

Council Meeting of  
March 8, 2011

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

Members of the Council:

**SUBJECT: Community Services, General Services, and Transit - Award agreement to provide janitorial cleaning services at various City facilities.  
Expenditure: \$68,090 per year**

### **RECOMMENDATION**

Recommendation of the Community Services Director, General Services Director and the Transit Director that the City Council award a contract services agreement in the amount of \$68,090 per year to American General Services Inc., of Rancho Cucamonga to provide janitorial cleaning services at various City facilities (B2010-24) for a three year period with an option of two (2) additional one year extensions.

### **Funding**

Funding is available in the General Fund (\$6,020), Parks and Recreation Enterprise Fund (\$47,292), Transit Operating Fund (\$2,130), and the Airport Operating Fund (\$12,648).

### **BACKGROUND**

The City of Torrance General Services Department provides janitorial services for the majority of City facilities. Due to budget constraints over the past decade, janitorial services at the following facilities have been provided by janitorial contractors.

- ATTIC Teen Center
- Dee Hardison Sports Center at Wilson Park
- Roller Hockey Facility at Wilson Park
- Torrance Art Museum at the Joslyn Center
- Nature Center at Madrona Marsh
- General Aviation Center at Zamperini Field
- Twice yearly cleaning of park and transit locations

These individual contracts were obtained and maintained by the department staff in charge of each facility and as such there are multiple janitorial contracts in place.

In an effort to reduce the City's expenditures for janitorial services, the City issued a formal bid to consolidate janitorial services under one agreement. The affected departments were consulted and the service needs for each facility were combined.

The bid document requested bidders to provide itemized pricing for each facility for a period of one year and a period of 3 years for the following categories:

1. Labor only.
2. Labor and Cleaning Supplies
3. Labor and Dry Goods (consumable products such as paper towels, toilet tissue, plastic liners, toilet seat covers and hand soap)
4. Labor, Cleaning Supplies and Dry Goods

A pre-bid conference was conducted on November 23, 2010 with 22 potential bidders in attendance. Staff conducted a tour of each facility and reviewed the service levels required for each facility as indicated in the bid document.

## **ANALYSIS**

On December 16, 2010 Bid No B2010-24 was opened and the City received 19 bid submittals. Please see Attachment A for bid results.

The evaluation team looked at all of the bid results and compared them to the requirements for each of the facilities. It was determined that the most cost effective level of service would be #4, Labor, Cleaning Supplies and Dry Goods. Since the vendor will be supplying the cleaning supplies and dry goods, the City's warehouse expenditures and stocking needs will be reduced. American General Services Inc., from Rancho Cucamonga, is the lowest responsible bidder in this category. The team agreed that an initial three year agreement with two one year extensions made the most sense for ease of administration and cost savings.

American General Services Inc. received positive references during the background check that meets with all of the requirements of the bid. If awarded, it is anticipated that janitorial services will begin in mid March after the vendor has met with staff from each of the facilities and all of the bid/contract requirements have been reviewed, operational hours and call out/emergency procedures have been established and fingerprinting and Department of Justice background checks have been preformed.

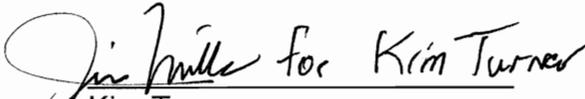
The contract services agreement will be \$68,090 per year for three years (with possible price increases based on the Consumer Price Index for Urban Wage Earners for the Los Angeles area (April to April) with the option to extend two (2) additional one year extensions. (Attachment B).

The Community Services Department has the most locations under the agreement and will act as the contract administrator responsible for coordinating the billing, monitoring performance based on the terms of the agreement, as well as resolve issues related to the overall contract services agreement. The manager at each facility will be the point of contact for service issues at that location and will report any ongoing problems both to the vendor and the contract administrator.

Respectfully submitted,

  
\_\_\_\_\_  
John Jones  
Community Services Director

  
\_\_\_\_\_  
Sheryl Ballaw  
General Services Director

  
\_\_\_\_\_  
Kim Turner  
Transit Director

CONCUR:

  
\_\_\_\_\_  
LeRoy J. Jackson  
City Manager

Attachment:    A) Bid Results  
                  B) Contract Services Agreement with American General Services Inc.

**ATTACHMENT A**

**Bid Submittal Chart for Janitorial Services at Various City Facilities—Bid No. 2010-24**

Vendor	Labor Only		Labor and Cleaning Supplies		Labor Only and Dry Goods		Labor and Cleaning Supplies and Dry Goods	
	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price
Great Cleaning Service Santa Ana, CA	\$122,889.00	\$122,889.00	\$126,089.00	\$126,089.00	\$132,393.00	\$132,393.00	\$135,593.00	\$135,593.00
**American General Services Group Inc. Rancho Cucamonga, CA	\$56,661.00	\$56,661.00	\$64,346.00	\$64,346.00	\$67,287.00	\$67,287.00	\$68,102.00	\$68,090.00
Clean Street Gardena, CA	\$154,806.50	\$154,806.50	\$173,670.10	\$173,670.10	\$173,506.50	\$173,506.50	\$183,284.10	\$183,284.10
Ultimate Maintenance Services Inc. Lawndale, CA	\$99,395.00	\$99,395.00	\$115,935.00	\$115,935.00	\$118,115.00	\$118,115.00	\$126,255.00	\$126,255.00
Brite Works, Inc West Covina, CA	\$130,734.32	\$135,963.70	\$146,709.32	\$151,991.04	\$164,454.44	\$171,032.54	\$167,949.44	\$174,080.68
United maintenance Systems Burbank, CA	\$72,827.00	\$72,827.00	\$84,927.00	\$84,927.00	\$96,467.00	\$96,467.00	\$100,527.00	\$100,527.00
DMS Facility Services, Inc. Monrovia, CA	\$62,535.36	\$61,909.70	\$68,766.24	\$68,078.58	\$75,167.52	\$74,415.54	\$75,982.32	\$75,222.50
All Care Industries Inc. Cerritos, CA	\$76,809.00	\$76,809.00	\$81,555.90	\$81,555.90	\$83,112.00	\$83,112.00	\$84,738.90	\$84,738.90
*Century Maintenance, Inc. Los Angeles, CA	\$57,415.00	\$55,702.00	\$64,240.00	\$62,369.00	\$69,259.00	\$67,186.00	\$72,964.00	\$70,841.00
Vanguard Cleaning Systems Buena Park, CA	\$65,633.00	\$65,633.00	\$69,042.00	\$69,042.00	\$78,437.00	\$78,437.00	\$78,990.00	\$78,990.00
Come Land Maintenance Co. Inc. Los Angeles, CA	\$140,424.00	\$140,424.00	\$146,850.00	\$146,850.00	\$160,524.00	\$160,524.00	\$161,730.00	\$161,730.00
UNISERVE Facilities Services Corporation Los Angeles, CA	\$76,501.86	\$78,414.38	\$77,691.84	\$79,594.20	\$83,668.02	\$85,759.84	\$83,790.24	\$85,845.18
Lewhall Maintenance Inc. Palmdale, CA	\$382,518.00	\$382,518.00	\$410,638.847	\$419,477.00	\$448,518.00	\$448,518.00	\$446,638.847	\$455,477.00

# Bid Submittal Chart for Janitorial Services at Various City Facilities—Bid No. 2010-24

Vendor	Labor Only		Labor and Cleaning Supplies		Labor Only and Dry Goods		Labor and Cleaning Supplies and Dry Goods	
	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price	Initial 1 year annual Price	Initial 3 year annual price
Lincoln Training Center South El Monte, CA	\$189,202.40	\$193,459.06	\$197,748.00	\$198,349.80	\$224,608.40	\$227,500.08	\$226,248.00	\$228,916.68
Stratus Building Solutions Encino, CA	\$93,580.00	\$87,686.00	\$103,715.00	\$98,044.00	\$110,948.00	\$104,186.00	\$116,916.00	\$110,585.00
K & P Janitorial Services Inc. Redondo Beach, CA	\$128,953.00	\$125,367.00	\$133,788.00	\$131,034.00	\$147,553.00	\$144,519.00	\$150,288.00	\$147,990.00
***Santa Fe Building Maintenance Chino Hills, CA	\$59,336.00	N/A	\$61,128.00	N/A	\$74,144.00	N/A	\$74,700.00	N/A
****Priority Building Services, LLC Brea, CA	\$43,095.00	\$43,095.00	\$55,590.00	\$55,590.00	\$71,319.00	\$71,190.00	\$71,574.00	\$71,274.00
Professional Building Maintenance Carson, CA	\$168,391.00	\$168,421.00	\$193,248.00	\$193,248.00	\$202,687.00	\$202,687.00	\$205,404.00	\$205,404.00

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\* Lowest Responsible Bidder for Initial 3-Year Contract Labor Only or Labor with Cleaning Supplies and for initial 3-Year Labor Only and Dry Goods, and initial 1-year with Cleaning Supplies and Dry Goods

\*\* Lowest Responsible Bidder for initial 1-Year Contract Labor Only and for initial 1-year labor only and Dry Goods, and initial 3-year labor, cleaning Supplies and Dry Goods.

\*\*\* Lowest Responsible Bidder for Initial 1-Year Labor with Cleaning Supplies

\*\*\*\* Bid incomplete, did not include service of the City Park locations.

**CONTRACT SERVICES AGREEMENT**

This CONTRACT SERVICES AGREEMENT ("Agreement") is made and entered into as of March 9, 2011 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and American General Services Group Inc, a California Corporation ("CONTRACTOR").

**RECITALS:**

- A. The CITY wishes to retain the services of an experienced and qualified CONTRACTOR to provide janitorial cleaning services at various City facilities. Bid No. 2010-24;
- B. In order to obtain the desired services, The CITY has circulated a Notice Inviting Bids for the Bids to provide janitorial cleaning services at various City facilities, Bid No. 2010-24 (the "NIB"); and
- C. CONTRACTOR has submitted a Bid (the "Bid") in response to the NIB. CONTRACTOR represents that it is qualified to perform those services requested in the Plans and Specifications. Based upon its review of all Bids submitted in response to the NIB, The CITY is willing to award the contract to CONTRACTOR.

**AGREEMENT:****1. SERVICES TO BE PERFORMED BY CONTRACTOR**

CONTRACTOR will provide the services and install those materials listed in the Plans and Specifications, which are on file in the Community Services Department, including all labor, cleaning supplies and dry goods. The NIB and the Plans and Specifications are made a part of this Agreement. A copy of the Bid is attached as Exhibit A.

**2. TERM**

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect for 3 years from the Effective Date.

**3. COMPENSATION****A. CONTRACTOR's Fee.**

For services rendered pursuant to this Agreement, CONTRACTOR will be paid in accordance with CONTRACTOR's Bid; 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 \$68,090 ("Agreement Sum"), unless otherwise first approved in writing by the CITY.

- 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 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, CONTRACTOR will:
    - a) cease operations as directed by CITY in the notice;
    - b) take actions necessary, or that CITY may direct, for the protection 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 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 CONTRACTOR, the CITY may, at the expense of the CONTRACTOR 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 CONTRACTOR under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONTRACTOR and its surety from liability for the default. Under these circumstances, however, the CONTRACTOR 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 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 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**

CONTRACTOR authorizes the 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 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 CONTRACTOR's negligent acts or omissions or willful misconduct 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, 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 CONTRACTOR to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

**7. THE CITY'S REPRESENTATIVE**

ANDREW ORPE 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 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:

Aaron Clark

**9. INDEPENDENT CONTRACTOR**

The CONTRACTOR 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 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 the 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 the CITY of that fact and may not proceed except at CONTRACTOR's risk until written instructions are received from the CITY.

**13. CARE OF WORK**

CONTRACTOR must adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and 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. CONTRACTOR'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONTRACTOR's time pertaining to the project, and records of accounts between the 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, relating to the project. All records will be available to the CITY during normal working hours. CONTRACTOR will maintain these records for three years after final payment.

**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 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 CONTRACTOR, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONTRACTOR'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 CONTRACTOR and CITY, as to whether liability arises from the sole 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 solely negligent. CONTRACTOR 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 CONTRACTOR, in the event of any default or breach by the CITY or for any amount that may become due to CONTRACTOR.

**17. INSURANCE**

A. CONTRACTOR 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) Primarily 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, personal injury and contractual obligations with combined single limits of coverage of at least \$2,000,000 per occurrence.
- (3) 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 CONTRACTOR will be primary and non-contributory.

C. The CITY of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insureds under the automobile and general liability policies.

D. CONTRACTOR 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 the CITY.
- F. CONTRACTOR must include all subcontractors as insureds under its policies or must furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the requirements of this Paragraph 17.

**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 CONTRACTOR agrees that the minimum limits of any insurance policies and/or the performance bond 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 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.

7. Addresses for purpose of giving notice are as follows:

CONTRACTOR: American General Services Group Inc.  
9297 9<sup>th</sup> St.  
Rancho Cucamonga, CA 91730  
  
Fax: (909) 941-0670

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

with a copy to: Attn: Andrew Orpe  
Community Services Department  
3031 Torrance Blvd.  
Torrance, CA 90503  
Fax: (310) 781-7502

- 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.

**21. 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 the CITY or CONTRACTOR without the prior written consent of the other.

**22. INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of the 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.

**23. 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.

**24. 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.

**25. TIME OF ESSENCE**

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

**26. 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.

**27. 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.

**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 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.

**30. EXHIBITS**

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

**31. 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

American General Services Group Inc.  
A California Corporation

\_\_\_\_\_  
Frank Scotto, Mayor

By: \_\_\_\_\_  
Aaron Clark, Manager

ATTEST:

\_\_\_\_\_  
Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III  
City Attorney

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

Attachment: Exhibit A: Bid

**EXHIBIT A**

**Bid**



**Business History:**

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

5 Years

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

N/A

**Addenda Received:**

Please indicate addenda information you have received regarding this bid:

Addendum No. <u>1</u>	Date Received: <u>12/7/2010</u>
Addendum No. <u>2</u>	Date Received: <u>12/7/2010</u>
Addendum No. _____	Date Received: _____
Addendum No. _____	Date Received: _____

\_\_\_\_\_ No Addenda received regarding this bid.

**Payment Terms:** The City of Torrance Payment terms are Net 30. The City does not make pre-payments, or pay upon receipt.

Do you offer any discounted invoice terms? No

**Renewal Option:**

Please state, if requested by the City, if your company would agree to a renewal of this contract with price, terms and conditions unchanged. If the contract is extended after the first year, commencing in the second year (March 1, 2012), and subsequent years, the contract may be increased by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles area (April to April).

Yes  we would agree to add one (1) additional year (after initial 1 or 3 year contract term)

Yes  we would agree to add two (2) additional years (after initial 1 or 3 year contract term)

No \_\_\_\_\_ we would not be interested in renewing this contract.

**References:**

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

Wells Fargo Banks (Subcontractor)	21020 Superior St Chatsworth, CA 91311	John Meza (800) 640-1332
Name of Company/Agency	Address	Person to contact/Telephone No.
Vanir Development	290 N. D st San Bernadino, CA 92401	Dan Smith (909)884-9477
Name of Company/Agency	Address	Person to contact/Telephone No.
Coachella Water District	Ave 52 Hwy 111 Coachella, CA 92236	Tina Donahue (760) 398-2661
Name of Company/Agency	Address	Person to contact/Telephone No.

Vendor Name: American General Services Group Inc**Bid- Submittal Requirement and Acknowledgement**

Bidders are required to place a check mark in Column A indicating that your bid is as per the specifications of this Notice Inviting Bids

Bidders are required to place a check mark in Column B indicating that your bid deviates from the specifications of this Notice Inviting Bids. If you are bidding anything other than what is specified, you must explain in detail how your bid differs by attaching additional pages to your bid submittal and indicating the page number in Column C

You may attach additional sheets to your bid submittal describing in detail the service you are bidding. You must indicate the page number reference in Column C.

<b>Description</b>	<b>Column A</b>	<b>Column B</b>	<b>Column C</b>
<b>Service Area</b>	Place a check mark in this column indicating that your bid is as per the specifications in this Notice Inviting Bids	Place a mark in this column if you are bidding something different then what is specified in this Notice Inviting Bids	You may attach additional sheets to your bid submittal describing in detail the service you are bidding. Please reference the page number in the space below.
<b>General Aviation Center, Zamperini Field</b>	X		
<b>The ATTIC Teen Center</b>	X		
<b>Dee Hardison Sports Center at Wilson Park</b>	X		
<b>Roller Hockey Facilities at Wilson Park</b>	X		
<b>Requirement Torrance Art Museum</b>	X		
<b>The Nature Center at Madrona Marsh</b>	X		
<b>Twice Yearly Cleaning of All City Park Locations</b>	X		
<b>Twice Yearly Cleaning of All Transit Facilities</b>	X		

Vendor Name: American General Services Group Inc

**Bid Submittal – Annual Price Bid**  
**Includes Labor Only (Does not include Cleaning Supplies)**  
**Provide Floor Cleaning Services Twice a Year At City Park Locations**

Location	Annual Cost (For Initial 1-Year Contract Term)	Annual Cost Alternate Bid (For Initial 3-Year Contract Term)
Alta Loma Park	\$ 324	\$ 324
El Nido Park	\$ 225	\$ 225
El Retiro Park, Rotary Bldg	\$ 410	\$ 410
El Retiro Park, Recreation Bldg	\$ 261	\$ 261
Greenwood Park, Room # 27	\$ 186	\$ 186
Greenwood Park Room# 28	\$ 186	\$ 186
Greenwood Park, Ceramics Room	\$ 365	\$ 365
Greenwood Park, Kitchen Room	\$ 365	\$ 365
La Romeria Park, Recreation Room	\$ 180	\$ 180
La Romeria Park, Community Room	\$ 180	\$ 180
McMaster Park, North Torrance Comm.	\$ 660	\$ 660
McMaster Park, Recreation East Bldg	\$ 345	\$ 345
McMaster Park, Recreation West Bldg	\$ 345	\$ 345
Pueblo Recreation Center	\$ 216	\$ 216
Sea Aire Golf Course	\$ 585	\$ 585
Walteria Park	\$ 585	\$ 585
<b>Total Cost for all City Park Locations (labor only)</b>	<b>\$ 5418</b>	<b>\$ 5418</b>

Not Selected

**Bid Submittal – Annual Price Bid**  
**Includes Labor and Cleaning Supplies**  
**Provide Floor Cleaning Services Twice a Year At City Park Locations**

Location	Annual Cost (For Initial 1-Year Contract Term)	Annual Cost Alternate Bid (For Initial 3-Year Contract Term)
Alta Loma Park	\$ 360	\$ 360
El Nido Park	\$ 250	\$ 250
El Retiro Park, Rotary Bldg	\$ 455	\$ 455
El Retiro Park, Recreation Bldg	\$ 290	\$ 290
Greenwood Park, Room # 27	\$ 206	\$ 206
Greenwood Park Room# 28	\$ 206	\$ 206
Greenwood Park, Ceramics Room	\$ 405	\$ 405
Greenwood Park, Kitchen Room	\$ 405	\$ 405
La Romeria Park, Recreation Room	\$ 200	\$ 200
La Romeria Park, Community Room	\$ 200	\$ 200
McMaster Park, North Torrance Community Bldg.	\$ 733	\$ 733
McMaster Park, Recreation East Bldg	\$ 385	\$ 385
McMaster Park, Recreation West Bldg	\$ 385	\$ 385
Pueblo Recreation Center	\$ 240	\$ 240
Sea Aire Golf Course	\$ 650	\$ 650
Walteria Park	\$ 650	\$ 650
<b>Total Cost for all City Park Locations (labor and cleaning supplies)</b>	<b>\$ 6020</b>	<b>\$ 6020</b>

Vendor Name: American General Services Group Inc

Bid Submittal – Annual Price Bid Includes Labor Only (Does not include Cleaning Supplies) Provide Floor Cleaning Services Twice a Year At The City Transit Facilities			
Location	Annual Cost (For Initial 1-Year Contract Term)	Annual Cost Alternate Bid (For Initial 3-Year Contract Term)	
Transit Administration	\$ 540	\$ 540	<b>Not Selected</b>
Transit Break Room (Service Area)	\$ 63	\$ 63	
Transit Operations	\$ 810	\$ 810	
Transit Service Areas (includes gym area)	\$ 504	\$ 504	
<b>Total Annual Cost for all Transit Facilities (labor only)</b>	<b>\$ 1917</b>	<b>\$ 1917</b>	

Bid Submittal – Annual Price Bid Includes Labor Including Cleaning Supplies Provide Floor Cleaning Services Twice a Year At The City Transit Facilities	
Location	Annual Fee
Transit Administration	\$ 600
Transit Break Room (Service Area)	\$ 70
Transit Operations	\$ 900
Transit Service Areas (includes gym area)	\$ 560
<b>Total Annual Cost for all Transit Facilities (labor and cleaning supplies)</b>	<b>\$ 2130</b>

Bid Submittal – Annual Price Bid Includes Labor Only (Does not include Cleaning Supplies or Dry Goods)				
Location	Monthly Fee (For Initial 1-Year Contract Term)	Annual Fee (For Initial 1-Year Contract Term)	Monthly Fee Alternate Bid (For Initial 3-Year Contract Term)	Annual Fee Alternate Bid (For Initial 3-Year Contract Term)
General Aviation Center, Zamperini Field	\$ 1002	\$	\$ 1002	\$ 12024
The ATTIC – A Torrance Teen Center	\$	\$	\$ 555	\$ 6660
Dee Hardison Sports Center at Wilson Park	\$	\$	\$ 1825	\$ 21900
Roller Hockey Facilities at Wilson Field	\$	\$ 2280	\$ 190	\$ 2280
Torrance Art Museum	\$ 261	\$ 3132	\$ 261	\$ 3132
The Nature Center at Madrona Marsh	\$ 729	\$ 8748	\$ 729	\$ 8748
<b>Includes Labor Only Total for all locations</b>	<b>\$ 4562</b>	<b>\$ 54744</b>	<b>\$ 4562</b>	<b>\$ 54744</b>

Vendor Name: American General Services Group Inc

<b>Bid Submittal – Annual Price Bid</b>				
<b>Includes Labor and Cleaning Supplies (Does not include Dry Goods)</b>				
Location	Monthly Fee (For Initial 1-Year Contract Term)	Annual Fee (For Initial 1-Year Contract Term)	Monthly Fee Alternate Bid (For Initial 3-Year Contract Term)	Annual Fee Alternate Bid (For Initial 3-Year Contract Term)
General Aviation Center, Zamperini Field	\$ 1029	\$ 12348	\$ 1029	\$ 12348
The ATTIC – A Torrance Teen Center	\$ 570	\$ 6840	\$ 570	\$ 6840
Dee Hardison Sports Center at Wilson Park	\$ 1876	\$ 22512	\$ 1876	\$ 22512
Roller Hockey Facilities at Wilson Park	\$ 192	\$ 2304	\$ 192	\$ 2304
Torrance Art Museum	\$ 267	\$ 3204	\$ 267	\$ 3204
The Nature Center at Madrona Marsh	\$ 749	\$ 8988	\$ 749	\$ 8988
<b>Includes Labor and Cleaning Supplies Total for all locations</b>	<b>\$ 4683</b>	<b>\$ 56196</b>	<b>\$ 4683</b>	<b>\$ 56196</b>

Not Selected

<b>Bid Submittal – Annual Price Bid</b>				
<b>Includes Labor, Cleaning Supplies and Dry Goods</b>				
Location	Monthly Fee (For Initial 1-Year Contract Term)	Annual Fee (For Initial 1-Year Contract Term)	Monthly Fee Alternate Bid (For Initial 3-Year Contract Term)	Annual Fee Alternate Bid (For Initial 3-Year Contract Term)
General Aviation Center, Zamperini Field	\$ 1054	\$ 12648	\$ 1054	\$ 12648
The ATTIC – A Torrance Teen Center	\$ 595	\$ 7140	\$ 595	\$ 7140
Dee Hardison Sports Center at Wilson Park	\$ 1976	\$ 23712	\$ 1976	\$ 23712
Roller Hockey Facilities at Wilson Park	\$ 317	\$ 3804	\$ 317	\$ 3804
Torrance Art Museum	\$ 279	\$ 3348	\$ 279	\$ 3348
The Nature Center at Madrona Marsh	\$ 774	\$ 9288	\$ 774	\$ 9288
<b>Includes Labor, Cleaning Supplies and Dry Goods Total for all locations</b>	<b>\$ 4996</b>	<b>\$ 59952</b>	<b>\$ 4996</b>	<b>\$ 59952</b>

\* Total adjusted to \$59,940  
due to Scribner's error.

STATE OF CALIFORNIA  
 COUNTY OF LOS ANGELES

BIDDER'S AFFIDAVIT

Aaron Clark being first duly sworn deposes and says:

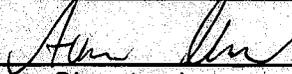
1. That he/she is the Manager of American General Services Group  
 (Title of Office) (Name of Company)

Hereinafter called "Bidder", who has submitted to the City of Torrance a bid for

Janitorial Cleaning Services at Various City Facilities  
 (Title of Bid)

2. That the bid is genuine; that all statements of fact in the bid are true;
3. That the bid was not made in the interest or behalf of any person, partnership, company, association, organization or corporation not named or disclosed;
4. That the Bidder did not, directly or indirectly, induce solicit or agree with anyone else to submit a false or sham bid, to refrain from proposing, or to withdraw his bid, to raise or fix the bid price of the Bidder or of anyone else, or to raise or fix any overhead, profit or cost element of the Bidder'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 Bidder, or anyone else interested in the proposed contract;
5. That the Bidder has not in any other manner sought by collusion to secure for itself an advantage over the other Bidder or to induce action prejudicial to the interests of the City of Torrance, or of any other Bidder or of anyone else interested in the proposed contract;
6. That the Bidder has not accepted any bid from any subcontractor or materialman through any bid depository, the bylaws, rules or regulations of which prohibit or prevent the Bidder from considering any bid from any subcontractor or material man, which is not processed through that bid depository, or which prevent any subcontractor or materialman from proposing to any contractor who does not use the facilities of or accept bids from or through such bid depository;
7. That the Bidder did not, directly or indirectly, submit the Bidder's bid price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid 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 Bidder in its business.
8. That the Bidder has not been debarred from participation in any State or Federal works project.

Dated this 15 day of December, 2010.

  
 (Bidder Signature)

Manager  
 (Title)