

Council Meeting of
June 24, 2008

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Transit – Approve Contract Service Agreement with ATI International-Garda for Revenue Pickup and Deposit

Expenditure: \$55,000 Annually

RECOMMENDATION:

Recommendation of the Transit Director and the City Treasurer that Council approve a two year Contract Service Agreement with ATI International-Garda for the processing and bank deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits. The term of the agreement is from July 1, 2008 to June 30, 2010 at a cost not to exceed \$55,000 per year.

FUNDING: Funding is available in both the City Treasurer and Transit Department's FY2008-2010 Operating Budget.

BACKGROUND/ANALYSIS:

In March of 2008, the City of Torrance released a Request for Information (RFI) to survey local companies about their ability to perform cash and revenue pickup, processing and deposit for the Transit Department and the City Treasurer's Offices. Thirteen local companies were solicited and six responded. Of this group of respondents, five reported that they were capable of providing this service and indicated they would be interested in submitting a proposal or bid for a contract.

On April 23, 2008, a Request for Proposal (B2008-22) was released for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits. On May 22, 2008, the Transit Department received three proposal applications in response to the RFP. Listed below are the proposers and their respective monthly fee for providing the requested service for the City Treasurer's Office and Transit Department:

Agency	Proposed Monthly Cost	Difference from Low Bid
ATI International-Garda	\$3,075.98	N/A
Los Angeles Federal	\$3,196.52	\$120.54
Dunbar	\$5,946.06	\$2,070.08

A rating panel was formed to score the proposals. The Criteria for the evaluation of this RFP was listed within the RFP itself as follows:

“Standards for Evaluation of Proposals:

The City staff will use the following priorities, as well as pricing, in determining which proposal best meets the needs of the City. The City will be the sole determiner of suitability to the City's needs. During the evaluation process, points will be assigned to each criterion as shown up to a maximum of 100 points.

<i>Sealed Vault Pickup Demonstration</i>	<i>5 Points</i>	<i>Ability to perform the sealed vault pickup at the Mandatory Pre-Proposal Conference on 5/08/08.</i>
<i>Financial Viability</i>	<i>15 Points</i>	<i>Financial viability will be evaluated by an analysis of assets and liabilities, plus discussions with listed credit references.</i>
<i>Proposed Cost</i>	<i>35 Points</i>	<i>Comparison of proposed cost with those of other respondents to this proposal</i>
<i>Technical Experience</i>	<i>30 Points</i>	<i>Extent of background and recent experience by the proposing firm in the provisions of cash processing for other agencies.</i>
<i>Management Oversight</i>	<i>15 Points</i>	<i>Demonstrated ability of firm's management to oversee compliance with the terms of this bid and the resulting contract.</i>

Proposals will be rated according to their completeness and understanding of the City's needs, conformance to the requirements of the specifications, prior experience with comparable proposals, delivery, and cost.”

The following panel reviewed each proposal.

1. Linda Barnett – City Treasurer
2. Scott McDonough – Finance Department
3. Jim Mills – Transit Department

The panel also met with and interviewed each proposer before submitting their final scores. The panel found ATI International-Garda to be the most qualified candidate for the service. The lowest responding proposer by cost was also ATI International-Garda.

Scoring Represents Panel Average

FINAL RANKING	FINAL SCORE (Average)
1. ATI International-Garda	94.00
2. LA Federal	90.00
3. Dunbar	88.33

SECTION 22.1.4. – LOWEST RESPONSIBLE BIDDER

(Added by O-3493)

The lowest responsible bidder will be determined after a consideration of the following factors:

- a) The lowest cost to the City;
- b) The ability, capacity, facilities and skill of the bidder to perform the contract;
- c) The ability of the bidder to perform the contract within the time specified, without delay;
- d) The character, integrity, trustworthiness and reputation of the bidder;
- e) The competence, reputation and record of performance and experience of the bidder for the successful recent completion of similar work of comparable magnitude;

- f) The previous and existing compliance by the bidder with laws and ordinances relating to the type of work to be performed under the contract;
- g) The sufficiency of the bidder's financial resources as they relate to the ability of the bidder to perform the contract;
- h) The quality, availability and adaptability of the supplies and equipment to the particular use required;
- i) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- j) The number and scope of conditions and exceptions attached to the bid by the bidder.

ATI International-Garda has extensive experience in providing revenue and cash pickup, processing and deposit service. ATI International-Garda previously held a contract with the City of Torrance as AT Systems West, and provided the same type of service for three years.

The attached two year agreement is for the term of July 1, 2008 to June 30, 2010, at a not to exceed amount of \$55,000 annually.

Respectfully submitted,

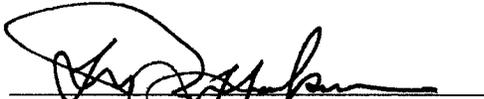


Kim Turner
Transit Director



Linda Barnett
City Treasurer

CONCUR:



LeRoy J. Jackson
City Manager

Attachment: A) Contract Services Agreement with ATI International-Garda

CONTRACT SERVICE AGREEMENT

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of July 1, 2008 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and ATI International – Garda, a California Corporation ("CONTRACTOR").

RECITALS:

- A. CITY wishes to retain the services of an experienced and qualified CONTRACTOR for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits.
- B. In order to obtain the desired services, the CITY has circulated a Request for Proposal ("RFP") for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits (RFP No. B2008-22). CONTRACTOR represents that it is qualified to perform those services.
- C. CONTRACTOR has submitted a Proposal (the "Proposal") in response to the RFP. CONTRACTOR represents that it is qualified to perform those services requested in the RFP. Based upon review of all Proposals submitted in response to the RFP, the CITY is willing to award the contract to CONTRACTOR.

DEFINITIONS:

- (A) The word "Holiday" as used in this Agreement shall mean the days designated on Exhibit A. Holiday Service will be provided at the prices set forth on Exhibit A.
- (B) The word "Property" shall mean currency, coin, precious metals, checks, notes, bonds, negotiable instruments, securities and all other things of value but excluding hazardous materials or materials for which transport is legally prohibited or restricted by applicable State or Federal Law.
- (C) The word "Sealed" as used in this Agreement shall mean closed in a manner that is reasonably designed to prevent easy access to the Property and that under normal circumstances would tend to reveal evidence of tampering or manipulation if unauthorized access was attempted.
- (D) The word "Service" shall mean to call for Sealed shipments said to contain Property, to receipt therefore, and to deliver the same in like condition to a designated consignee, and to perform any other services set forth on Exhibit A.
- (E) The word "Shipment" as used herein shall mean the total Property in Sealed containers received by CONTRACTOR at a single location from a single consignor for delivery to one other location to a single consignee.

- (F) The words “Reconstruct”, “Reconstructed” and “Reconstruction” shall mean to identify checks only to the extent of determining the face amount of said checks and the identity of the maker and/or check numbers. If available, the following information will be provided: account numbers, routing numbers, financial institution, and the identity of the maker and the endorser of each.

AGREEMENT:

1. SERVICES & PROCEDURES

- A. CONTRACTOR will provide the services listed in the RFP B2008-22 attached as Exhibit A. CONTRACTOR warrants that all work and services set forth in the RFP will be performed in a competent, professional and satisfactory manner. A copy of the RFP is attached as Exhibit A. A copy of the Proposal is attached as Exhibit B.

- B. Non -deliverables:

When delivery of a Shipment cannot be made for any reason, CONTRACTOR shall notify the CITY and return the Shipment to CITY or to CONTRACTOR'S vault for storage. Notification of such return shall be promptly given to CITY.

- C. Premise Time:

CITY understands that time is of the essence to CONTRACTOR'S business; therefore, CITY agrees that CONTRACTOR'S messenger shall be present no more than a maximum of ten minutes to make a pickup and/or delivery of Property. If said premise time exceeds the time stated herein, it is agreed that the messenger may leave and that such departure shall not be a breach or default of this Agreement. CITY may call and request that a Service call be made by CONTRACTOR subsequent to such departure. By requesting same, CITY agrees to pay for said additional Service call at a rate to be established by mutual agreement, such charges to be in addition to regular Service charges.

- D. Authorized Messengers:

CONTRACTOR agrees to furnish CITY the certified signature and photograph of each authorized messenger, and to give written notice in the event of revocation of such authority. CONTRACTOR assumes no liability for Property delivered to any employee or other person except those whose unrevoked signature is on file with CITY.

- E. Shipment Requirements:

CITY agrees to cause all Shipments to be made by means of CITY placing CITY's Property in securely sealed packages or containers, or a mutually agreed upon type and design, which clearly and distinctly indicates the name and address of the consignor as well as the name and address of the consignee. CITY agrees that CONTRACTOR, its agents or employees, shall have the right to refuse to pickup Shipments of property which are not securely sealed and properly marked by CITY as set forth above and that CONTRACTOR assumes no liability for any damages or loss which may result as a consequence of such refusal to make a pickup. CITY further agrees that CONTRACTOR shall not be liable for any mysterious disappearance of, shortage or damage to the contents of any Shipment unless the Shipment was properly sealed at the time of delivery to CONTRACTOR and shows evidence of tampering at the time CONTRACTOR delivers said package to the consignee and the consignee immediately notes, in writing, the evidence of tampering on CONTRACTOR'S receipt document. Absent notation on CONTRACTOR'S receipt document by the consignee at the time of receipt, the burden of proof shall be on the CITY to show the CONTRACTOR is responsible for such loss or claim related to a Sealed container said to contain Property. The parties agree that, while CITY may keep its own receipt and log book for its own internal purposes, CONTRACTOR's receipt document shall be deemed the sole controlling document with respect to all Services rendered, including, without limitation, deposits delivered and received, timing, losses, shortages, overages, investigations, claims or litigation.

F. Duration of Shipment Liability:

CONTRACTOR'S possession of CITY'S Shipment begins only after an authorized messenger employed by CONTRACTOR signs a receipt for and receives said Shipment into his/her physical custody, thereafter CONTRACTOR'S possession of CITY'S Property terminates when and as an agent or consignee designated by CITY receives physical custody (Le. physical possession or control) of the Shipment. It is understood and agreed that CONTRACTOR'S liability for the handling or protection of CITY'S Property arises and exists solely and concurrently with CONTRACTOR'S possession thereof.

G. Claims:

It is understood and agreed that under no circumstances shall CONTRACTOR and/or CONTRACTOR'S insurance company be liable or responsible for any claim for loss of or damages to CITY'S Property which is not submitted in writing to the CONTRACTOR within the greater of 90 days after the date that said loss or damage purportedly occurred or the minimum notice requirement under the law of the jurisdiction where the Service took place. Within 30 days after the giving of written notice of a claim of loss or damage, CITY agrees to furnish CONTRACTOR a detailed written statement of the circumstances surrounding such loss or damages as well as detailed written proof of such loss or damages in form reasonably satisfactory to CONTRACTOR, which proof of loss shall be substantiated by the books, records and accounts of CITY and shall be subscribed and sworn to by CITY or its duly authorized officer. Failure of CITY to

comply with the foregoing shall relieve and release CONTRACTOR of any liability to CITY with respect to such claimed loss or damage.

H. . Checks:

CITY shall maintain an accurate record of all checks placed in any Shipment given to CONTRACTOR and in the event of a loss, CITY agrees to promptly, diligently and completely cooperate with CONTRACTOR in the reconstruction and replacement of lost, destroyed or stolen checks which had been contained in any such Shipment. CONTRACTOR'S sole liability shall be the payment to CITY of: (i) reasonable costs necessary to reconstruct the checks plus any necessary costs because of stop payment procedures; (ii) the face value of checks that cannot be Reconstructed, provided adequate proof of the value thereof is presented to CONTRACTOR, except those checks which would not be collectable at the time of loss, but not to exceed the limit of \$5,000.00 per Shipment for the unidentified checks. The maximum liability of CONTRACTOR for the checks shall in no event exceed the Maximum Shipment Liability limit set forth in Schedule A which includes the aforesaid \$5,000.00 for the unidentified checks. Complete cooperation shall include but not be limited to, recovery of hard copy or electronic records of checks including, without limitation, point of sale information created by its employees, agents or CITY; as well as, requests by CITY to makers of the missing checks to issue duplicates and in the event the makers refuse to do so, then to assert all of its legal and equitable rights against said makers. CITY agrees that CONTRACTOR and CONTRACTOR'S insurance company shall not be liable for damages directly or proximately flowing from CITY'S breach of this provision. Upon payment of a loss pursuant to this Agreement, CONTRACTOR or its insurance company shall be subrogated to all CITY'S rights and remedies of recovery therefore. The CITY shall assign to the CONTRACTOR, CITY'S right to receive payment under any check(s) for which CONTRACTOR has reimbursed CITY and CITY shall execute any document necessary or reasonably desirable to perfect and accomplish such assignment.

2. **TERM**

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through June 30, 2010. If requested by the city, contractor has agreed to renew this agreement for a third year with terms and conditions unchanged, except for a 3% cost increase.

3. **COMPENSATION**

A. CONTRACTOR's Fee.

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with the CONTRACTOR's Proposal, provided, however, that in no event will the total amount of money paid the CONTRACTOR, for services initially contemplated by this Agreement, exceed the sum of \$55,000 in Fiscal Year ("FY") 2008 -2009 and an additional \$55,000 in FY 2009 - 2010. ("Agreement Sum"), unless otherwise first approved in writing by CITY. If an additional third year renewal is approved, the CITY will allow for a 3% cost increase, increasing the not to exceed sum to \$56,650.

B. Schedule of Payment.

Provided that the CONTRACTOR is not in default under the terms of this Agreement, upon presentation of an invoice, CONTRACTOR will be paid the fees described in Paragraph 3.A. above, according to the RFP. Payment will be due within 30 days after the date of the invoice.

4. **TERMINATION OF AGREEMENT**

A. Termination by CITY for Convenience.

1. Either party may, at any time, terminate the Agreement for either party's convenience and without cause with 30 days written notice.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONTRACTOR will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONTRACTOR will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 30 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause;

provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of the CONTRACTOR, the CITY may, at the expense of the CONTRACTOR and its surety, complete this Agreement or cause it to be completed.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONTRACTOR or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONTRACTOR or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONTRACTOR's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONTRACTOR has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of 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 control, judicial orders, enemy or hostile governmental action, civil commotion, terrorist acts, riots, rebellions, epidemics, pestilence, closed transportation routes due to acts of God, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform,

then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONTRACTOR authorizes CITY to deduct from any amount payable to CONTRACTOR (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONTRACTOR's acts or omissions in performing or failing to perform CONTRACTOR's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONTRACTOR, or any indebtedness exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONTRACTOR to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**

Jim Mills, Acting Transit Director and Linda Barnett, City Treasurer are designated as the "City Representative(s)," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONTRACTOR.

8. **CONTRACTOR REPRESENTATIVE(S)**

The following principal(s) of CONTRACTOR are designated as being the principal(s) and representative(s) of CONTRACTOR authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Carla Margeson
6840 De Bie Drive
Paramount, CA 90723

9. **INDEPENDENT CONTRACTOR**

The CONTRACTOR is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees, except as otherwise set forth in this Agreement. The CONTRACTOR may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**

The CONTRACTOR must obtain a City business license prior to the start of work under this Agreement, unless CONTRACTOR is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONTRACTOR warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONTRACTOR warrants that CONTRACTOR (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONTRACTOR warrants that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONTRACTOR discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONTRACTOR must immediately inform CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from CITY.

13. **CARE OF WORK**

CONTRACTOR must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work while it is in CONTRACTOR's custody, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until transfer of custody acceptance of the work. Contractor is not responsible for those losses or damages that are not caused by CONTRACTOR's own negligence, negligent omissions or willful misconduct.

14. **CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between CITY and the CONTRACTOR, will be kept on a generally recognized accounting basis. CONTRACTOR will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, directly relating to the project. All records directly related to the services provided under this Agreement will be available to CITY during normal working hours, provided CITY signs CONTRACTOR's confidentiality agreement. CONTRACTOR will maintain these records for three years after the services are rendered.

15. **INDEMNIFICATION**

CONTRACTOR will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any third parties and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss to the extent such aforementioned liability, expense, costs, injury, death, or loss is the result of the CONTRACTOR's negligence, negligent omissions or willful misconduct. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, Of willful misconduct of CONTRACTOR, its officers, employees, agents, subcontractors or vendors. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONTRACTOR and CITY, as to whether liability arises from the negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONTRACTOR will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as negligent. If CITY is adjudicated to have been negligent, then to the extent of CITY's negligence, CITY shall reimburse CONTRACTOR for all liability, expenses, including defense costs, legal fees, and damages whatsoever paid by CONTRACTOR or its insurance provider. In no event shall CONTRACTOR have any indemnity or defense obligation to the extent of the negligence or willful misconduct of The City, its officers, elected officials or agents (other than CONTRACTOR).

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**

No officer or employee of CITY will be personally liable to CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

17. **MAXIMUM SHIPMENT LIABILITY**

It is understood and agreed that CONTRACTOR and its insurance company will be liable for loss of or damage to CITY Property inclusive of reconstructive damage up to the maximum sum for each Shipment as set forth below, which sum is the agreed maximum value of any single Shipment ("Maximum Shipment Liability"). The Service and liability obligations assumed by CONTRACTOR and the rates charged by CONTRACTOR are based, in part, upon the values of shipments as declared herein by CITY, for the safe delivery or return of any Shipment of CITY'S in the possession of CONTRACTOR, or in the possession of the agents or employees of CONTRACTOR pursuant to the terms of this Agreement, it is therefore expressly agreed by the CITY that the provisions of this Agreement dealing with Maximum Shipment Liability to be accepted by CONTRACTOR from the CITY for delivery to consignee, or from consignee, may not be waived or amended by any agent of CONTRACTOR, but that such waiver or amendment may be made only with the written consent of an officer of CONTRACTOR. CONTRACTOR will not be liable for loss or damage to Property consigned to it in excess of the Maximum Shipment Liability unless

CITY has paid all excess liability charges to the CONTRACTOR for all shipments of Property with a value in excess of the Maximum Shipment Liability amount.

Maximum Shipment Liability Cash and Checks is \$500,000.00.

Maximum Liability Checks.¹

18. INSURANCE

A. CONTRACTOR and its subcontractors must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$500,000 per occurrence; and
 - b. Primary Property Damage of at least \$250,000 per occurrence; or
 - c. Combined single limits of \$1,000,000 per occurrence.
2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
3. Workers' Compensation with limits as required by the State of California and Employer's Liability with limits of at least \$1,000,000.
4. "All Risk" (Cargo) insurance which shall cover the CITY's money against loss, pursuant to terms and conditions in CONTRACTOR's insurance policy, while CITY's money is in the possession of CONTRACTOR as it is defined in this Agreement up to the Maximum Shipment Liability amount in Exhibit B.

B. The insurance provided by CONTRACTOR will be primary and non-contributory.

C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must

¹ City captures such information as it deems necessary to fully reconstruct all checks in each Shipment. The information that the City captures is described in Section F of Definitions section of this Agreement. Accordingly, the CITY, subject to the Agreement, declines any coverage by and waives any liability against the CONTRACTOR above the amount set forth in the Maximum Shipment Liability Checks, in exchange for not being assessed any excess liability charges for checks included in any Shipment above the Maximum Shipment Liability Checks amount.

be named as additional insured under the automobile and general liability policies.

- D. CONTRACTOR must provide certificates of insurance and/or endorsements indicating appropriate coverage, to the City Clerk of the City of Torrance before the commencement of work.

- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

- F. It is understood and agreed that CONTRACTOR shall not be liable in any capacity for loss or harm to CITY'S Property or for damages directly and/or proximately flowing from loss or harm to CITY'S Property while said Property is in the possession of CONTRACTOR, nor shall CONTRACTOR'S insurance CONTRACTOR be required to cover such damages when same are caused by any of the following:
 - 1. Hostile or warlike action in time of peace or war, including but not limited to, action which hinders, combats or defends against an actual, impending or expected attack by any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces, or by military naval or air forces, or by an agent of any government power, authority or force;
 - 2. Any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
 - 3. Any accident or catastrophe occurring at a government or private facility employing the use of atomic fission or radioactive energy whether in time of peace or war;
 - 4. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by government authority in hindering, combating, or defending against such an occurrence, seizure or destruction under quarantine or CITY regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transport or trade.

19. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event

the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONTRACTOR agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONTRACTOR will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

20. **CONSEQUENTIAL DAMAGES**: It is understood and agreed that under no circumstances or theory of liability shall CONTRACTOR and/or CONTRACTOR's insurance company be liable for any incidental or consequential damages to CITY or any third party directly or on behalf of CITY resulting from or occasioned by the loss of or damage to any shipment of property delivered to CONTRACTOR pursuant to this Agreement.
21. **CONFLICT OF INTEREST**
- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
 - B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.
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22. **NOTICE**
- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. P.S.T. (recipient's time) or on a non-business day.
6. Addresses for purpose of giving notice are as follows:

CONTRACTOR ATI International-Garda
3280 E. Foothill Suite 290
Pasadena, CA 91107
Attn; General Counsel
FAX: (626) 564-4277

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

23. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONTRACTOR without the prior written consent of the other which consent shall not be unreasonably withheld.

24. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of CITY and CONTRACTOR as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

25. **INTERPRETATION**

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

26. **SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

27. **TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

28. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

29. **COMPLIANCE WITH STATUTES AND REGULATIONS**

CONTRACTOR will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

30. **WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party

of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

31. **ATTORNEY'S FEES**

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either 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 will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

32. **EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

33. **CONTRACTOR'S AUTHORITY TO EXECUTE**

The persons executing this Agreement on behalf of the CONTRACTOR warrant that (i) the CONTRACTOR is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONTRACTOR; (iii) by so executing this Agreement, the CONTRACTOR is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONTRACTOR is bound.

CITY OF TORRANCE
a Municipal Corporation

ATI International-Garda
a California Corporation

Frank Scotto, Mayor

By: _____

ATTEST:

Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

ATTACHMENTS: A. RFP B2008-22
B. Proposal Submitted by ATI International-Garda

EXHIBIT A

RFP

CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

RFP NO. B2008-22

**Request for Proposal for the Processing and Bank Deposit of Transit System Revenue
and the City of Torrance Daily Cash Deposits**

SECTION I RFP INSTRUCTIONS AND INFORMATION

Notice is hereby given that sealed proposals will be received in the office of the City Clerk, City Hall, 3031 Torrance Boulevard, Torrance, CA, until 2:00 p.m. on Thursday, May 22, 2008, and will be opened and publicly read aloud at 2:15 p.m. on the same date in the Council Chambers, Torrance City Hall. You are invited to be present at the opening of proposals. An original and two copies of each proposal must be submitted in a sealed envelope and clearly marked: **"Request for Proposal for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits, B2008-22"**.

Definitions:

The following meanings are attached to the following defined words when used in these specifications and the contract. The word "City" means the City of Torrance, California. The word "Proposer" or "Vendor" or "Contractor" means the person, firm, or corporation submitting a proposal on these specifications or any part thereof. "Successful Proposer" means the Proposer, Vendor or Contractor that has been awarded the contract.

Proposal Form:

The proposal must be made on the form provided for that purpose, enclosed in a sealed envelope, and marked **"Request for Proposal for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits, B2008-22"** and addressed to the City Clerk, City of Torrance, 3031 Torrance CA. 90503. If the proposal is made by an individual, it must be signed by that individual, and an address, telephone (and fax number if available) must be given. If made by a business entity, it must be signed by the person(s) authorized to execute agreements and bind the entity to a contract. A full business address, telephone (and fax number if available) must be given. No telegraphic, fax or telephonic proposals will be considered.

Blank spaces in the proposal form must be filled in; using ink, indelible pencil, or typewriter, and the text of the RFP form must not be changed. No additions to the form may be made. Any unauthorized conditions, limitations, or provisos attached to a proposal will render it informal and may cause its rejection. Alterations by erasure or interlineations must be explained or noted in the proposal form over the signature of the Proposer.

Reservation:

The City reserves the right to revise or amend these specifications prior to the date set for opening proposals. Revisions and amendments, if any, will be announced by an addendum to this RFP. If the revisions require additional time to enable proposers to respond, the City may postpone the opening date accordingly. In such case, the addendum will include an announcement of the new opening date.

All addenda must be attached to the proposal. Failure to attach any addendum may render the proposal non-responsive and cause it to be rejected.

The City Council reserves the right to reject any and all proposals received, to take all proposals under advisement for a period not to exceed ninety (90) days after the date of the opening, to waive any informality on any proposal, and to be the sole judge of the relative merits of the material and or service mentioned in the respective proposals received. The City reserves the right to reject any proposal not accompanied with all data or information required.

This RFP does not commit the City to award a contract or to pay any cost incurred in the preparation of a proposal. All responses to this RFP become the property of the City of Torrance.

Affidavit:

An affidavit form is enclosed. It must be completed signifying that the proposal is genuine and not collusive or made in the interest or on behalf of any person not named in the proposal, that the proposer has not directly or indirectly induced or solicited any other proposer to put in a sham proposal or any other person, firm, or corporation to refrain from proposing, and that the proposer has not in any manner sought by collusion to secure for itself an advantage over any other proposer. Any proposal submitted without an affidavit or in violation of this requirement will be rejected.

Standards for Evaluation of Proposals:

The City staff will use the following priorities, as well as pricing, in determining which proposal best meets the needs of the City. The City will be the sole determiner of suitability to the City's needs. During the evaluation process, points will be assigned to each criterion as shown up to a maximum of 100 points.

<i>Sealed Vault Pickup Demonstration</i>	<i>5 Points</i>	<i>Ability to perform the sealed vault pickup at the Mandatory Pre-Proposal Conference on 5/08/08.</i>
<i>Financial Viability</i>	<i>15 Points</i>	<i>Financial viability will be evaluated by an analysis of assets and liabilities, plus discussions with listed credit references.</i>
<i>Proposed Cost</i>	<i>35 Points</i>	<i>Comparison of proposed cost with those of other respondents to this proposal</i>
<i>Technical Experience</i>	<i>30 Points</i>	<i>Extent of background and recent experience by the proposing firm in the provisions of cash processing for other agencies.</i>
<i>Management Oversight</i>	<i>15 Points</i>	<i>Demonstrated ability of firm's management to oversee compliance with the terms of this bid and the resulting contract.</i>

Proposals will be rated according to their completeness and understanding of the City's needs, conformance to the requirements of the specifications, prior experience with comparable proposals, delivery, and cost.

Errors and Omissions:

The proposer will not be allowed to take advantage of any errors and/or omissions in these specifications or in the proposer's specifications submitted with its proposal. Full instruction will always be given when errors or omissions are discovered.

Proposer Examination of Requirements:

The proposer is required to examine carefully the site, the instructions, information and specifications of this document, investigate the conditions to be encountered, the character, quality and quantities of work to be performed as required by this document. Submission of a RFP proposal will be considered prima facie evidence that the proposer has made such examination.

The Contract:

The proposer to whom the award is made will be required to enter into a written contract with the City of Torrance in the form attached (Attachment B). A copy of this notice inviting RFP's, and the proposer's accepted proposal will be attached to and become a part of the contract. All services supplied by the Vendor will conform to the applicable requirements of the City Charter, City Ordinances, and State or Federal Law covering Labor and Wages, as well as conforming to the specifications contained herein. In case of default by the Vendor, the City reserves the right to procure the articles or services from other sources and to hold the Vendor responsible for any excess cost incurred by the City hereby.

Proof of Insurance:

The Contractor must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work, as required in the attached contract (Attachment B).

Term of Agreement:

The term of the agreement will be for a period of July 1, 2008 to June 30, 2009. There may be options for additional contract years based on the first year of service.

Mandatory Pre-Proposal Meeting:

Vendors intending to submit a proposal on this requirement must ensure that a representative from their company is in attendance at the mandatory pre-proposal meeting. Vendors submitting proposals without attending this conference will be disqualified. No exceptions will be allowed.

A Mandatory Pre-Proposal Conference will be held on the date and time indicated below for the purpose of reviewing the requirements of this RFP and to answer questions from potential proposers. Also, immediately following the conference, all potential proposers will be asked to demonstrate their reported ability to provide sealed vault pickup. All proposers attending the Mandatory Pre-Proposal Conference are asked to bring the armored vehicle that their agency/company will utilize to perform this service.

Place: City of Torrance – Transit Department (City Yard)
20500 Madrona Avenue
Torrance, California 90503

Date and Time: Thursday – May 08, 2008 at 3:00 P.M.

PLEASE NOTE:

Fare Revenue for the Transit Department is delivered in sealed vaults that can weigh up to 200lbs. As part of the requirement for this RFP, the Proposer's company/agency armored vehicle (that will perform the sealed vault pickup) must have a Lift Gate or comparable device in which to load the sealed vault. All potential proposers must demonstrate the ability to perform this service.

Suspension of Procurement:

City may suspend, in writing all or a portion of the procurement of materials or services pursuant to this agreement, in the event unforeseen circumstances make such procurement impossible or infeasible, or in the event City should determine it to be in the best interest of City to cancel such procurement of services or materials.

In the event of termination, Vendor will perform such additional work as is necessary for the orderly filing of documents, and closing of project.

Vendor will be compensated for the terminated procurement on the basis of materials or services actually furnished or performed prior to the effective date of termination, plus the work reasonably required for filing and closing.

**CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503**

NO. B2008-22

**Request for Proposal for the Processing and Bank Deposit of Transit System Revenue
and the City of Torrance Daily Cash Deposits**

SECTION II SPECIFICATIONS

FOR THE CITY TREASURER'S OFFICE:

CONTRACTOR will conduct cash pickup at the City Treasurer's Office located at 3031 Torrance Boulevard in the Torrance City Hall complex, between the hours of 11:30 a.m. and 2 p.m., every Tuesday and Thursday, except on Holidays.

CONTRACTOR will perform a same day deposit of funds at the City of Torrance's Banking Institution of choice.

CONTRACTOR will be paid for services by the City's Banking Institution. All monthly invoices (for the City Treasurer's Office services only) must be submitted to the City's designated Banking Institution.

FOR THE TRANSIT DEPARTMENT:

CONTRACTOR will conduct revenue pickups at the Transit Facility - located at 20500 Madrona Avenue, Torrance, CA, 90503 – between the hours of 8 a.m. and 11 a.m., every Monday, Wednesday and Friday, except on Holidays.

CONTRACTOR will perform a same day deposit of funds at the City of Torrance's Banking Institution of choice.

CONTRACTOR will count and return both Los Angeles County Metropolitan Transportation Authority (MTA) and Torrance Transit System (TTS) bus ride tokens, to the Torrance Transit Facility, on a weekly basis.

CONTRACTOR will forward all verification reports on each day's bank deposit to the Torrance Transit Administrative Office the day following the pickup, no later than 12:00 p.m. (noon).

CONTRACTOR must have an armored vehicle with a lift gate capable of lifting and transporting sealed farebox vaults that may weigh up to 200lbs.

COMPENSTATION SCHEDULE:

CONTRACTOR will be paid after receipt of monthly invoice.

CONSULTING SERVICES AGREEMENT

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and Insert name and business entity description, i.e. XYZ Corporation, a California Corporation (“CONSULTANT”).

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONSULTANT to Insert brief description of services.
- B. In order to obtain the desired services, the CITY has circulated its Request for Proposal for Insert brief title of RFP, RFP No. Insert RFP No. (the “RFP”).
- C. CONSULTANT has submitted a Proposal (the “Proposal”) in response to the RFP. In its Proposal CONSULTANT represents that it is qualified to perform those services requested in the RFP. Based upon its review of all proposals submitted in response to the RFP, the CITY is willing to award the contract to CONSULTANT.

AGREEMENT:

1. **SERVICES TO BE PERFORMED BY CONSULTANT**

CONSULTANT will provide the services and install those materials listed in CONSULTANT’s Proposal submitted in response to the RFP. A copy of the RFP is attached as Exhibit A. A copy of the Proposal is attached as Exhibit B.

2. **TERM**

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through .

3. **COMPENSATION**

A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the compensation schedule set forth in the Proposal; provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$Insert dollar amount (“Agreement Sum”), unless otherwise first approved in writing by the CITY.

B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly, within 30 days after the date of the monthly invoice.

4. TERMINATION OF AGREEMENT**A. Termination by CITY for Convenience.**

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. **Termination for Breach of Law.**

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the City determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of 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 the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes the CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate the CITY for any losses, costs, liabilities, or damages suffered by the CITY, and all amounts for which the CITY may be liable to third parties, by reason of CONSULTANT's acts or omissions in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, the CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of the CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONSULTANT to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

7. **THE CITY'S REPRESENTATIVE**

Insert a specific person is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by the CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to the CITY, a wholly independent contractor. Neither the CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT's employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must immediately inform the CITY of that fact and may not proceed except at CONSULTANT's risk until written instructions are received from the CITY.

13. **CARE OF WORK**

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by the CITY, except those losses or damages as may be caused by the CITY's own negligence.

14. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between the CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to the CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. **INDEMNIFICATION**

CONSULTANT will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. **NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES**

No officer or employee of the CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. **INSURANCE**

A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

- (1) Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - (a) Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - (b) Primary Property Damage of at least \$250,000 per occurrence; or
 - (c) Combined single limits of \$1,000,000 per occurrence.
- (2) General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
- (3) Professional liability insurance with limits of at least \$1,000,000 per occurrence.

(4) Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.

- B. The insurance provided by CONSULTANT will be primary and non-contributory.
- C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONSULTANT agrees that the minimum limits of any insurance policies and/or performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

- (1) Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
- (2) First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
- (3) Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

CONSULTANT:

Fax:

CITY:

City Clerk
 City of Torrance
 3031 Torrance Boulevard
 Torrance, CA 90509-2970
 Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
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27. **COMPLIANCE WITH STATUTES AND REGULATIONS**
CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.
28. **WAIVER OF BREACH**
No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.
29. **ATTORNEY'S FEES**
Except as set forth in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either 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 will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. **EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. **CONSULTANT'S AUTHORITY TO EXECUTE**

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE,
a Municipal Corporation

Insert name of business
Insert type of entity

Frank Scotto, Mayor

By: _____
Insert Name and Title

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A: RFP
 Exhibit B: Proposal

Revised..: 1/30/01

EXHIBIT B

PROPOSAL

[To be attached]

EXHIBIT B
PROPOSAL

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CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

RFP NO. B2008-22

**Request for Proposal for the Processing and Bank Deposit of Transit System Revenue
and the City of Torrance Daily Cash Deposits**

SECTION III RFP PROPOSAL

FAILURE TO COMPLETE ALL ITEMS IN THIS SECTION MAY INVALIDATE PROPOSAL.

In accordance with your "Invitation to RFP", the following proposal is submitted to the City of Torrance.

RFP Proposal Submitted By:

ATI International - Garda
Name of Company

3280 E Foothill Boulevard
Address

Pasadena, Ca 91107
City/State/Zip Code

Carla Margeson / Client Manager
Printed Name/Title

562 531 1433 X2
Telephone Number/Fax Number

Form of Business Organization:

Please indicate the following (check one);

Corporation Partnership Sole Proprietorship

Other: _____

Business History:

How long have you been in business under your current name and form of business organization?

66 years / 1941 Years

If less than three (3) years and your company was in business under a different name, what was that name?

Contact for Additional Information:

Please provide the name of the individual at your company to contact for any additional information

Pam Braungardt
Name

District Sales Manager
Title

858 625-4664 / 858 535-4890
Telephone Number/Fax Number

Addenda Received:

Please indicate addenda information you have received regarding this RFP:

Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____

_____ No Addenda received regarding this RFP.

Renewal Option:

Please state, if requested by the City, if your company would agree to a second year renewal of this contract, with terms and conditions unchanged.

Yes We would agree to a second year with terms and conditions ~~unchanged~~. 3% increase.

No _____ We would not be interested in renewing this contract.

Price Proposal:

Please attach a price proposal sheet for this project here.



City Of Torrance

Rates Proposed for:

FY 2008-2009

City TreasurerAverage Daily Deposit- ~~\$500,000~~ ^{50,000}

Monthly Charge: T,TH 2x week \$135.00 (Checks are reconstructable)

Billing to Bank

Transit Department

Average Daily Deposit \$15,000

Monthly Charge: M,W,F 3x week \$1300.00 (Dedicated Truck with Lift gate)

Coin Bin Pickup: 75¢ \$60.00 (per bin for coin verification)

\$1000 Bundles: \$9.00 per thousand ^{1000 per week}Deposit Ticket Charge: \$1.10 per deposit ticket. ^{200 tickets}Monthly Report Charge: \$45.00 per month for report fee and
Inventory maintenanceHoliday Rate: ^{200 tickets} \$150.00 (excludes Christmas closure)

Excess liability: \$0.10 per thousand

Monthly price does not include fuel surcharge. Currently 13.0% and will be include for the duration of the contract.

See fuel surcharge attachment.

Carla Margeson
 AT I-A Garda Co Client Manager
 6840 De Bie Drive
 Paramount, CA 90723

A handwritten signature in cursive script that reads 'Carla Margeson'.

Project Manager:

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Please provide the name of the individual at your company who will serve as Project Manager for this contract.

Carla Margeson Client Manager
 Name and Title
362531-1433 x2 cell 310 930 5927
 Telephone Number/Fax Number/Email Address

Contract Representative:

Please provide the name of the individual at your company who will be responsible for administering this contract.

 Name and Title

 Telephone Number/Fax Number/Email Address

Submittals Received:

Please indicate that the following are included with your proposal:

SUBMITTAL REQUIREMENTS	Please Check or "X" Here If Included:
1. Bid Proposal (Section III)	
2. Bidder's Affidavit (Attachment A)	
3. Audited Statements of Financial Condition (Attachment B)	

References:

Please supply the names of companies/agencies for whom you recently supplied comparable goods as requested in this RFP.

The Copley Press 5215 Torrance Blvd 310 540-5511
 Name of Company/Agency Address Person to contact/Telephone No.
Sam Trans (CAL Train)
 Name of Company/Agency Address Person to contact/Telephone No.

 Name of Company/Agency Address Person to contact/Telephone No.

Contractor's Information:

Contractor's License Number: BUS-0103981 Expiration date: see attached

Proposer shall complete each item with either a checkmark to indicate that the item being proposed is exactly as specified, or enter a description in the proposer's comments column to indicate any deviation from the specifications of the item being proposed.

ITEM/SERVICE SPECIFICATION COLUMN	PROPOSER'S COMMENTS COLUMN
CONTRACTOR will conduct cash pickup at the City Treasurer's Office located at 3031 Torrance Boulevard in the Torrance City Hall complex, between the hours of 11:30 a.m. and 2 p.m., every Tuesday and Thursday, except on Holidays.	✓
CONTRACTOR will perform a same day deposit of funds at the City of Torrance's Banking Institution of choice.	✓
CONTRACTOR will be paid for services by the City's Banking Institution. All monthly invoices (for the City Treasurer's Office services only) must be submitted to the City's designated Banking Institution.	✓
CONTRACTOR will conduct revenue pickups at the Transit Facility - located at 20500 Madrona Avenue, Torrance, CA, 90503 - between the hours of 8 a.m. and 11 a.m., every Monday, Wednesday and Friday, except on Holidays.	✓
CONTRACTOR will perform a same day deposit of funds at the City of Torrance's Banking Institution of choice.	✓
CONTRACTOR will count and return both Los Angeles County Metropolitan Transportation Authority (MTA) and Torrance Transit System (TTS) bus ride tokens, to the Torrance Transit Facility, on a weekly basis.	✓
CONTRACTOR will forward all verification reports on each day's bank deposit to the Torrance Transit Administrative Office the day following the pickup, no later than 12:00 p.m. (noon).	✓
CONTRACTOR must have an armored vehicle with a lift gate capable of lifting and transporting sealed farebox vaults that may weigh up to 200lbs.	✓

STATE OF CALIFORNIA

PROPOSER'S AFFIDAVIT

COUNTY OF LOS ANGELES

I Carla Margeson being first duly sworn, deposes and says:

1. That he/she is the Client Manager of ATI Systems - A GARDA Co
(Title of Office) (Name of Company)

hereinafter called "Proposer", who has submitted to the City of Torrance a proposal for

Request for Proposal for the Processing and Bank Deposit of Transit System Revenue and the City of Torrance Daily Cash Deposits
(Title of RFP)

2. That the proposal is genuine; that the same is not sham; that all statements of fact in the RFP are true;
3. That the proposal was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;
4. That the Proposer did not, directly or indirectly, induce solicit or agree with anyone else to submit a false or sham proposal, to refrain from proposing, or to withdraw his proposal, to raise or fix the proposal price of the Proposer or of anyone else, or to raise or fix any overhead, profit or cost element of the Proposer's price or the price of anyone else; and did not attempt to induce action prejudicial to the interest of the City of Torrance, or of any other Proposer, or anyone else interested in the proposed purchase order;
5. That the Proposer has not in any other manner sought by collusion to secure for itself an advantage over any other Proposer or to induce action prejudicial to the interests of the City of Torrance, or of any other Proposer or of anyone else interested in the proposed purchase order;
6. That the Proposer has not accepted any proposal from any subpurchase order or materialman through any RFP depository, the bylaws, rules or regulations of which prohibit or prevent the Proposer from considering any proposal from any subpurchase order or materialman, which is not processed through that RFP depository, or which prevent any subpurchase order or materialman from proposing to any purchase order or who does not use the facilities of or accept proposals from or through such RFP depository;
7. That the Proposer did not, directly or indirectly, submit the Proposer's proposed price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, RFP depository, or to any member or agent thereof, or to any individual or group of individuals, except to the City of Torrance, or to any person or persons who have a partnership or other financial interest with said Proposer in its business.
8. That the Proposer has not been debarred from participation in any state, federal or public works project.

Dated this 20 day of May, 2008

Carla Margeson
(Proposer's Signature)

ATI Client Manager
(Title)

GARDA CL WEST, INC.
 301 N. LAKE AVENUE
 UNIT 600
 PASADENA, CA 91101



THIS BUSINESS LICENSE MUST BE DISPLAYED AT PLACE OF BUSINESS

READ REVERSE SIDE

BUSINESS LICENSE
 CITY OF TORRANCE

LICENSE NO	CATEGORY	FEE PAID	DATE ISSUED
BUS-0103981	0646 - ARMORED TRUCKS	\$ 695.00	02/11/2008

ISSUED TO:

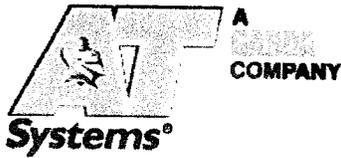
GARDA CL WEST, INC.
 1612 W. PICO BLVD.
 LOS ANGELES, CA 90015

Annual business tax is due and payable
 January 1st each year, and is delinquent if not
 paid on or before the last day of January each year

ISSUED BY FINANCE DEPARTMENT

ASSISTANT FINANCE DIRECTOR

THIS LICENSE IS GOOD UNTIL VOIDED OR REVOKED, IT BECOMES VOID UPON ANY CHANGE OF OWNERSHIP OR LOCATION
 Notify The LICENSE SUPERVISOR In Writing Of Any Change In Ownership Or Address. City Hall 3031 Torrance Blvd , Torrance



Diesel Fuel Surcharge Methodology

Effective April 1, 2006

AT Systems was the first cash logistics company to publish a fuel surcharge methodology that allowed customers to track fuel price impacts. We have made every reasonable effort to absorb these increased fuel expenses, however the extraordinary escalation of fuel prices caused by global or weather related events requires implementing this surcharge. This methodology is now widely accepted in the transportation industry and allows you to more readily predict fuel price impacts.

With this methodology if fuel costs increase your surcharge will not be dramatically impacted. Like wise if fuel costs continue to decline you will receive a reduction to your surcharge.

Our fuel surcharge calculation method is based on the 5 week rolling average of the U. S. Energy Information Administration (eia.doe.gov).

The Department of Energy website is updated every Tuesday and the National average is the benchmark used. The Internet link to monitor is <http://tonio.eia.doe.gov/oeo/info/worldp/diesel.asp>. The benchmark for diesel fuel is \$1.75 per gallon.

AT Systems will track and update our internal database on a weekly basis. Each month, the 5-week rolling average will be recalculated and the surcharge will be adjusted up or down based on the following matrix:

Our fuel surcharge calculation method is based the U. S. Energy Information Administration (eia.doe.gov). The U.S. Diesel Fuel Average is the benchmark used.

Each calendar month the surcharge is recalculated and adjusted up or down monthly based on the following matrix:

Standard Matrix	
Per Gallon Price	Surcharge
Below- \$1.75	0%
\$1.751-\$1.85	1%
\$1.851-\$1.95	2%
\$1.951-\$2.05	3%
\$2.051-\$2.15	4%
\$2.151-\$2.25	5%
\$2.251-\$2.35	6%
\$2.351-\$2.45	7%
\$2.451-\$2.55	8%
\$2.551-\$2.85	9%
\$2.851-\$3.15	10%

AT Systems Fuel Surcharge Index and Methodology

AT Systems will be implementing a new fuel surcharge for base transportation service only effective March 1 2006.

This new methodology will result in reduced costs to you on your March invoice. In addition if fuel costs increase during 2006 your surcharge will not be dramatically impacted. Like wise if fuel costs continue to decline you will receive a reduction to your surcharge.

Our fuel surcharge calculation method is based on the 13 week rolling average of the U. S. Energy Information Administration (cia.doe.gov).

The Department of Energy website is updated every Tuesday and the National average is the benchmark used. The benchmark for diesel fuel is \$1.75 per gallon.

AT Systems will track and update our internal database on a weekly basis. Each month, the 13-week rolling average will be recalculated and the surcharge will be adjusted up or down based on the following matrix:

<u>Per Gallon Price</u>	<u>Surcharge</u>
Below- \$1.75	0%
\$1.751-\$1.85	1%
\$1.851-\$1.95	2%
\$1.951-\$2.05	3%
\$2.051-\$2.15	4%
\$2.151-\$2.25	5%
\$2.251-\$2.35	6%
\$2.351-\$2.45	7%
\$2.451-\$2.55	8%
\$2.551-\$2.85	9%
\$2.851-\$3.15	10%

\$3.151-\$3.30	11%
\$3.301-\$3.45	12%
\$3.451-\$3.60	13%
\$3.601-\$3.75	14%
\$3.751-\$4.00	15%

Fireman's Fund Insurance Company

CONFIRMATION OF ISSUANCE OF INSURANCE POLICY

TO:

0220 WINDING AVE
DUNDALK, CA 95007

- AT SYSTEMS, INC.
- AT SYSTEMS WEST, INC.
- AT SYSTEMS SOUTHWEST, INC.
- AT SYSTEMS NORTHWEST, INC.
- AT SYSTEMS CENTRAL, INC.
- AT SYSTEMS EAST, INC.
- AT SYSTEMS ATLANTIC, INC.
- AT SYSTEMS SOUTHEAST, INC.
- AT SYSTEMS GREAT LAKES, INC.
- AT SYSTEMS NEW ENGLAND

This will confirm that FIREMAN'S FUND INSURANCE COMPANY

has issued to you a ARMORED CAR LIABILITY POLICY No. MZI 98308730
(TYPE OF INSURANCE)

from MAY 31, 2007 TO MAY 31, 2008

on property declared by you as consisting principally of MONEY, COIN, CURRENCY & SIMILAR VALUED PROPERTY

in an amount not exceeding 50,000.00

NOTICE

THIS IS NOT A POLICY OR CONTRACT OF INSURANCE

This confirmation is furnished to the named insured with the premium and is not intended to constitute a contract. It does not enlarge, change or affect the above-mentioned policy nor does it confer any rights or benefits not provided by whom it is exhibited or delivered or by whom it is held.

This may not be a contract policy. It may be a memorandum, bill of lading, receipt or other document or agreement in any form or as a receipt or any of its terms without notice to anyone other than the named insured unless specifically named in the policy. Additional interests may be insured under the above mentioned policy, and this interest is covered by the insurer's underwriting department's policy.

Fireman's Fund Insurance Company

Terrence R. Smith
Terrence R. Smith

Dated: May 22, 2008

AGENTS OR BROKERS

0220 WINDING AVE
DUNDALK, CA 95007

AGENTS OR BROKERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE BY A PERMANENT RECORDS REVIEWER

PLEASE REFER TO POLICY NUMBER FOR COVERAGE