES:**

We will use reasonable care to maintain your equipment using trained personnel. We will monthly and systematically examine, clean, lubricate, adjust and if in our opinion conditions warrant, unless specifically excluded under the proration provision, repair or replace the following:

**Machine:** Worm, gear, thrust bearings, drive sheave, sheave shaft bearings, brake coil, brake linings and components.

**Motor:** Windings, bearings, rotating element, commutators, brushes and brush holders.

**Motor Generator:** Windings, bearings, rotating element, commutators, brushes and brush holders.

**Hydraulic:** Pump Unit, valves and motors, jack unit except underground cylinders and piping.

**Controller:** Dispatching and power equipment, selectors, all relays, solid state components, computer components, transformers, chokes and filters.

**Dispatching Equipment:** All relays, resistors, contacts, coils, leads, fuses, transformer, timing devices and solid-state components.

**Selector:** All electrical or mechanical drive components, cams, contacts, relays, resistors, leads, transformers and solid state components.

**Governor:** Sheave, bearings, shafts, contacts and governor jaws.

**Hoistway Equipment:** Buffers, compensating sheave assemblies, compensating cable or chains, guide rails, counterweight safeties and guide shoes, load weighing equipment and seismic devices.

**Structural Car Frame:** Safeties, guide shoes.

**Power Door Operator:** Car and hoistway door hangers and rollers, car opening protective devices, door auxiliary closer, door gibs and door interlocks.

**Elevator Control Wiring:** In the machine room, hoistway and car.

**Fixtures:** Call and hall operating buttons, contacts and signal bulbs. Replacement of signal fixture bulbs is to be performed during regular examinations or otherwise be billed separately at Elevators Etc standard billing rates.

**Furnish:** Lubricants and Hydraulic Fluid.





**Safety Devices:** Will be periodically examined.

**Wire Rope Cables:** Will be renewed as often as necessary to maintain an adequate factor of safety. We will equalize the tension on all hoist cables.

**Fire Service Testing:** Monthly key testing will be included in the base price.

**ESCALATORS ONLY:**

**Handrail:** Handrail, handrail drive chains, handrail brush guards, handrail guide rollers, alignment devices.

**Steps:** Step wheels, step chains (LUBRICATE AND ADJUST ONLY), step axle bushings.

**Drive Unit:** Drive bearings, tension sprocket and upper and lower newel bearings.

**Testing:** All testing shall be such as to permit annual licensing by the State of California. This includes performing all safety tests as required by the American Standard Safety Code for elevators, escalators and wheelchair lifts.

Contractor will be present for pressure relief valve testing.  
Contractor will be present for annual fire alarm testing.

**Inspections:**

Elevators etc. will provide a licensed mechanic to perform annual inspections as required.  
City may be present during any and all inspections.

**Equipment Performance:**

**Elevators**

1. The elevators shall be adjusted to meet the following performance standards and shall maintain these standards for the term of the agreement.
2. Floor-to-floor time shall be measured from the time a car leaves a floor, travels one floor up or down, and the doors are  $\frac{3}{4}$  open.
3. Door times shall be in accordance with current standards.
4. Leveling accuracy under load conditions shall be  $\pm 3/8$  of an inch.
5. Elevators starting, acceleration, stopping and leveling shall be smooth and free from jars or bumps. Full speed riding shall be without swaying or vibration. Elevator and door operation shall be quiet. Stop made under operation of Emergency Stop Switch shall be more rapid than a routine stop, but not violent.
6. Door pressure shall be maintained below 30 pounds in closing.



### **SERVICE PROVIDED**

We will examine, adjust, clean and lubricate the equipment as set forth above.

Prompt response to all emergency callbacks during regular working hours, (8:00am to 5:00pm) Monday through Friday, except holidays, recognize now and hereafter by the local elevator union.

Provide 24-hour emergency callback service.

Covered repairs will be performed only during regular working hours.

### **Monthly Fire service testing**

We will maintain for each unit a record of all examinations, callbacks and repairs.

### **OVERTIME CALLBACK SERVICE**

Overtime call back service consists of minor adjustment, small parts replacement, if available from onsite inventory, and short-term diagnostic service of the equipment. Covered repairs are not considered callbacks.

Overtime callback service will be provided as follows: Overtime call back services consists of minor adjustments, small parts replacement, if available from onsite inventory, and short-term diagnostic service of the equipment. Covered repairs are not considered callbacks.

### **HOURLY BILLING RATES**

Hourly billing rates for maintenance straight time, overtime and double time include:

#### **Straight Time**

Mechanic: \$185.00/Hour (One hundred eighty-five dollars)  
Helper: \$140.00/Hour (One hundred forty dollars)  
Crew: \$300.00/Hour (Three hundred dollars)

#### **Over-time (x1.7)**

Mechanic: \$260.00/ Hour (Two hundred sixty dollars)  
Helper: \$220.00/Hour (Two hundred twenty dollars)  
Crew: \$420.00/Hour (Four hundred twenty dollars)

#### **Double Time (x2)**

Mechanic: \$310.00/Hour (Three hundred ten dollars)  
Helper: \$270.00/Hour (Two hundred seventy dollars)  
Crew: \$480.00/Hour (Four hundred eighty dollars)



### **PARTS INVENTORY AND LUBRICANTS**

We will maintain a supply of frequently used replacement parts and lubricants required for routine maintenance. Replacement parts furnished under this Agreement will be original equipment manufactured or parts specifically selected by us for use on this equipment. All replacement parts will be new or refurbished to our standards. In the event the Agreement is terminated for any reason whatsoever, you agree to provide us access to the premises where the equipment is located to allow us to remove any spare parts or tools stored there by us.

### **OPERATIONAL CHARACTERISTICS**

We will maintain optimal operational characteristics of your equipment including, door operation, car speed floor leveling, and ride quality as determined by the original equipment design, age of equipment and building use type.

### **YOUR OBLIGATIONS**

It is agreed that we do not assume possession or control of any part of the units, that such remains yours solely as owner, operator, lessee or agent of the owner or lessee, and that you are solely responsible for all requirements imposed by any federal, state or local law, ordinance or regulation. This responsibility includes, but is not limited to: advising, warning and/or instructing passengers in the proper use of the equipment.

You will insure that the machine rooms are properly ventilated with temperature controlled in the 50-degree F to 90-degree F range or otherwise as required by governmental authority.

You agree to provide us unrestricted, ready and safe access, including off-hours emergency callbacks, to all areas of the building in which any part of the units are located and to keep all machine rooms and pit areas free from water, stored material and excessive debris. You agree to provide a safe work place for our personnel and to remove any hazardous materials in accordance with applicable laws and regulations. You agree to restrict access to the equipment to only our authorized personnel. During the term of this Agreement, you agree not to permit others to make alterations, additions, adjustments, repairs, or replacements to the equipment.

If any of the following conditions occur: an operational problem, an equipment malfunction, a dangerous condition, or there has been an accident, you, shall immediately notify us. In the event of an accident, we shall be notified in writing within 24 hours of the incident. Until we correct the problem, you agree to remove the unit from service and take all necessary precautions to prevent accidents or use of the unit. This notice requirement is to be strictly construed and any failure to comply with the requirements will serve to hold you liable for any damages or injuries resulting therefrom.

### **TERMS AND CONDITIONS**





We will indemnify and hold you harmless for losses due to personal injury or property damage to the extent caused by our negligent acts or omissions during the performance of the work, but not to the extent caused by others. You agree to indemnify as under the same terms and conditions.

We shall not be liable for any loss, damage or delay due to any cause beyond our reasonable control including, but not limited to, acts of government, strikes, lockouts, labor disputes, fire, explosion, theft, floods, water, weather, earthquakes, riot, civil commotion, war, repairs by others, exposure to excessive heat, vandalism, misuse malicious mischief or acts of god. Notwithstanding any other agreement or provision to the contrary, under no circumstances will either party be liable for any indirect, special or consequential damages of any kind. We shall not be liable for removal or disposal of hazardous and waste fluid or materials or for any environmental/ecological reporting, testing, cleaning or rehabilitation dictated by any agency or party for any reason. If such action is required from us by a third party, they shall be paid for by you.

While this Agreement is designed to reduce wear, and prolong the useful life of such equipment, we make no representation that such equipment will not breakdown or malfunction, and you agree to hold us harmless from any such event or action arising therefrom.

Any purchase order issued by you in connection with this Agreement are deemed to be issued for your administrative or billing identification purposes only. The terms and conditions contained herein shall exclusively govern the services to be provided hereunder, and this Agreement may not be changed, modified, revised or amended unless in writing and signed by you and our authorized representative.

In the event of sale, lease or other transfer of the equipment, or the premises in which they are located, or a change in the paying party, you agree to see that such transferee or alternate paying party is made aware of this Agreement and assumes and agrees to be bound by the terms hereof for the balance of the Agreement term and subject to termination as herein provided, or you will otherwise be liable for the full unpaid balance due for the unexpired term of the Agreement. We may at our sole discretion, terminate this Agreement with any such successor at any time upon thirty (30) days written notice. The Agreement monthly price is a unit amount for the entire Agreement period subject to interest and escalation adjustments.

Your failure to pay any sum within (60) days will be deemed a material breach. We may, at our option, declare all sums due or to become due for the unexpired term, immediately due and payable as liquidated damages, but not as a penalty, and until the same are paid, be discharged from further obligations under the Agreement.

It is expressly agreed that the payment of all sums due hereunder, is a condition precedent to the rendering of service. We reserve, at our option, the right to suspend or curtail service until all payments due are made.



This Agreement is based on conditions prevailing under current labor agreements. In the event future labor agreements or changes alter costs or restrict our ability to provide services hereunder, we shall notify you in writing and thereupon, offer modification to the Agreement to remedy the situation. In the event, we cannot agree on a revised Agreement, either party shall have the right to terminate this Agreement upon expiration of ninety (90) days from the above notice.

All agreements and covenants contained herein are severable, and in the event, any of them shall be held to be invalid or unreasonable by any competent court, the Agreement shall be interpreted as if such invalid agreements or covenants were not contained herein.

### **CONTRACT PRICE AND TERM**

#### **TERM**

The Commencement Date will be to be determined. The Term of this contract will be for five (5) years beginning on the Commencement Date. The contract will automatically be renewed at each first anniversary for an additional one (1) year term unless terminated by either party by giving written notice to the other party at least ninety (90) days prior to the end of the then current one (1) year term.

Non-withstanding anything to the contrary contained in this agreement, if the customer is dissatisfied with Elevators Etc service under the terms of this Agreement, Elevators Etc shall have thirty (30) days from the date of receipt of notice of dissatisfaction and its cause to cure the cause of Customer's dissatisfaction. In the event Elevators Etc is unable to rectify the problems to Customer's reasonable satisfaction within thirty (30) days, the Customer shall have the right to terminate this Agreement upon thirty (30) days written notice to Elevators Etc.

#### **PAYMENTS**

Payments will be made on a monthly basis, due on or before the last day of the month prior to the billing period, beginning on the Commencement Date.

The work shall be performed for the agreed price plus any applicable sales, excise or similar taxes as required by law. In addition to the agreed price, you shall pay to us any future applicable tax imposed on us, our suppliers or you in connection with the performance of the work described.

You agree to pay a late charge from the date such sums become due of one and one-half percent (1.5%) per month, or the higher legally permitted rate, whichever is less, on any balance past due for more than thirty (30) days, together with all costs (including, but not limited to, attorney's fees) incurred by us to collect overdue amounts.

Failure to pay any sum due by you within sixty (60) days will be a material breach. We may at our option declare all sums due or to become due for the unexpired term immediately due and payable as liquidated damages, and until the same are paid be discharged from further obligations under the contract.



### **ACCEPTANCE**

This proposal, when accepted by you below and approved by our authorized representative, will constitute the entire and exclusive contract between us for the services to be provided and your authorization to perform as outlined herein. All prior or contemporaneous oral or written representations or agreements not incorporated herein will be superseded. Any purchase order issued by you in connection with the services to be provided will be deemed to be issued for your administrative or billing identification purposes only, and the parties hereto intend that the terms and conditions contained herein will exclusively govern the services to be provided. We do not give up rights under any existing contract until this proposal is fully executed. This Contract may not be changed, modified, revised or amended unless in writing signed by you and an authorized representative of Elevators Etc. Further, any manual changes to this form will not be effective as to Elevators Etc unless initialed in the margin by an authorized representative of Elevators Etc.

### **Accepted in Duplicate**

#### **CUSTOMER**

Approved by Authorized Representative \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Title \_\_\_\_\_

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

#### **ELEVATORS ETC.**

Approved by Authorized Representative \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Print Name Jason Babcock

Title President & Owner





## FEE SCHEDULE

| Location   | Address                      | Monthly maintenance | 5-Year Load Test |
|--|------------------------------|---------------------|------------------|
| <b>Elevators</b>   |                              |                     |                  |
| City Hall (#061229) – [Montgomery]                                     | 1400 Highland Ave            | \$155.00            | \$600.00         |
| Lot M (#132803) [Schindler]  | 1200 Morningside Dr.         | \$155.00            | \$600.00         |
| Civic Ctr. Plaza (#143842) [Mitsubishi Electric]                       | 1400 Highland Ave            | \$155.00            | \$600.00         |
| Public Safety Facility (#143841) [Mitsubishi Electric]<br>400          | 400/420 15 <sup>th</sup> St. | \$155.00            | \$600.00         |
| <b>Escalators [Schindler]</b>  |                              |                     |                  |
| Lot M (#143529)  | 1220 Morningside Dr          | \$425.00            |                  |
| Lot M (#143530)  | "                            | \$425.00            |                  |
| Lot M (#143566)  | "                            | \$425.00            |                  |
| Lot M (#143567)  | "                            | \$425.00            |                  |
| <b>Wheelchair lifts</b>  |                              |                     |                  |
| Joslyn Center (#163072) [Porch]  | 1601 Valley Dr.              | \$110.00            |                  |
| Marine Complex (#121864) [Accessibility Equipment Manufacturers Assoc] | 1801 Marine Ave              | \$110.00            |                  |
| City Hall (#144972) [Porch]  | 1400 Highland Ave            | \$110.00            |                  |
| Pier at Round House (#N/A)**   | 100 Manhattan Beach          | \$110.00            |                  |

**List of equipment (conveyance number in parentheses):**

\*\*Pier Round House maintenance not included until installation is complete, projected for late 2018



## COMPANY PROFILE

**Business Name:** Elevators Etc

**Business Address:** 4327 East Cesar E. Chavez Avenue | Los Angeles, CA 90022

**Primary Contact:** Jason Babcock, Owner & President  
626-261-9855 (cell) | 909-599-2400 (office) | jbabcock@elevatorsetc.org

**Number of Years in Business:** 11 years; Since 2006

**Number of Technical Staff Servicing this Account:** 5

| CCCM Mechanic    | Specialty  | Makes/Model                                    | Assigned Work Vehicle & Take Home | Within 1 hour of Manhattan Beach |
|------------------|--|--|-----------------------------------|----------------------------------|
| Jason Babcock    | Elevators, Escalators, Dumbwaiters & Wheel Chair Lifts | Schindler 9300 escalators, Schindler 330A/300A | Yes                               | Yes                              |
| Micah Amaya      | Elevators, Escalators, Dumbwaiters & Wheel Chair Lifts | Schindler 9300 escalators, Schindler 330A/300A | Yes                               | Yes                              |
| Brian Kingan     | Elevators, Escalators, Dumbwaiters & Wheel Chair Lifts | Schindler 9300 escalators, Schindler 330A/300A | Yes                               | Yes                              |
| Justin Seyfert   | Elevators, Escalators, & Dumbwaiters                   | Montgomery & Mitsubishi Electric               | Yes                               | Yes                              |
| Anthony Spennato | Elevators, Escalators, & Dumbwaiters                   | Montgomery & Mitsubishi Electric               | Yes                               | Yes                              |

### Emergency Response Protocol:

Elevators Etc provides a 24/7, all weekend and holiday emergency response. A certified competent conveyance mechanic (CCCM) is always on-call. All elevators are monitored 24 hours per day, and each elevator phone is connected directly to our service number, which is always answered. The service mechanic on-call then receives the call, and is dispatched immediately and will arrive in one (1) hour or less. Additionally, the service mechanic will call the elevator to communicate with any persons inside, and will arrive immediately, or within one (1) hour or less to the entrapment.

**Standard Call Back:**

During normal business hours, 7:00AM – 5:00PM, customer calls the Elevators Etc local Los Angeles office and a live person answers. Call information is received, logged and a certified competent conveyance mechanic (CCCM) is dispatched and will arrive within two (2) hours or less.

**Business Hours:** 7 a.m. to 5 p.m.

**Travel Time & Dispatch Policy:** Per IUEC local 18 contract, all employees are to be paid portal to portal.

**Billing:** 15-minute increments

| Hourly Rate | Overtime Rate | Holiday Rate | Parts/Supplies Mark-Up |
|-------------|---------------|--------------|------------------------|
| \$185.00    | \$260.00      | \$310.00     | 17%                    |

**Other Fess Charged for Service:** Any after-hours call-backs, including, entrapments. Billed at agreed upon overtime rate.

**Contractor Classification:** C-11

**CSLB:** 964490

**Expiration:** 8/31/2017

**DIR Registration Number:** 1000034677

**Other Information:**

Elevators Etc is a Certified Small Business Enterprise (SBE) by the State of California, and meets other public project small business goals. We are proud of our recent growth, and look forward to providing the City of Manhattan Beach with quality and effective service. We give our customers the daily peace of mind that their elevator and escalator equipment is maintained and repaired in a timely manner. We ensure that all our mechanics are professional, and have the capabilities to repair elevator and escalator equipment, as-needed and required. To that end, we encourage you to contact the references below to hear more about services and the quality of our business relationships.



## REFERENCES

Miguel Ceballos, Maintenance Director  
**Community Corp of Santa Monica**  
310-394-8487 | [miguel@communitycorp.org](mailto:miguel@communitycorp.org)

Paul Panagiotidis, Facilities Director  
**Ontario International Airport**  
909-821-7744 | [PPanagiotidis@flyontario.com](mailto:PPanagiotidis@flyontario.com)

Hector Ramirez, Elevator Supervisor  
**Los Angeles World Airports – LAX**  
424-646-6755 | [hramirez2@lawa.org](mailto:hramirez2@lawa.org)

Polchai Sarkdaviarak, Elevator Division Supervisor  
**Port of Los Angeles**  
310-732-0303 | [psarakdaviarak@portla.org](mailto:psarakdaviarak@portla.org)





## CERTIFICATE OF LIABILITY INSURANCE

ELEVA-5 OP ID: LP

DATE (MM/DD/YYYY)  
02/22/2017

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

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

| <b>PRODUCER</b><br>Jackson & Jackson Insurance<br>302 E Foothill Blvd<br>San Dimas, CA 91773<br>Lori Patterson   |       | <b>CONTACT NAME:</b> Lori Patterson<br><b>PHONE (A/C, No. Ext.):</b> 626-914-9944<br><b>FAX (A/C, No.):</b> 626-914-1040<br><b>E-MAIL ADDRESS:</b> lori@jjinsurance.com  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
|--|-------|--|--|-------------------------------|-------|------------------------------------|-------|-------------------------------------|-------|--------------------------------------|-------|--------------------------------|-------|------------|--|------------|--|
| <b>INSURED</b><br>Elevators Etc., Inc<br>Elevators Etc., LP<br>4327 E. Cesar Chavez Ave<br>Los Angeles, CA 90022 |       | <table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAC #</th></tr></thead><tbody><tr><td>INSURER A: Hartford Fire Insurance</td><td>19882</td></tr><tr><td>INSURER B: American Fire &amp; Casualty</td><td>24066</td></tr><tr><td>INSURER C: National Union Fire of PA</td><td>19445</td></tr><tr><td>INSURER D: Preferred Employers</td><td>10900</td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table> |  | INSURER(S) AFFORDING COVERAGE | NAC # | INSURER A: Hartford Fire Insurance | 19882 | INSURER B: American Fire & Casualty | 24066 | INSURER C: National Union Fire of PA | 19445 | INSURER D: Preferred Employers | 10900 | INSURER E: |  | INSURER F: |  |
| INSURER(S) AFFORDING COVERAGE  | NAC # |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
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| INSURER B: American Fire & Casualty  | 24066 |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
| INSURER C: National Union Fire of PA   | 19445 |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
| INSURER D: Preferred Employers   | 10900 |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
| INSURER E:   |       |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |
| INSURER F:   |       |  |  |                               |       |                                    |       |                                     |       |                                      |       |                                |       |            |  |            |  |

| COVERAGES   |  | CERTIFICATE NUMBER:              |  | REVISION NUMBER:        |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|---|--|----------------------------------|--|-------------------------|-------------------------|--------|--|-------------------------------------|--------------|---|--------------|------------------------------|--------------|--|--------------|-------------------|--------------|------------------------|--------------|--|----|
| THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| INSR LTR  | TYPE OF INSURANCE  | ADDL SUBR INSD WVR               | POLICY NUMBER  | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| A   | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER<br><input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |                                  | 13UENOJ6652  | 08/15/2016              | 08/15/2017              |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   |  |                                  | <table border="1"><thead><tr><th colspan="2">LIMITS</th></tr></thead><tbody><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 300,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 10,000</td></tr><tr><td>PERSONAL &amp; ADV INJURY</td><td>\$ 1,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 4,000,000</td></tr><tr><td>PRODUCTS - COMPROP AGG</td><td>\$ 4,000,000</td></tr><tr><td></td><td>\$</td></tr></tbody></table> |                         |                         | LIMITS |  | EACH OCCURRENCE                     | \$ 1,000,000 | DAMAGE TO RENTED PREMISES (Ea occurrence) | \$ 300,000   | MED EXP (Any one person)     | \$ 10,000    | PERSONAL & ADV INJURY  | \$ 1,000,000 | GENERAL AGGREGATE | \$ 4,000,000 | PRODUCTS - COMPROP AGG | \$ 4,000,000 |  | \$ |
| LIMITS  |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| EACH OCCURRENCE   | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| DAMAGE TO RENTED PREMISES (Ea occurrence)   | \$ 300,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| MED EXP (Any one person)  | \$ 10,000  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| PERSONAL & ADV INJURY   | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| GENERAL AGGREGATE   | \$ 4,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| PRODUCTS - COMPROP AGG  | \$ 4,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   | \$   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| B   | <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY<br><input checked="" type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> NON-OWNED AUTOS         |                                  | BAA57374015  | 10/08/2016              | 10/08/2017              |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   |  |                                  | <table border="1"><thead><tr><th colspan="2">LIMITS</th></tr></thead><tbody><tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$ 1,000,000</td></tr><tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr><tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr><tr><td></td><td>\$</td></tr></tbody></table>   |                         |                         | LIMITS |  | COMBINED SINGLE LIMIT (Ea accident) | \$ 1,000,000 | BODILY INJURY (Per person)                | \$           | BODILY INJURY (Per accident) | \$           | PROPERTY DAMAGE (Per accident)   | \$           |                   | \$           |                        |              |  |    |
| LIMITS  |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| COMBINED SINGLE LIMIT (Ea accident)   | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| BODILY INJURY (Per person)  | \$   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| BODILY INJURY (Per accident)  | \$   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| PROPERTY DAMAGE (Per accident)  | \$   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   | \$   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| C   | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB<br><input type="checkbox"/> CLAIMS-MADE<br>DED <input checked="" type="checkbox"/> RETENTION \$ NIL  |                                  | EBU055840769   | 08/15/2016              | 08/15/2017              |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   |  |                                  | <table border="1"><thead><tr><th colspan="2">LIMITS</th></tr></thead><tbody><tr><td>EACH OCCURRENCE</td><td>\$ 9,000,000</td></tr><tr><td>AGGREGATE</td><td>\$ 9,000,000</td></tr><tr><td>Prod/Ops</td><td>\$ 9,000,000</td></tr><tr><td><input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER</td><td></td></tr></tbody></table>   |                         |                         | LIMITS |  | EACH OCCURRENCE                     | \$ 9,000,000 | AGGREGATE                                 | \$ 9,000,000 | Prod/Ops                     | \$ 9,000,000 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER |              |                   |              |                        |              |  |    |
| LIMITS  |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| EACH OCCURRENCE   | \$ 9,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| AGGREGATE   | \$ 9,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| Prod/Ops  | \$ 9,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER  |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| D   | <input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below   | Y/N <input type="checkbox"/> N/A | WKN144287-6  | 07/19/2016              | 07/19/2017              |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
|   |  |                                  | <table border="1"><thead><tr><th colspan="2">LIMITS</th></tr></thead><tbody><tr><td>E L EACH ACCIDENT</td><td>\$ 1,000,000</td></tr><tr><td>E L DISEASE - EA EMPLOYEE</td><td>\$ 1,000,000</td></tr><tr><td>E L DISEASE - POLICY LIMIT</td><td>\$ 1,000,000</td></tr></tbody></table>  |                         |                         | LIMITS |  | E L EACH ACCIDENT                   | \$ 1,000,000 | E L DISEASE - EA EMPLOYEE                 | \$ 1,000,000 | E L DISEASE - POLICY LIMIT   | \$ 1,000,000 |  |              |                   |              |                        |              |  |    |
| LIMITS  |  |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| E L EACH ACCIDENT   | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| E L DISEASE - EA EMPLOYEE   | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |
| E L DISEASE - POLICY LIMIT  | \$ 1,000,000   |                                  |  |                         |                         |        |  |                                     |              |   |              |                              |              |  |              |                   |              |                        |              |  |    |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

As Evidence of Insurance. Blanket Additional Insured as required by written contract per forms CG2010 0413 & CG2037 0413. Includes Completed Operations, Primary and Non-Contributory. Waiver of Subrogation included as required by written contract.

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| <b>CERTIFICATE HOLDER</b><br><br>Elevators Etc, Inc<br>Jason Babcock<br>4327 E. Cesar Chavez Ave<br>Los Angeles, CA 90022 | <b>CANCELLATION</b><br><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br> |
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ACORD 25 (2014/01)

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## **EXHIBIT B**

### **TERMS FOR COMPLIANCE WITH CALIFORNIA LABOR LAW REQUIREMENTS**

1. This Agreement calls for services that, in whole or in part, constitute "public works" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"). Further, Contractor acknowledges that this Agreement is subject to (a) Chapter 1 and (b) the rules and regulations established by the Department of Industrial Relations ("DIR") implementing such statutes. Therefore, as to those Services that are "public works", Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.
3. Contractor shall be registered with the Department of Industrial Relations in accordance with California Labor Code Section 1725.5, and has provided proof of registration to City prior to the Effective Date of this Agreement. Contractor shall not perform work with any subcontractor that is not registered with DIR pursuant to Section 1725.5. Contractor and subcontractors shall maintain their registration with the DIR in effect throughout the duration of this Agreement. If the Contractor or any subcontractor ceases to be registered with DIR at any time during the duration of the project, Contractor shall immediately notify City.
4. Pursuant to Labor Code Section 1771.4, Contractor's Services are subject to compliance monitoring and enforcement by DIR. Contractor shall post job site notices, as prescribed by DIR regulations.
5. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.
6. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to City, forfeit \$200.00 for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.



7. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to: keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform City of the location of the records.
8. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within 60 days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to City a verified statement of the journeyman and apprentice hours performed under this Agreement.
9. The Contractor shall not perform Work with any Subcontractor that has been debarred or suspended pursuant to California Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. The Contractor and Subcontractors shall not be debarred or suspended throughout the duration of this Contract pursuant to Labor Code Section 1777.1 or any other federal or state law providing for the debarment of contractors from public works. If the Contractor or any subcontractor becomes debarred or suspended during the duration of the project, the Contractor shall immediately notify City.
10. Contractor acknowledges that eight hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to City, forfeit \$25.00 for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of eight hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay.
11. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

12. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.
13. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel reasonably acceptable to City) City, its officials, officers, employees, agents and independent contractors serving in the role of City officials, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive the termination of the Agreement.