



**CITY OF PALO ALTO  
CITY COUNCIL  
Special Meeting  
Monday, March 24, 2025  
Council Chambers & Hybrid  
5:30 PM**

<b>Agenda Item</b>
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5. Approval of General Services Contract No. C25193187 with Universal Security Company in the Amount of \$220,752 for Security Services at the Municipal Service Center and the Regional Water Quality Control Plant for a Period of Nine Months; CEQA status - Categorically Exempt under Sections 15301 and 15302



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Public Works**

**Meeting Date: March 24, 2025**

**Report #:2411-3808**

### **TITLE**

Approval of General Services Contract No. C25193187 with Universal Security Company in the Amount of \$220,752 for Security Services at the Municipal Service Center and the Regional Water Quality Control Plant for a Period of Nine Months; CEQA status - Categorically Exempt under Sections 15301 and 15302

### **RECOMMENDATION**

Staff recommends that Council approve and authorize the City Manager or their designee to execute Contract No. C25193187 with Universal Security Company for security services at the Municipal Service Center (MSC) and the Regional Water Quality Control Plant (RWQCP) for a nine-month term in the amount of \$220,752, including \$190,512 for basic services and \$30,240 for additional services.

### **BACKGROUND**

For the past five years, Universal Security Company has provided security services at MSC and RWQCP under contract C20176003 which expired on October 7, 2024<sup>1</sup>. In January 2020, City Council approved Amendment No. 1 which expanded contract's scope of work to include security services at RWQCP<sup>2</sup>. In 2024, while the Public Works Department (PWD) was in the process of finalizing solicitation documentation for a new contract, the City began discussing service needs at City Hall. The finalization of solicitation documents was paused while needs at City Hall were evaluated. Ultimately, staff pursued in-house public safety support as needed for City Council meetings allowing the RFP for services at other facilities to continue.

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<sup>1</sup> City Council, October 7, 2019; SR #10574; <https://portal.laserfiche.com/Portal/DocView.aspx?id=147875&repo=r-704298fc&searchid=3c00fd1a-510b-42b4-981f-875c2db5673f>

<sup>2</sup> City Council, January 13, 2020; Agenda Item #3; SR #10735; <https://portal.laserfiche.com/Portal/DocView.aspx?id=147876&repo=r-704298fc&searchid=b376d176-7fe5-4813-b163-38eb87e93133>

## ANALYSIS

The recommended contract (Attachment A) maintains uninterrupted security services at the MSC and RWQCP with two staff positioned at each location respectively. Each guard will work eight hours per day, excluding City holidays, at a pay rate of \$31.50 per hour. The contract also includes a provision for overtime hours to address unplanned events requiring additional security coverage.

The contract will cover the period from February 1, 2025, to October 31, 2025, allowing time for the solicitation process. The total cost for the nine-month contract is \$220,752. A sum of \$30,240 has been set aside for additional services to allow for 640 hours of unplanned/overtime services. The base labor hourly rate in the interim contract increased by \$9.10, from \$22.40 per hour in the final year of the previous five-year contract to \$31.50 per hour in the interim contract. During the previous contract term, the service provider-maintained a below-market hourly rate of \$22.40 without any annual increases to account for inflation or rising labor costs in the San Francisco Bay Area for the full contract term. PWD staff conducted a market analysis for unarmed security guard services in the region and determined that the current market rate ranges from \$34.00 to \$39.00 per hour. Therefore, while the interim contract reflects an increase of \$9.10 per hour, the new rate remains below the prevailing labor market costs for this geographic area.

To optimize resources and maintain service continuity, the City is using the existing service provider for the interim contract until the solicitation process for a new security contract is completed.

## FISCAL/RESOURCE IMPACT

The security services contract will be funded through contributions from the Public Works Department General Fund, Wastewater Treatment Fund, and the Utilities Department Fiscal Year 2025 adopted operating budgets. Contract funding (base and overtime hours) will be allocated by funding source as follows:

<b>Funding Source</b>	<b>Contract Amount</b>
Wastewater Treatment Fund	\$110,376
General Fund (PWD contract services)	\$110,376 (via the cost allocation plan, utilities enterprise funds reimburse costs of \$25,386)
<b>TOTAL CONTRACT</b>	<b>\$220,752</b>

## STAKEHOLDER ENGAGEMENT

Departments and groups contributing funding for the security services at the MSC and RWQCP have been apprised of funding requirements for the contract and the projected costs of the new contract in developing their Fiscal Year 2026 operating budgets.

**ENVIRONMENTAL REVIEW**

This contract is categorically exempt from the California Environmental Quality Act (CEQA) under Sections 15301 and 15302 of the CEQA guidelines as an alteration to an existing facility and no further environmental review is necessary.

**ATTACHMENTS**

Attachment A: Contract with Universal Security Company; C25193187

**APPROVED BY:**

Brad Eggleston, Director Public Works/City Engineer

**CITY OF PALO ALTO CONTRACT NO. C25193187**

**GENERAL SERVICES AGREEMENT**

**THIS AGREEMENT** made and entered into on the 1<sup>st</sup> day of February, 2025, by and between the **CITY OF PALO ALTO, a California chartered municipal corporation** ("**CITY**"), and **UNIVERSAL SEMICONDUCTOR, INC. dba UNIVERSAL SECURITY COMPANY**, a California corporation, located at 1925 Zanker Road, San Jose, CA 95112, Telephone Number: 408-234-4797 ("**CONTRACTOR**"). In consideration of their mutual covenants, the parties hereto agree as follows:

- 1. SERVICES.** CONTRACTOR shall provide or furnish the services (the "Services") described in the Scope of Services, attached at Exhibit A.

☒ Optional On-Call Provision (This provision only applies if checked and only applies to on-call agreements.)

Services will be authorized by CITY, as needed, with a Task Order assigned and approved by CITY's Project Manager. Each Task Order shall be in substantially the same form as Exhibit A-1. Each Task Order shall designate a CITY Project Manager and shall contain a specific scope of work, a specific schedule of performance and a specific compensation amount. The total price of all Task Orders issued under this Agreement shall not exceed the amount of Compensation set forth in Section 5 of this Agreement. CONTRACTOR shall only be compensated for work performed under an authorized Task Order and CITY may elect, but is not required, to authorize work up to the maximum compensation amount set forth in Section 5.

- 2. EXHIBITS.** The following exhibits are attached to and made a part of this Agreement:

- ☒ Exhibit "A" - Scope of Services
- ☒ Exhibit "A-1" – On-Call Task Order (Optional)
- ☒ Exhibit "B" - Schedule of Performance
- ☒ Exhibit "C" – Compensation and Schedule of Fees
- ☒ Exhibit "D" - Insurance Requirements
- ☒ Exhibit "E" - Performance and/or Payment Bond

***CONTRACT IS NOT COMPLETE UNLESS ALL INDICATED EXHIBITS ARE ATTACHED.***

- 3. TERM.**

The term of this Agreement is from February 1, 2025 to October 31, 2025 inclusive, subject to the provisions of Sections R and W of the General Terms and Conditions.

4. **SCHEDULE OF PERFORMANCE.** CONTRACTOR shall complete the Services within the term of this Agreement in a reasonably prompt and timely manner based upon the circumstances and direction communicated to CONTRACTOR, and if applicable, in accordance with the schedule set forth in the Schedule of Performance, attached at Exhibit B. Time is of the essence in this Agreement.
5. **COMPENSATION FOR ORIGINAL TERM.** CITY shall pay and CONTRACTOR agrees to accept as not-to-exceed compensation for the full performance of the Services and reimbursable expenses, if any:

- ☐ The total maximum lump sum compensation of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ );  
**OR**
- ☐ The sum of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ ) per hour, not to exceed a total maximum compensation amount of \_\_\_\_\_ dollars (\$ \_\_\_\_\_ ); **OR**
- ☒ A sum calculated in accordance with the fee schedule set forth at Exhibit C, not to exceed a total maximum compensation amount of **Two Hundred Twenty Thousand Seven Hundred Fifty-Two dollars (\$220,752.00)**.

CONTRACTOR agrees that it can perform the Services for an amount not to exceed the total maximum compensation set forth above. Any hours worked or services performed by CONTRACTOR for which payment would result in a total exceeding the maximum amount of compensation set forth above for performance of the Services shall be at no cost to CITY.

- ☒ CITY has set aside the sum of Thirty Thousand Two Hundred Forty dollars (\$30,240.00) for Additional Services. CONTRACTOR shall provide Additional Services only by advanced, written authorization from the City Manager or designee. CONTRACTOR, at the CITY's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONTRACTOR's proposed maximum compensation, including reimbursable expense, for such services. Compensation shall be based on the hourly rates set forth above or in Exhibit C (whichever is applicable), or if such rates are not applicable, a negotiated lump sum. CITY shall not authorize and CONTRACTOR shall not perform any Additional Services for which payment would exceed the amount set forth above for Additional Services. Payment for Additional Services is subject to all requirements and restrictions in this Agreement.

6. **COMPENSATION DURING ADDITIONAL TERMS.**

☒ CONTRACTOR'S compensation rates for each additional term shall be the same as the original term; **OR**

☐ CONTRACTOR's compensation rates shall be adjusted effective on the commencement of each Additional Term. The lump sum compensation amount, hourly rates, or fees, whichever is applicable as set forth in section 5 above, shall be adjusted by a percentage equal to the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers for the San Francisco-Oakland- San Jose area, published by the United States Department of Labor Statistics (CPI) which is published most immediately preceding the commencement of the applicable Additional Term, which shall be compared with the CPI published most immediately preceding the commencement date of the then expiring term. Notwithstanding the foregoing, in no event shall CONTRACTOR's compensation rates be increased by an amount exceeding five percent of the rates effective during the immediately preceding term. Any adjustment to CONTRACTOR's compensation rates shall be reflected in a written amendment to this Agreement.

**7. CLAIMS PROCEDURE FOR "9204 PUBLIC WORKS PROJECTS".** For purposes of this Section 7, a "9204 Public Works Project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind. Public Contract Code Section 9204 mandates certain claims procedures for Public Works Projects, which are set forth in "Appendix \_n/a\_ Claims for Public Contract Code Section 9204 Public Works Projects".

☐ **This project is a 9204 Public Works Project** and is required to comply with the claims procedures set forth in Appendix \_\_, attached hereto and incorporated herein.

**OR**

☒ **This project is not a 9204 Public Works Project.**

**8. INVOICING.** Send all invoices to CITY, Attention: Project Manager. The Project Manager is: Ivan Zhang, Dept.: Public Works, Telephone: 650-. Invoices shall be submitted in arrears for Services performed. Invoices shall not be submitted more frequently than monthly. Invoices shall provide a detailed statement of Services performed during the invoice period and are subject to verification by CITY. CITY shall pay the undisputed amount of invoices within 30 days of receipt.

## GENERAL TERMS AND CONDITIONS

- A. ACCEPTANCE.** CONTRACTOR accepts and agrees to all terms and conditions of this Agreement. This Agreement includes and is limited to the terms and conditions set forth in sections 1 through 8 above, these general terms and conditions and the attached exhibits.
- B. QUALIFICATIONS.** CONTRACTOR represents and warrants that it has the expertise and qualifications to complete the services described in Section 1 of this Agreement, entitled "SERVICES," and that every individual charged with the performance of the services under this Agreement has sufficient skill and experience and is duly licensed or certified, to the extent such licensing or certification is required by law, to perform the Services. CITY expressly relies on CONTRACTOR's representations regarding its skills, knowledge, and certifications. CONTRACTOR shall perform all work in accordance with generally accepted business practices and performance standards of the industry, including all federal, state, and local operation and safety regulations.
- C. INDEPENDENT CONTRACTOR.** It is understood and agreed that in the performance of this Agreement, CONTRACTOR and any person employed by CONTRACTOR shall at all times be considered an independent CONTRACTOR and not an agent or employee of CITY. CONTRACTOR shall be responsible for employing or engaging all persons necessary to complete the work required under this Agreement.
- D. SUBCONTRACTORS.** CONTRACTOR may not use subcontractors to perform any Services under this Agreement unless CONTRACTOR obtains prior written consent of CITY. CONTRACTOR shall be solely responsible for directing the work of approved subcontractors and for any compensation due to subcontractors.
- E. TAXES AND CHARGES.** CONTRACTOR shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of CONTRACTOR's business.
- F. COMPLIANCE WITH LAWS.** CONTRACTOR shall in the performance of the Services comply with all applicable federal, state and local laws, ordinances, regulations, and orders.
- G. PALO ALTO MINIMUM WAGE ORDINANCE.** CONTRACTOR shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as it may be amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City,



CONTRACTOR shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONTRACTOR shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code section 4.62.060.

- H. DAMAGE TO PUBLIC OR PRIVATE PROPERTY.** CONTRACTOR shall, at its sole expense, repair in kind, or as the City Manager or designee shall direct, any damage to public or private property that occurs in connection with CONTRACTOR's performance of the Services. CITY may decline to approve and may withhold payment in whole or in part to such extent as may be necessary to protect CITY from loss because of defective work not remedied or other damage to the CITY occurring in connection with CONTRACTOR's performance of the Services. CITY shall submit written documentation in support of such withholding upon CONTRACTOR's request. When the grounds described above are removed, payment shall be made for amounts withheld because of them.
- I. WARRANTIES.** CONTRACTOR expressly warrants that all services provided under this Agreement shall be performed in a professional and workmanlike manner in accordance with generally accepted business practices and performance standards of the industry and the requirements of this Agreement. CONTRACTOR expressly warrants that all materials, goods and equipment provided by CONTRACTOR under this Agreement shall be fit for the particular purpose intended, shall be free from defects, and shall conform to the requirements of this Agreement. CONTRACTOR agrees to promptly replace or correct any material or service not in compliance with these warranties, including incomplete, inaccurate, or defective material or service, at no further cost to CITY. The warranties set forth in this section shall be in effect for a period of one year from completion of the Services and shall survive the completion of the Services or termination of this Agreement.
- J. MONITORING OF SERVICES.** CITY may monitor the Services performed under this Agreement to determine whether CONTRACTOR's work is completed in a satisfactory manner and complies with the provisions of this Agreement.
- K. CITY'S PROPERTY.** Any reports, information, data or other material (including copyright interests) developed, collected, assembled, prepared, or caused to be prepared under this Agreement will become the property of CITY without restriction or limitation upon their use and will not be made available to any individual or organization by CONTRACTOR or its subcontractors, if any, without the prior written approval of the City Manager.

- L. AUDITS.** CONTRACTOR agrees to permit CITY and its authorized representatives to audit, at any reasonable time during the term of this Agreement and for three (3) years from the date of final payment, CONTRACTOR's records pertaining to matters covered by this Agreement. CONTRACTOR agrees to maintain accurate books and records in accordance with generally accepted accounting principles for at least three (3) following the terms of this Agreement.
- M. NO IMPLIED WAIVER.** No payment, partial payment, acceptance, or partial acceptance by CITY shall operate as a waiver on the part of CITY of any of its rights under this Agreement.
- N. INSURANCE.** CONTRACTOR, at its sole cost, shall purchase and maintain in full force during the term of this Agreement, the insurance coverage described at Exhibit D. Insurance must be provided by companies with a Best's Key Rating of A-:VII or higher and which are otherwise acceptable to CITY's Risk Manager. The Risk Manager must approve deductibles and self-insured retentions. In addition, all policies, endorsements, certificates and/or binders are subject to approval by the Risk Manager as to form and content. CONTRACTOR shall obtain a policy endorsement naming the City of Palo Alto as an additional insured under any general liability or automobile policy. CONTRACTOR shall obtain an endorsement stating that the insurance is primary coverage and will not be canceled or materially reduced in coverage or limits until after providing 30 days prior written notice of the cancellation or modification to the Risk Manager. CONTRACTOR shall provide certificates of such policies or other evidence of coverage satisfactory to the Risk Manager, together with the required endorsements and evidence of payment of premiums, to CITY concurrently with the execution of this Agreement and shall throughout the term of this Agreement provide current certificates evidencing the required insurance coverages and endorsements to the Risk Manager. CONTRACTOR shall include all subcontractors as insured under its policies or shall obtain and provide to CITY separate certificates and endorsements for each subcontractor that meet all the requirements of this section. The procuring of such required policies of insurance shall not operate to limit CONTRACTOR's liability or obligation to indemnify CITY under this Agreement.
- O. HOLD HARMLESS.** To the fullest extent permitted by law and without limitation by the provisions of section N relating to insurance, CONTRACTOR shall indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents from and against any and all demands, claims, injuries, losses, or liabilities of any nature, including death or injury to any person, property damage or any other loss and including without limitation all damages, penalties, fines and judgments, associated investigation and administrative expenses and defense costs, including, but not limited to reasonable attorney's fees, courts costs and costs of alternative dispute resolution), arising out of, or resulting in any way from

or in connection with the performance of this Agreement. CONTRACTOR's obligations under this Section apply regardless of whether or not a liability is caused or contributed to by any negligent (passive or active) act or omission of CITY, except that CONTRACTOR shall not be obligated to indemnify for liability arising from the sole negligence or willful misconduct of CITY. The acceptance of the Services by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section survive the completion of the Services or termination of this Agreement.

- P. NON-DISCRIMINATION.** As set forth in Palo Alto Municipal Code section 2.30.510, CONTRACTOR certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONTRACTOR acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.
- Q. WORKERS' COMPENSATION.** CONTRACTOR, by executing this Agreement, certifies that it is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and certifies that it will comply with such provisions, as applicable, before commencing and during the performance of the Services.
- R. TERMINATION.** The City Manager may terminate this Agreement without cause by giving ten (10) days' prior written notice thereof to CONTRACTOR. If CONTRACTOR fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, the City Manager may terminate this Agreement immediately upon written notice of termination. Upon receipt of such notice of termination, CONTRACTOR shall immediately discontinue performance. CITY shall pay CONTRACTOR for services satisfactorily performed up to the effective date of termination. If the termination is for cause, CITY may deduct from such payment the amount of actual damage, if any, sustained by CITY due to CONTRACTOR's failure to perform its material obligations under this Agreement. Upon termination, CONTRACTOR shall immediately deliver to the City Manager any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by CONTRACTOR or given to CONTRACTOR, in connection with this Agreement. Such materials shall become the property of CITY.

- S. ASSIGNMENTS/CHANGES.** This Agreement binds the parties and their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written consent of CITY. No amendments, changes or variations of any kind are authorized without the written consent of CITY.
- T. CONFLICT OF INTEREST.** In accepting this Agreement, CONTRACTOR covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of this Agreement. CONTRACTOR further covenants that, in the performance of this Agreement, it will not employ any person having such an interest. CONTRACTOR certifies that no CITY officer, employee, or authorized representative has any financial interest in the business of CONTRACTOR and that no person associated with CONTRACTOR has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. CONTRACTOR agrees to advise CITY if any conflict arises.
- U. GOVERNING LAW.** This Agreement shall be governed and interpreted by the laws of the State of California.
- V. ENTIRE AGREEMENT.** This Agreement, including all exhibits, represents the entire agreement between the parties with respect to the services that may be the subject of this Agreement. Any variance in the exhibits does not affect the validity of the Agreement and the Agreement itself controls over any conflicting provisions in the exhibits. This Agreement supersedes all prior agreements, representations, statements, negotiations and undertakings whether oral or written.
- W. NON-APPROPRIATION.** This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.
- X. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS.** CONTRACTOR shall comply with CITY's Environmentally Preferred Purchasing policies which are available at CITY's Purchasing Division, which are incorporated by reference and may be amended from time to time. CONTRACTOR shall comply with waste reduction, reuse, recycling and disposal requirements of CITY's Zero Waste Program. Zero Waste best practices include first minimizing and reducing waste; second, reusing waste and third, recycling or

composting waste. In particular, CONTRACTOR shall comply with the following zero waste requirements:

- All printed materials provided by CONTRACTOR to CITY generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by CITY's Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable based inks.
- Goods purchased by Contractor on behalf of CITY shall be purchased in accordance with CITY's Environmental Purchasing Policy including, but not limited to, Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Division's office.
- Reusable/returnable pallets shall be taken back by CONTRACTOR, at no additional cost to CITY, for reuse or recycling. CONTRACTOR shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

**Y. AUTHORITY.** The individual(s) executing this Agreement on behalf of the parties represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

**Z. PREVAILING WAGES**

☒ **This Project is not subject to prevailing wages.** CONTRACTOR is not required to pay prevailing wages in the performance and implementation of the Project in accordance with SB 7, if the Agreement is not a public works contract, if Agreement does not include a public works construction project of more than \$25,000, or the Agreement does not include a public works alteration, demolition, repair, or maintenance (collectively, 'improvement') project of more than \$15,000.

**OR**

☐ **Contractor is required to pay general prevailing wages** as defined in Subchapter 3, Title 8 of the California Code of Regulations and Section 16000 et seq. and Section 1773.1 of the California Labor Code. Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the City Council has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in this locality for each craft, classification, or type of worker needed to execute the Agreement for this Project from the Director of the

Department of Industrial Relations (“DIR”). Copies of these rates may be obtained at the Purchasing Division’s office of the City of Palo Alto. Contractor shall provide a copy of prevailing wage rates to any staff or subcontractor hired, and shall pay the adopted prevailing wage rates as a minimum. Contractor shall comply with the provisions of all sections, including, but not limited to, Sections 1775, 1776, 1777.5, 1782, 1810, and 1813, of the Labor Code pertaining to prevailing wages.

**AA.DIR REGISTRATION.** In regard to any public work construction, alteration, demolition, repair or maintenance work, CITY will not accept a bid proposal from or enter into this Agreement with CONTRACTOR without proof that CONTRACTOR and its listed subcontractors are registered with the California Department of Industrial Relations (“DIR”) to perform public work, subject to limited exceptions. City requires CONTRACTOR and its listed subcontractors to comply with the requirements of SB 854.

CITY provides notice to CONTRACTOR of the requirements of California Labor Code section 1771.1(a), which reads:

“A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the Agreement is awarded.”

CITY gives notice to CONTRACTOR and its listed subcontractors that CONTRACTOR is required to post all job site notices prescribed by law or regulation and CONTRACTOR is subject to SB 854-compliance monitoring and enforcement by DIR.

CITY requires CONTRACTOR and its listed subcontractors to comply with the requirements of Labor Code section 1776, including:

Keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by, respectively, CONTRACTOR and its listed subcontractors, in connection with the Project.

The payroll records shall be verified as true and correct and shall be certified and made available for inspection at all reasonable hours at the principal office of CONTRACTOR and its listed subcontractors, respectively.

At the request of CITY, acting by its project manager, CONTRACTOR and its listed subcontractors shall make the certified payroll records available for inspection or furnished upon request to the project manager within ten (10) days of receipt of CITY's request.

☐ [For state- and federally-funded projects] CITY requests CONTRACTOR and its listed subcontractors to submit the certified payroll records to the project manager at the end of each week during the Project.

If the certified payroll records are not produced to the project manager within the 10-day period, then CONTRACTOR and its listed subcontractors shall be subject to a penalty of one hundred dollars (\$100.00) per calendar day, or portion thereof, for each worker, and CITY shall withhold the sum total of penalties from the progress payment(s) then due and payable to CONTRACTOR.

Inform the project manager of the location of CONTRACTOR's and its listed subcontractors' payroll records (street address, city and county) at the commencement of the Project, and also provide notice to the project manager within five (5) business days of any change of location of those payroll records.

**BB. CONTRACT TERMS.** All unchecked boxes do not apply to this Agreement. In the case of any conflict between the terms of this Agreement and the exhibits hereto or CONTRACTOR's proposal (if any), the Agreement shall control. In the case of any conflict between the exhibits hereto and CONTRACTOR's proposal, the exhibits shall control.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

**CITY OF PALO ALTO**

\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney or designee

**UNIVERSAL SEMICONDUCTOR, INC. dba  
UNIVERSAL SECURITY COMPANY**

**Officer 1**

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

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

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

**Officer 2**

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

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

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



**EXHIBIT A**  
**SCOPE OF SERVICES**

**Scope of Work for Municipal Service Center (MSC)**

CONTRACTOR shall supply all labor, materials, equipment and incidentals necessary to provide unarmed security guard services at the Municipal Service Center (MSC) facility at the City of Palo Alto.

The general performance criteria shall include but not be limited to provide unarmed security guard services to:

1. CONTRACTOR shall provide a security sweep and inspection of the entire MSC facility. The sweep shall occur at 9:15 am after he/she takes their morning break and again at 1:30 pm before morning guard leaves at 2:30 pm.
2. Security sweeps and inspections shall be continuous while there are two guards are present. Inspections shall include perimeter fence lines, building exterior doors, storage containers, employee parking lots, and all vehicle and pedestrian gates.
3. The front vehicle gate shall be open from 7:00 am. to 4:30 pm.
4. The 1<sup>st</sup> guard shall work from 6:00 am to 2:30 pm and will open front vehicle gate at 7am.
5. The 2<sup>nd</sup> guard shall work from 8:30 am to 5:00 pm and will close front vehicle gate at 4:30 pm.
6. On a quarterly basis, the Contractor will send the City's Project Manager a proposed schedule of the officers on duty, which will include the name of each security personnel, working hours, and emergency contact number for each employee. The City of Palo Alto understands that the staffing schedule submitted may be subject to change.
7. All non-City vehicles and pedestrians will be stopped at the gate before entry.
  - a. All visitors must have an appointment with staff on site. City Staff will send an email or call the security guard shack to notify the security officers of who the visitor/s will be and what time to expect them.

- b. Security officer shall call the City staff when the visitor arrives to authorize the entry of the visitor. Visitor is not allowed entry until contact is made with City staff.
  - c. Security officer shall log visitor's name, driver license number, company name, date, and time.
  - d. Visitors shall be given a visitor badge and a parking pass if they are parking in the yard. A parking pass is not required if the visitor parks outside of the yard in visitor parking.
  - e. Security officer must retrieve the guest passes and parking pass when visitors exit.
  - f. All non-city vehicles will be checked visually prior to exiting the MSC. This will not include checking secured vehicle areas such as trunks or enclosed truck boxes, but a brief visual inspection of the interior of the vehicle and/or open truck bed.
- 8. Stores Shipping and Receiving hours are from 7:00 a.m. to 3:00p.m.
  - a. No deliveries are allowed inside the yard outside of the Stores' hours.
  - b. Regular deliveries such as UPS, FedEx, DHL, Amazon, etc. do not need to be checked in or out. Security officers shall direct them to the Building A Stores loading docks.
  - c. It is the responsibility of the second guard to monitor these deliveries to verify the drivers stay near the loading dock area.
- 9. Other vendors and contractors that are not required to be checked in and out.
  - a. Garbage trucks that are picking up garbage or fueling with CNG.
  - b. Palo Alto School District buses fueling with CNG.
  - c. Debris box trucks.
  - d. Street sweeper contractor.
  - e. Tow trucks dropping off or picking up City vehicles.
  - f. Material supplier delivery trucks such as Home Depot, Grainger, Ferguson, Pinecone Lumber, etc.
- 10. Perform inspections, detection, and investigation of all security-related incidents, violations of City regulations and City employee safety, and report to appropriate authorities and the Project Manager.
- 11. Respond promptly and appropriately to all security-related emergencies.

12. Patrol the entire facility to provide a visible presence to discourage vandalism or unauthorized entry throughout the day.
13. Notify the appropriate law enforcement agency and Project Manager of any unlawful activity.
14. Immediate threats must be reported immediately to public safety officials and in person or by phone to the City's Project Manager or Assistant Director Public Works for Public Services, or the Facilities Dept Helpdesk (in that order). Non-urgent issues must be reported by next business day via email to the City's Project Manager.
15. Contractor shall issue parking tickets for parking violations such as illegal parking, not parking within designated lines, not displaying parking permit, etc.

**Officer Check In/Out Procedure:**

1. Officers shall badge in through the employee person gate at the front of the yard at the beginning of each shift.
2. Officers shall badge out through the employee person gate at the front of the yard at the end of each shift.
3. The City will only pay for hours that are actually staffed by the security officers. The contractor may not bill for hours when an officer did not show up for work or was late for work.

**Personnel Requirements:**

1. Officer Uniforms
  - a. All security officers must always wear a security uniform.
  - b. The uniform must have the word "Security" on the front and back of the uniform, in conformance with the State of California requirements.
  - c. The name of the individual officer shall be on the front of the uniform.
  - d. All uniforms (collar shirts and pants) shall be cleaned and pressed regularly.
  - e. All collar shirts shall be tucked in neatly with dark color slacks and shoes.

- f. High visibility apparel and/or reflective vest is recommended due to the requirement of working in vehicle traffic situations.
- g. All uniforms shall be approved by the City's Project Manager prior to wearing them onsite.

## 2. Officer Qualifications:

- a. Be able to communicate effectively in both written and oral English.
- b. Possess a valid California Driver's License or Identification.
- c. Be a legal resident of the United States of America.
- d. Have successfully completed the educational requirements and successfully passed the examinations required by the State of California, Department of Consumer Affairs.
- e. Be capable of performing the assigned tasks.
- f. Passed background check and have no disqualifying criminal conviction record as determined by City.
- g. Must ensure that at least one person every day has a working knowledge of the MSC.
- h. Possess a current security guard card.

## 3. Code of Conduct

- a. Security staff shall always stand and greet every vehicle (even City marked vehicles) as it arrives to make their presence known to arriving visitors.
- b. Communications should be firm but polite with all visitors and staff.
- c. Violators of the security Standard Operating Procedure shall be identified to the Project Manager immediately.
- d. No security staff is allowed on the premises outside of the assigned hours of this Agreement unless authorized by the City's Project Manager.
- e. The City Guard shack will always be properly maintained.
- f. Computer, phone, and radio issued by the City shall be kept in good condition.
- g. Security staff shall only park in assigned parking spaces.
- h. Security staff is not allowed to have visitors while on duty.
- i. Security staff shall not leave the site without notifying the Project Manager

## 4. Equipment:

- a. Contractor shall furnish all equipment necessary to perform the work as described herein.
- b. All equipment shall be kept in good condition. Required equipment shall include but not be limited to:
  - i. Flashlights and two-way radios/smart phones.
  - ii. Appropriate winter and summer wear for staff meeting guidelines in the "Personnel" section above.

## **Reports**

1. Security Officers shall be responsible for the following reports.
  - a. Daily visitor log sheets.
  - b. Contractor shall submit to the City's Project Manager an Incident Report for any security related issue.
  - c. Contractor may use their own forms, subject to prior approval from the City's Project Manager. All reports should be submitted via email. All reports prepared during the term of this Contract shall become the property of the City.

## **Officer Wages**

1. Contractor must follow the federal, state, and local minimum wage law each year of the contract.

## **Invoicing**

1. Contractor shall invoice monthly and it shall only include staff hours worked.
2. Contractor shall include time sheets for each staff that worked during the billing cycle.

## **Replacement of Security Guards**

1. City reserve the right to refuse or reject any personnel under this agreement, who, in the City's belief, fails to meet the minimum requirements set forth.

## **Scope of Work for Regional Water Quality Control Plant (WQCP)**

CONTRACTOR shall supply all labor, materials, equipment and incidentals necessary to provide unarmed security guard services at the Regional Water Quality Control Plant at the City of Palo Alto.

The general performance criteria shall include but not be limited to provide unarmed security guard services to:

1. Contractor shall provide security sweeps and inspections of the entire WQCP. The sweep shall occur as required throughout the day.
2. Inspections shall include perimeter fence lines, building exterior doors, storage containers, employee parking lots, and all vehicle and pedestrian gates.
3. The front vehicle gate shall be open from 5:30 a.m. to 4:00 p.m.
4. At least one officer shall be at the guard shack from 5:30 a.m. to 4:00 p.m.
5. On a quarterly basis, the Contractor will send the City's Project Manager a proposed schedule of the officers on duty, which will include the name of each security personnel, working hours, and emergency contact number for each employee. The City of Palo Alto understands that the staffing schedule submitted may be subject to change.
6. All non-City vehicles and pedestrians will be stopped at the gate before entry.
  - a. All visitors must have an appointment with staff on site. City Staff will send an email or call the security guard shack to notify the security officers of who the visitor/s will be and what time to expect them.
  - b. Security officer shall call the City staff when the visitor arrives to authorize the entry of the visitor. Visitor is not allowed entry until contact is made with City staff.
  - c. Security officer shall log visitor's name, driver license number, company name, date, and time.
  - d. Visitors shall be given a visitor badge and a parking pass if they are parking in the yard.
  - e. Security officer must retrieve the guest passes and parking pass when visitors exit.
  - f. All non-city vehicles will be checked visually prior to exiting the MSC. This will not include checking secured vehicle areas such as trunks or enclosed truck boxes, but a brief visual inspection of the interior of the vehicle and/or open truck bed.
7. Stores Shipping and Receiving hours are from 6:00 a.m. to 2:00p.m.

- a. No deliveries are allowed inside the yard outside of the Stores' hours unless approved by plant employees in advance.
  - b. Regular deliveries such as UPS, FedEx, DHL, Amazon, etc. do not need to be checked in or out. Security officers shall direct them to the Building A Stores loading docks.
  - c. It is the responsibility of the second guard to monitor these deliveries to verify the drivers stay near the loading dock area.
- 8. Other vendors and contractors that are not required to be checked in and out.
  - a. Garbage trucks that are picking up garbage.
  - b. Debris box trucks.
  - c. Street sweeper contractor.
  - d. Tow trucks dropping off or picking up City vehicles.
  - e. Material supplier delivery trucks such as Home Depot, Grainger, Ferguson, Pinecone Lumber, etc.
- 9. When two guards are present, escort delivery drivers or other visitors to their destination, if RWQCP staff are unable to assist and the visitor might get lost.
- 10. Issue clean bottles to identified Septic Haulers for the Septic Haulers to use in collecting a sample. Guards are not expected to handle or be exposed to wastewater samples. Turn away Septic Haulers during periods of temporary shutdowns of the discharge location and/or when specific haulers are no longer in good standing as identified by the City's Project Manager.
- 11. Perform periodic security checks on exterior roadways surrounding the RWQCP, reporting any issues to an authorized RWQCP supervisor or designated operator in charge.
- 12. If requested in future when technology provisions are changed at the RWQCP, do the following: (a) use city provided computer to authorize entry by approved back gate entrants via the back gate camera feed and a remote entry access authorization on guard shack's phone keypad; and (b) monitor RWQCP camera feeds for security issues on city provided computer, reporting any issues to an authorized RWQCP supervisor or designated operator in charge.
- 13. Perform inspections, detection, and investigation of all security-related incidents, violations of City regulations and City employee safety, and report to appropriate authorities and the Project Manager.

14. Respond promptly and appropriately to all security-related emergencies.
15. Patrol the entire facility to provide a visible presence to discourage vandalism or unauthorized entry throughout the day.
16. Notify the appropriate law enforcement agency and Project Manager of any unlawful activity.
17. Immediate threats at the WQCP must be reported immediately to public safety officials and in person or by phone to the onsite Operations Supervisor/Senior Operator, Assistant Manager of WQCP, and/or Plant Manager. (in that order). Non-urgent issues must be reported by next business day via email to the City's Project Manager.
18. WQCP employee and visitor parking lots are within the facility. Employees will enter the front main vehicle gate via the security service or through the key-code entry back vehicle gate.
19. Visitors to the WQCP with a legitimate business purpose are authorized to park inside the WQCP. City employees can park their personal vehicles inside the WQCP.
20. Issue and receive tickets to recycled water trucks filling up at the recycled water standpipe; turn away recycled water trucks without a legitimate permit to use the standpipe.

**Personnel Requirements:**

1. Officer Uniforms
  - a. All security officers must always wear a security uniform.
  - b. The uniform must have the word "Security" on the front and back of the uniform, in conformance with the State of California requirements.
  - c. The name of the individual officer shall be on the front of the uniform.
  - d. All uniforms (collar shirts and pants) shall be cleaned and pressed regularly.
  - e. All collar shirts shall be tucked in neatly with dark color slacks and shoes.
  - f. High visibility apparel and/or reflective vest is recommended due to the requirement of working in vehicle traffic situations.



- g. All uniforms shall be approved by the City's Project Manager prior to wearing them onsite.

2. Officer Qualifications:

- a. Be able to communicate effectively in both written and oral English.
- b. Possess a valid California Driver's License or Identification.
- c. Be a legal resident of the United States of America.
- d. Have successfully completed the educational requirements and successfully passed the examinations required by the State of California, Department of Consumer Affairs.
- e. Be capable of performing the assigned tasks.
- f. Passed background check and have no disqualifying criminal conviction record as determined by City.
- g. Must ensure that at least one person every day has a working knowledge of the MSC.
- h. Possess a current security guard card.

3. Code of Conduct

- a. Security staff shall always stand and greet every vehicle (even City marked vehicles) as it arrives to make their presence known to arriving visitors.
- b. Communications should be firm but polite with all visitors and staff.
- c. Violators of the security Standard Operating Procedure shall be identified to the Project Manager immediately.
- d. No security staff is allowed on the premises outside of the assigned hours of this Agreement unless authorized by the City's Project Manager.
- e. The City Guard shack will always be properly maintained.
- f. Computer, phone, and radio issued by the City shall be kept in good condition.
- g. Security staff shall only park in assigned parking spaces.
- h. Security staff is not allowed to have visitors while on duty.
- i. Security staff shall not leave the site without notifying the Project Manager.

4. Equipment:

- a. Contractor shall furnish all equipment necessary to perform the work as described herein.

- b. All equipment shall be kept in good condition. Required equipment shall include but not be limited to:
  - i. Flashlights and two-way radios/smart phones.
  - ii. Appropriate winter and summer wear for staff meeting guidelines in the “Personnel” section above.

### **Reports**

- 5. Security Officers shall be responsible for the following reports.
  - a. Daily visitor log sheets.
  - b. Contractor shall submit to the City’s Project Manager an Incident Report for any security related issue.
  - c. Contractor may use their own forms, subject to prior approval from the City’s Project Manager. All reports should be submitted via email. All reports prepared during the term of this Contract shall become the property of the City.

### **Officer Wages**

- 1. Contractor must follow the federal, state, and local minimum wage law each year of the contract.

### **Invoicing**

- 1. Contractor shall invoice monthly and it shall only be for staff hours worked.
- 2. Contractor shall include time sheets for each staff that worked during the billing cycle.

### **Replacement of Security Guards**

- 1. City reserve the right to refuse or reject any personnel under this agreement, who, in the City’s belief, fails to meet the minimum requirements set forth.

**EXHIBIT "A-1"**  
**GENERAL SERVICES TASK ORDER**

Contractor hereby agrees to perform the work detailed below in accordance with all the terms and conditions of the Agreement referenced in Item 1A below. All exhibits referenced in Item 8 are incorporated into the Agreement by this reference. The Contractor shall furnish the necessary facilities, professional, technical and supporting personnel required by this Task Order as described below.

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CONTRACT NO.

ISSUE DATE

Purchase Requisition No.

- 1A. MASTER AGREEMENT NUMBER  
1B. TASK ORDER NO.  
2. CONTRACTOR  
3. PERIOD OF PERFORMANCE: START: \_\_\_\_\_ COMPLETION: \_\_\_\_\_  
4. TOTAL TASK ORDER PRICE: \$ \_\_\_\_\_  
BALANCE REMAINING IN MASTER AGREEMENT \$ \_\_\_\_\_  
5. BUDGET CODE: \_\_\_\_\_  
COST CENTER \_\_\_\_\_  
COST ELEMENT \_\_\_\_\_  
WBS/CIP \_\_\_\_\_  
PHASE \_\_\_\_\_  
6. CITY PROJECT MANAGER'S NAME/DEPARTMENT \_\_\_\_\_  
7. DESCRIPTION OF SCOPE OF SERVICES  
MUST INCLUDE:
  - WORK TO BE PERFORMED
  - SCHEDULE OF WORK
  - BASIS FOR PAYMENT & FEE SCHEDULE
  - DELIVERABLES
  - REIMBURSABLES (with "not to exceed" cost)  
8. ATTACHMENTS: A: Scope of Services B: \_\_\_\_\_
- 

**I hereby authorize the performance of  
the work described above in this Task Order.**

**I hereby acknowledge receipt and acceptance  
of this Task Order and warrant that I have  
authority to sign on behalf of Contractor.**

**APPROVED:**  
CITY OF PALO ALTO

**APPROVED:**  
COMPANY NAME: \_\_\_\_\_

BY: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

BY: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

## EXHIBIT B SCHEDULE OF PERFORMANCE

### **Required Duties:**

CITY requires two unarmed security officers for the Municipal Service Center located at 3201 East Bayshore Road, Palo Alto with operation hours from 6 am to 5 pm, Monday through Friday, excluding holidays. The morning shift shall be from 6:00 am to 2:30 pm and the later (mid-morning) shift shall be from 8:30 am to 5:00 pm. The different time shifts will allow for coverage at the guard shack during lunch and regularly scheduled breaks, as well as restroom breaks. A lunch break of 30 minutes is allotted for each security officer. The City will not pay for this lunch break for the security officers.

CITY requires two unarmed uniformed security officers for the Regional Water Quality Control Plant (WQCP) located at 2501 Embarcadero Way, Palo Alto with operation hours from 5:30 am to 4 pm, Monday through Friday, excluding holidays. The morning shift shall be from 5:30 am to 2:00 pm and the later (mid-morning) shift shall be from 7:30 am to 4:00 pm. The different time shifts will allow for coverage at the guard shack during lunch and regularly scheduled breaks, as well as restroom breaks. A lunch break of 30 minutes is allotted for each security officer. The City will not pay for this lunch break for the security officers.

**Additional Security Services:** All location may require additional security services for special events and/or special circumstances.

The Contractor shall notify the City's designated Project Manager at least 24 hours in advance if for any reason the security officers cannot meet the required schedule.

### **Holidays**

January 1 - New Year's Day 3 <sup>rd</sup> Monday in January - Martin Luther King Jr. 3 <sup>rd</sup> Monday in February - Lincoln's Birthday Last Monday in May - Memorial Day 4 <sup>th</sup> of July 1 <sup>st</sup> Monday of September - Labor Day 2 <sup>nd</sup> Monday of October - Columbus Day November 11 - Veteran's Day Thanksgiving Day (2) Day after Thanksgiving December 25 - Christmas Day
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**EXHIBIT C**  
**COMPENSATION AND SCHEDULE OF FEES**

CITY shall pay CONTRACTOR according to the following rate schedule. The maximum amount of compensation to be paid to CONTRACTOR, including both payment for services and reimbursable expenses, shall not exceed the amounts set forth in Sections 5 and 6 of the Agreement. Any services provided or hours worked for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to CITY.

**INSERT DETAILED RATE SCHEDULE**

<b>Type of Hours</b>	<b>Hourly Rate</b>	<b>Hours per day</b>	<b># of working days</b>	<b>Cost</b>
Straight Time (ST) MSC	\$ 31.50	16	189	\$ 95,256.00
Overtime (OT) MSC	\$ 47.25	16	19	\$ 14,364.00
MSC Open House	\$ 47.25	16	2	\$ 1,512.00

<b>Type of Hours</b>	<b>Hourly Rate</b>	<b>Hours per day</b>	<b># of working days</b>	<b>Cost</b>
Straight Time (ST) RWCQP	\$ 31.50	16	189	\$ 95,256.00
Overtime (OT) RWCQP	\$ 47.25	16	19	\$ 14,364.00

## EXHIBIT D INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
NO	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE			
		ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: <b>CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSURED CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.</b>			

I. INSURANCE COVERAGE MUST INCLUDE:

A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSURED"

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSURED.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURED UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSURED, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

**NOTICES SHALL BE MAILED TO:**

**PURCHASING AND  
CONTRACT ADMINISTRATION  
CITY OF PALO ALTO  
P.O. BOX 10250  
PALO ALTO, CA 94303**

**EXHIBIT E  
BONDS**

**[ATTACH BOND FORMS IF BONDS ARE REQUIRED]**