

**AGREEMENT TO PROVIDE CITY WIDE STREET SWEEPING SERVICES  
FOR THE CITY OF REDLANDS**

This agreement for the provision of street sweeping services (“Agreement”) is made and entered into this 19<sup>th</sup> day of October, 2010 (“Effective Date”), by and between the City of Redlands, a municipal corporation (“City”) and Cannon Pacific Services, Inc (“Contractor”). City and Contractor are sometimes individually referred to herein as a “Party” and, together, as the “Parties.”

In consideration of the mutual promises contained herein, City and Contractor agree as follows:

**ARTICLE 1 - ENGAGEMENT OF CONTRACTOR**

- 1.1 City hereby engages Contractor to provide City wide sweeping services (the “Services”).
- 1.2 The Services shall be performed by Contractor in a professional manner, and Contractor represents that it has the skill and the professional expertise necessary to provide the Services to City at a level of competency presently maintained by other practicing contractors in the industry providing like and similar types of Services.

**ARTICLE 2 - SERVICES OF CONTRACTOR**

- 2.1 The Services which Contractor shall perform are more particularly described in Exhibit “A,” entitled “Scope of Services,” which is attached hereto and incorporated herein by this reference.
- 2.2 Contractor shall comply with all applicable Federal, State and local laws and regulations in its performance of the Services including, but not limited to, the Americans with Disabilities Act and the Fair Employment and Housing Act.

**ARTICLE 3 - RESPONSIBILITIES OF CITY**

- 3.1 City shall make available to Contractor public information in its possession that may assist Contractor in performing the Services.
- 3.2 City will make reasonable provision for Contractor to enter upon City-owned/leased property to perform the Services.
- 3.3 City designates the Operations Manager of City’s Quality of Life Department as City’s representative with respect to performance of the Services, and such person shall have the authority to transmit instructions, receive information, interpret and define City’s policies and decisions with respect to performance of the Services.

## ARTICLE 4 - PERIOD OF SERVICE

4.1 Contractor shall perform the Services in a prompt and diligent manner for a five year period, commencing on the date of City's issuance of a written "notice to commence services" to Contractor.

## ARTICLE 5 - PAYMENT AND NOTICE

5.1 The compensation for Contractor's performance of the Services shall be in the amount of Twenty Thousand Five Hundred Twenty Two Dollars and Sixty Four Cents (\$20,522.64) per month. City shall pay Contractor on a monthly basis. Compensation for any Services rendered for a partial month shall be pro-rated on a one-thirtieth (1/30) basis.

5.2 Payments by City to Contractor shall be made within thirty (30) days after receipt and approval by City of Contractor's invoice, by warrant payable to Contractor. Invoices shall be sent on a monthly basis.

5.3 All notices shall be given in writing by personal delivery or by mail. Notices, sent by mail should be addressed as follows:

City:  
Operations Manager  
Quality of Life Department  
PO Box 3005  
35 Cajon Street, Suite 222  
Redlands, CA 92373

Contractor:  
Lee Miller  
Cannon Pacific Services, Inc.  
285 Pawnee Street Suite A  
San Marcos, CA. 92078

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. Changes may be made in the names and addresses of the person to whom notices and payments are to be given by giving notice pursuant to this section.

## ARTICLE 6 - INSURANCE AND INDEMNIFICATION

6.1 All insurance required by this Agreement shall be maintained by Contractor for the duration of its performance of the Services. Contractor shall not perform any Services pursuant to this Agreement unless and until all required insurance listed below is obtained by Contractor. Contractor shall provide City with original certificates of insurance and endorsements evidencing the insurance coverage required by this Agreement prior to commencement of the Services. All insurance policies shall include a provision prohibiting modification of the coverage limits or cancellation of the policy except upon thirty (30) days prior written notice to City.

6.2 Contractor shall secure and maintain Workers' Compensation and Employer's Liability insurance throughout the duration of its performance of the Services in an amount which meets the statutory requirement with an insurance carrier acceptable to City.

6.3 Contractor shall indemnify, hold harmless and defend City and its elected officials, employees and agents from and against any and all claims, losses or liability, including attorneys' fees, arising from injury or death to persons or damage to property occasioned by any act, omission or failure to act by Contractor, or its officers, employees and agents in performing the Services.

6.4 Contractor is expressly prohibited from assigning any of the Services without the express written consent of City.

6.5 Contractor shall secure and maintain in force throughout the duration of its performance of this Services comprehensive general liability insurance with carriers acceptable to City. Minimum coverage of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate for public liability, property damage and personal injury is required. City shall be named as additional insured and a certificate of liability insurance and endorsement shall be delivered to City prior to commencement of the Services. Such insurance shall be primary and non-contributing to any insurance of self-insurance maintained by City.

6.6 Contractor shall secure and maintain business auto liability coverage, with minimum limits of one million dollars (\$1,000,000) per occurrence, combined single limit for bodily injury liability and property damage liability. This coverage shall include all Contractor owned vehicles used for its performance of the Services, hired and non-owned vehicles, and employee non-ownership vehicles. Such insurance shall be primary and non-contributing to any insurance or self insurance maintained by City. City shall be named as an additional insured and a certificate of liability insurance and endorsement shall be delivered to City prior to commencement of the Services.

## ARTICLE 7 - GENERAL CONSIDERATIONS

7.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing Party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees, including fees for use of in-house counsel by a Party.

7.2 Contractor is for all purposes an independent contractor. Contractor shall supply all tools, equipment and instrumentalities required to perform the Services. All personnel employed by Contractor are for its account only, and in no event shall Contractor or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of, or on behalf of City.

7.3 This Agreement may be terminated by City, in its sole discretion and without cause, by providing five (5) business days prior written notice to Contractor (delivered by certified mail, return receipt requested) of intent to terminate.

7.4 If this Agreement is terminated by City, an adjustment to Contractor's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed services, and (2) any payment due Contractor at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Contractor.

7.5 Upon receipt of a termination notice, Contractor shall immediately discontinue all Services affected, and within five (5) days of the date of the termination notice, deliver or otherwise make available to City, copies (in both hard copy and electronic form, where applicable) of any data, floor plans, drawings of buildings, specifications, reports, estimates, summaries, passwords, access codes and such other information and materials as may have been accumulated by Contractor in performing the Services required by this Agreement. Contractor shall be compensated on a pro-rata basis for Services completed up until notice of termination.

7.6 Contractor shall maintain books and accounts of all payroll costs and expenses related to the Services. Such books shall be available at all reasonable times for examination by City at the office of Contractor.

7.7 This Agreement, including the Exhibit incorporated herein by reference, represents the entire agreement and understanding between the Parties as to the matters contained herein, and any prior negotiations, written proposals and verbal or written agreements relating to such matters are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by City and signed by City and Contractor.

7.8 This Agreement shall commence on its Effective Date and terminate five (5) years after Contractor's commencement of the Services, as evidenced by City's written notice referenced in Section 4.1 of this Agreement, unless terminated earlier as provided for in Section 7.3 of this Agreement. Notwithstanding the foregoing, City shall have the option and right to extend this Agreement for an additional term of up to five years, on the same terms and conditions, by written notice to Contractor no less than sixty (60) days prior to the expiration of this Agreement.

7.9 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the City and Contractor have signed in confirmation of this Agreement.

CITY OF REDLANDS

CANNON PACIFIC SERVICES, INC.

By: \_\_\_\_\_  
Pat Gilbreath, Mayor

By: \_\_\_\_\_  
Lee Miller, President and CEO

Attest:

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