

**CITY CLERK
ORIGINAL
AGREEMENT FOR**

**C-10258
09/08/2015**

**COMMERCIAL CLEANING SYSTEMS
FOR CUSTODIAL SERVICES
City of Glendale Solicitation No. RFP 15-70**

This Agreement for Custodial Services ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and Commercial Cleaning Systems, a Colorado corporation (the "Contractor"), as of the 8 day of September, 2015.

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. RFP 15-70 (the "Project");
- B. City desires to retain the services of Contractor to perform those specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Contractor desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Key Personnel; Sub-contractors.

- 1.1 Services. Contractor will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City.
- 1.2 Project Team.
 - a. Project Manager.
 - (1) Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's option, complete the Project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement;
 - (2) The City must approve the designated Project Manager; and
 - (3) To assure the Project schedule is met, Project Manager may be required to devote no less than a specific amount of time as set out in Exhibit A.
 - b. Project Team.
 - (1) The Project Manager and all other employees assigned to the project by Contractor will comprise the "Project Team."
 - (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Contractor.
 - c. Discharge, Reassign, Replacement.
 - (1) Contractor acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in the response to the Project's solicitation.

- (2) Contractor will not discharge, reassign or replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Contractor, in which event the substitute must first be approved in writing by City.
- (3) Contractor will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties or if the acts or omissions of that person are detrimental to the development of the Project.

d. Sub-contractors.

- (1) Contractor may engage specific technical contractor (each a "Sub-contractor") to furnish certain service functions.
- (2) Contractor will remain fully responsible for Sub-contractor's services.
- (3) Sub-contractors must be approved by the City, unless the Sub-contractor was previously mentioned in the response to the solicitation.
- (4) Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Contractor's Work.**

3.1 Standard. Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Contractor warrants that:

- a. Contractor and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and
- b. Neither Contractor nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
 - (2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.

3.3 Compliance. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

Contractor must not discriminate against any employee or applicant for employment on the basis race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Contractor will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Subject to any limitations expressly stated in the Project Budget, Contractor will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Contractor will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for services furnished, Contractor grants to City, and will cause its Sub-contractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product").
 - (1) This grant is effective whether the Work Product is on paper (e.g., a "hard copy"), in electronic format, or in some other form.
 - (2) Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Contractor will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

4.1 Compensation. Contractor's compensation for the Project, including those furnished by its Sub-contractors will not exceed \$287,448, and Contractor will include a performance bond in the amount of \$72,000 as specifically detailed in **Exhibit B** (the "Compensation").

4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.

- a. Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
- b. Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.
- c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in

the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.

5. Billings and Payment.

5.1 Applications.

- a. Contractor will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month or as specified in the solicitation.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Contractor and its Sub-contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment.

6. Termination.

6.1 For Convenience. City may terminate all or part of this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than thirty (30) days following the date of delivery.

- a. Contractor will be equitably compensated for Goods or Services furnished prior to receipt of the termination notice and for reasonable costs incurred.
- b. Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.

6.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages, in accordance with the provision of § 5.
- b. If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.

7. **Conflict.** Contractor acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Contractor must obtain and maintain the following insurance ("Required Insurance"):

- a. Contractor and Sub-contractors. Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Contractor's Policies"), until each Party's obligations under this Agreement are completed.
- b. General Liability.
 - (1) Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate for each property damage and contractual property damage.
 - (2) Sub-contractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least \$1,000,000 per occurrence.
 - (3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, XCU hazards if requested by the City, and a separation of insurance provision.
 - (4) These limits may be met through a combination of primary and excess liability coverage.
- c. Auto. A business auto policy providing a liability limit of at least \$1,000,000 per accident for Contractor and \$1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.
- d. Workers' Compensation and Employer's Liability. A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.
- e. Notice of Changes. Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of:
 - (1) Cancellation or termination of Contractor or Sub-contractor's Policies;
 - (2) Reduction of the coverage limits of any of Contractor or and Sub-contractor's Policies; and
 - (3) Any other material modification of Contractor or Sub-contractor's Policies related to this Agreement.
- f. Certificates of Insurance.
 - (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Sub-contractor's Policies, which will confirm the existence or issuance of Contractor and Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section.
 - (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-contractor's Policies, or to examine Contractor and Sub-contractor's Policies, or to inform Contractor or Sub-contractor in the event that any coverage does not comply with the requirements of this section.

- (3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-contractor policies as required will constitute a material default under the Agreement.
- g. Other Contractors or Vendors.
 - (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- h. Policies. Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Sub-contractors.

- a. Contractor must also cause its Sub-contractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement.
- c. Contractor and Sub-contractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (i.e. a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions (including any Sub-contractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.

- c. Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. Immigration Law Compliance.

- 9.1 Contractor, and on behalf of any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under subsection 9.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Contractor or subcontractor employee who performs work under this Agreement to ensure that the Contractor or any subcontractor is compliant with the warranty under subsection 9.1 above.
- 9.4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 9.1 above. Contractor agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City. Contractor also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. Notices.

- 10.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
 - a. The Notice is in writing; and
 - b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
 - c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
 - d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
 - e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

10.2 Representatives.

- a. Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

Commercial Cleaning Systems
c/o Titus Gardner
17602 N. Black Canyon, Suite 108
Phoenix, AZ, 85053

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Cameron Dewaele, Management Assistant
5959 W. Brown St
Glendale, Arizona 85301
623-930-2824

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.

- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices.

- d. Changes. Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

11. Financing Assignment. City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

12. Entire Agreement; Survival; Counterparts; Signatures.

12.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. The solicitation, any addendums and the response submitted by the Contractor are incorporated into this Agreement as if attached hereto. Any Contractor response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums

and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.

12.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

12.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

12.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.

12.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

12.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.

12.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

13. **Term.** The term of this Agreement commences upon the effective date and continues for a two (2)-year initial period. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement an additional three (3) years, renewable on an annual basis. Contractor will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and will be a determining factor for any renewal. There are no automatic renewals of this Agreement.

14. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Contractor and City will be resolved in accordance with Exhibit C. The final determination will be made by the City.

15. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

- Exhibit A Project
- Exhibit B Compensation
- Exhibit C Dispute Resolution

(Signatures appear on the following page.)

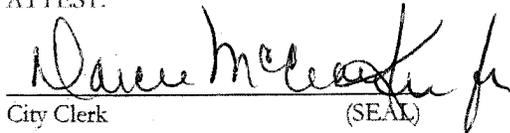
The parties enter into this Agreement as of the effective date shown above.

City of Glendale,
an Arizona municipal corporation



By: Richard A. Bowers
Its: Acting City Manager

ATTEST:



City Clerk

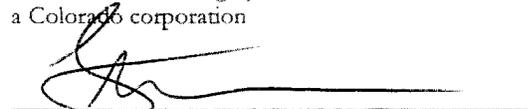
(SEAL)

APPROVED AS TO FORM:



City Attorney

Commercial Cleaning Systems,
a Colorado corporation



By: Titus Gardner
Its: Vice President

EXHIBIT A
AGREEMENT FOR CUSTODIAL SERVICES
PROJECT

PROJECT

The selected Contractor will provide all-inclusive custodial services to various City facilities, including three (3) libraries, the Foothills Recreation and Aquatics Center, and fifteen (15) other parks and recreation facilities, all as set forth in Solicitation Number RFP 15-70. The Contractor may be asked to provide additional services on an "as needed" basis.

 <p>GLENDALÉ</p>	<p align="center"> City of Glendale Materials Management Solicitation Number: RFP 15-70 CUSTODIAL SERVICES FOR COMMUNITY SERVICES </p>	<p align="center"> CITY OF GLENDALE Materials Management 5850 West Glendale Avenue, Suite 317 Glendale, Arizona 85301 </p>
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1.0 SPECIFICATIONS

The following specifications are an explicit part of the solicitation and any offer received by the Contractor in response to this RFP.

1.1 PURPOSE: Pursuant to provisions contained in this document, the City of Glendale (COG) intends to establish a contract for: **Custodial Services for Community Services.**

The COG is seeking proposals from qualified Contractors to provide complete custodial services for 19 locations. These locations are separated into three (3) facilities with each having its own contract administrator as follows:

FOOTHILLS RECREATION & AQUATICS CENTER (FRAC)
Administrator: Jackie Anderson Email: JAnderson@glendaleaz.com

1. Foothills Recreation & Aquatics Center, 5600 West Union Hills Dr., 85308

LIBRARIES Administrator: Mike Beck Email: MBeck@glendaleaz.com

1. Glendale Main Library, 5959 West Brown
2. Foothills Branch Library, 19055 North 57th Drive
3. Velma Teague Branch Library, 7010 North 58th Avenue

PARK MAINTENANCE Administrator: Eugene Kraus
Email: EKraus@glendaleaz.com

1. Bonsall South, 5840 West Bethany Home Road
2. Bonsall North 5821 West Bethany Home Road
3. Cholla, 5306 West Cholla Avenue
4. Foothills Ballfields, 19021 North 59th Avenue
5. Glendale Heroes Regional Park, 6101 North 83rd Avenue
6. Lions Ballfield, 7601 North 63rd Avenue
7. Murphy, 7010 North 58th Drive
8. O'Neil, 6448 West Missouri Avenue
9. Paseo Racquet Center Ballfields, 6268 West Thunderbird Road
10. Rose Lane Ballfield, 4917 West Marlette Avenue
11. Sahuaro Ranch, 9802 North 59th Avenue
12. Sands, 5430 West Orangewood Avenue
13. Thunderbird Conservation Park, 22600 North 59th Avenue
14. Thunderbird Paseo @ 67th Avenue and Arizona Canal Diversion Channel
15. Thunderbird Paseo @ 59th Avenue and Arizona Canal Diversion Channel

EXHIBIT B
AGREEMENT FOR CUSTODIAL SERVICES
COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Billings for services rendered on a monthly basis together with applicable documentation as directed by the City's Contract Administrator.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$287,448 annually, and be in accordance with available City budget. Contractor is not guaranteed \$287,448.

DETAILED PROJECT COMPENSATION

Fees for annual services included in the base service are \$246,384 plus hourly rates for additional services included on the Price Sheet which the city has current budgeted funding of an additional \$41,064.

The Contractor must also provide to the City a Performance Bond in the amount of \$72,000 (25% of \$288,000.00)



SOLICITATION NUMBER: 15-70
DESCRIPTION: CUSTODIAL SERVICES FOR COMMUNITY SERVICES
DUE DATE AND TIME: July 23, 2015 @ 5:00 PM (Local Time)

Best and Final Offers must be submitted in a sealed envelope with the Solicitation Number, Description and the Due Date clearly labeled, as cited above. Also included shall be the Offeror's name and address clearly indicated on the envelope. For the purposes of this solicitation, Best and Final Offers may be submitted via email in a pdf(ADOBE) format.

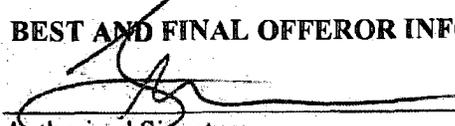
Please label the file as "RFP 15-70 - 'Name of Offeror' - BAFO Custodial Services for Community Services

Please submit your response to: **Crista Clevenger at CClevenger@glendaleaz.com**

Best and Final Offers must be in the actual possession of Materials Management on or prior to the time and date, and at the location indicated. Materials Management is located on the third (3rd) floor of the Glendale Municipal Office Complex (City Hall), 5850 West Glendale Avenue, Suite 317, Glendale, Arizona, 85301.

Best and Final Offers are accepted at the Engineering Department's front counter between the hours of 8:00 AM and 5:00 PM, Monday through Friday unless otherwise indicated for a Holiday. The Best and Final Offer submittals will be time stamped at the Engineering Department's front counter.

BEST AND FINAL OFFEROR INFORMATION:

 Authorized Signature	Commercial Cleaning Systems Company's Legal Name
Titus Gardner Printed Name	17602 N. Black Canyon Hwy., Suite 108 Address
Vice President/ General Manager Title	Phoenix, AZ 85053 City, State & Zip Code
602-404-3400 Telephone Number	602-404-3488 FAX Number
7-23-2015 Date	tgardner@commercialcleaningsystems.net E-mail Address

July 20, 2015

BEST AND FINAL OFFER (BAFO)

The City of Glendale evaluation committee has evaluated your proposal in response to **RFP 15-70 Custodial Services for Community Services**. This is to inform you that after the clarification interview, we have selected your company as one of the Offeror's to proceed to the "Best and Final Offer" phase of the evaluation process.

The City of Glendale ("City") is asking that Offeror's provide (no later than the due date and time indicated) a response to the following request. The BAFO will be evaluated as an adjustment to the Offeror's scores on their original proposal response. If an Offeror does not submit a Best and Final Offer, its previous offer will be considered as its Best and Final Offer.

BAFO COST

6.0 Offeror shall enter their BEST AND FINAL COST based on all items defined in the Scope of Services. Please complete and return the following Exhibit A.

*****ALL PRICING SHALL INCLUDE COSTS FOR ALL PAPER & CLEANING PRODUCTS PER SECTION 1.2 SCOPE OF WORK, AND SHALL INCLUDE COSTS FOR 43 HOURS PER WEEK OF CUSTODIAL SERVICES AT THE MAIN LIBRARY PER SECTION 1.6.2.2 AND 26 HOURS PER WEEK FOR 10 WEEKS OF DAY PORTER SERVICE AT FOOTHILLS RECREATION & AQUATICS CENTER PER EXHIBIT A*****

We look forward to receiving your response by the time and date indicated on the previous page. Please notify me should you have any questions. Discussions with other City of Glendale staff regarding this solicitation are prohibited.

Crista Clevenger

City of Glendale
Materials Management
5850 W. Glendale Avenue, Ste. 317
623-930-2865
CClevenger@glendaleaz.com

BEST AND FINAL OFFER
CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM

Exhibit A

Foothills Recreation & Aquatics Center

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
ALL AREAS			
Floors/Carpeted			
Vacuum all carpet (under desks, tables, chairs)	X		
Remove debris and vacuum traffic areas	X		
Spot clean carpets			X As needed
Floors/Non-Carpeted, Stairways			
Dust mop and follow with wet mop	X		
Burnish floors that are coated with a floor finish, to restore luster, and dust mop afterwards			X
Machine scrub all hard floor surface and apply floor finish. Burnish floors with floor finish to luster.			X
Clean baseboards/cove base on floor areas. Including, exercise studios, class room hallways, classrooms			X
Stairs and Stairwells: Remove lint, cobwebs, debris, dirt and mud from landings, steps, sweep and mop floors, corners and ceilings. Clean handrails and contact points to remove dirt, dust and grime.	X		
Doors			
Wipe down gun locker outside front entrance		X	
Dust outside frame work around entrance doors		X	
Clean all glass doors and entrance side glass	X		
Stainless Steel/metal Surfaces - All kick plates, doors, partitions, etc. Clean and polish (leaving no streaks). Roll up window to kitchen.		X	
Front Entrance-Outside			
Sweep or blow from entrance to handicap parking		X	
Empty garbage cans and replace liners at entrance. Include the single can across from handicap slots.	X		
Empty ashtray receptacles at front of Center	X		
Chairs, Table Tops & Conference Room			
Spot clean upholstery		X	
Non-upholstered chairs (legs, arms of chairs and surface areas) - disinfect		X	
Tables - Disinfect all table tops	X		
Water Fountains - Clean, Disinfect, Polish (including 1 fountain on pool deck)	X		
Trash & Recycle Containers-Indoors			
Empty all containers (liners as needed)	X		
Place recycle materials in Service Entrance bins	X		
Damp clean exterior of containers in program areas		X	
Multiple Ledges, Counter Tops - Damp clean	X		
Dusting - All dusting as high as tools will reach		X	

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

Foothills Recreation & Aquatics Center

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
Dust - wipe dust accumulation on picture frames, photographs, white boards, bulletin boards			X
HVAC - Maintain clean HVAC supply and return vents.			X
WALLS - Remove lint and cobwebs on walls, ceilings and corners as high as tools will reach			X
Rest Rooms/Locker Rooms/ Showers/Family Changing Rooms			
Doors - clean and disinfect		X	
Sweep or vacuum all dirt and debris	X		
Wet mop and disinfect	X		
Clean floor drain covers. Remove hair & debris	X		
Clean and sanitize stalls, commodes and urinals	X		
Clean mirrors and shelves	X		
Wash walls surrounding urinal & toilet partitions		X	
Clean sinks and chrome, fill foam dispensers	X		
Clean and fill napkin disposal and change liner	X		
Fill toilet paper dispensers	X		
Spot clean ceramic tile around sinks and toilets		X	
Empty trash containers, replace liners	X		
Fill and damp clean seat cover dispenser	X		
Damp clean exterior of trash containers		X	
Clean shelf unit in shower area. Both locker rooms.		X	
Clean and sanitize showers	X		
Mop locker room and shower floors	X		
Deep clean/sanitize Locker room floors & shower stalls		X	
Lifeguard House			
Clean floors		X	
Empty garbage and replace liners as needed	X		
Racquetball Courts (3)			
Windex glass walls as high as the tool will reach	X		
Damp mop nightly	X		
Elevators (2)			
Stainless steel surfaces wiped free of marks/hand prints, floor cleaned, touch points disinfected	X		
Heavy scrubbing showers to remove soap scum, including shower curtains, to prevent mold		X	
Lockers: Damp clean exterior of facility lockers		X	
Treat toilets with heavy duty cleaner disinfectant		X	
Machine scrub floors to clean grout. Burnish floors with floor finish.			X

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

Foothills Recreation & Aquatics Center

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
Catering Kitchen and Teaching Kitchen			
Wipe down stainless steel counters as needed		X	Check daily. Complete as needed.
Sweep and mop floors as needed.		X	Check daily. Complete as needed.
Empty all garbage containers and replace liners	X		
Community Rooms, Conference Room, Break Room, Offices, Lobby and Hallways			
Empty Wastebaskets (change liners as needed)	X		
Clean ledges and counter tops (damp cloth)	X		
Wipe table tops of any tables set up.	X		
Wipe all door handles in areas.	X		
Vacuum carpet thoroughly	X		
Clean sinks-Jackrabbit, Squirrel & Break Room	X		
Damp clean exterior of trash containers		X	
Spot clean interior windows as high as tool reaches	X		
Sweep/mop all floor surfaces	X		
Clean exterior surfaces of break room/lounge appliances. City staff responsible for refrigerators.		X	
Childcare Center (Turtle Club)			
Vacuum carpet thoroughly	X		No cleaning Sunday night
Clean individual restroom	X		No cleaning Sunday night
Empty wastebaskets (change liners as needed)	X		No cleaning Sunday night
Interior glass surfaces-windows, Exercise Studios A&B mirrors, as high as tool reaches			
Clean all glass/mirrors and dust ledges around glass		X	
Fitness Center Restrooms			
Doors - clean and disinfect		X	
Sweep or vacuum all dirt and debris	X		
Wet mop and disinfect	X		
Clean and sanitize stalls, commodes and urinals	X		
Clean mirrors and shelves	X		
Wash walls surrounding urinal & toilet partitions		X	
Fitness Center Restrooms Continued			
Clean sinks and chrome, fill foam dispensers	X		
Clean and fill napkin disposal and change liner	X		
Fill toilet paper dispensers	X		
Spot clean ceramic tile around sinks and toilets		X	
Empty trash containers, replace liners	X		
Fill and damp clean seat cover dispenser	X		
Empty trash in Fitness Office	X		

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

Foothills Recreation & Aquatics Center

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
Damp clean exterior of trash containers		X	
Activity Room (Game Room)			
Vacuum carpet, empty trash, replace liners, dust ledges, clean all glass surfaces as high as tools allow.	X		
To Provide:			
Seat covers, garbage can liners, regular size toilet paper rolls (32 holders), and daily cleaning products to complete the outlined work.	X		
Day Porter Services (Summer 10 weeks)			
Monday-Saturday (4 hours daily), Sundays 2 hours. Restrooms, mop high traffic areas, remove trash, clean lobby table tops, clean locker room (depending on sex of employee), basic cleaning as needed.	X		
ADDITIONAL REQUIRED SERVICES		FREQUENCY	
Windows Exterior - As high as tools will reach		2 times per year	
Walls - deep clean (restrooms/showers/locker rooms)		2 times per year	
Kitchen Appliances - Deep Clean		2 times per year	
Main Kitchen Exhaust Unit - Deep Clean		Annually	
Scrub/deep clean all epoxy floors		3 times per year	
Scrub and clean all carpeted surfaces		3 times per year	
Wax LInoleum in classrooms, meeting rooms		3 times per year	
FLOORING REQUIREMENTS			
Note: On-site Contract Supervisor will schedule all deep cleaning of flooring (carpeted or non-carpeted). The work schedule will be completed to work around programming.			

COST SUMMARY				
SERVICE	FREQUENCY	MONTHLY COST	ESTIMATED HOURS PER SERVICE	ANNUAL CONTRACT AMOUNT (FRAC)
Basic Services	MONTHS - Times 12	\$ 5,270		\$ 63,240
OPTIONAL SERVICES				
Emergency Service - Clean		AS REQUESTED (per hour)	\$ 35.00	per hour

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

City Libraries

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
ALL AREAS			
Floors/Carpeted			
Vacuum all carpet (under desks, tables, chairs, elevators, entry mats)	X		
Broom or vacuum all corners and edges to remove all dirt and dust	X		
Spot clean carpet	X		
Floors/Non-Carpeted, Stairways			
Dry Mop	X		
Wet Mop	X		
Buff/Polish floors per manufacturer's standards to retain a uniform bright appearance. Wipe clean baseboards after floor care			X
Machine scrub all hard floor surface and apply floor finish. Burnish floors with floor finish to luster.			X
Stairs and Stairwells: Remove lint, cobwebs, debris, dirt and mud from landings, steps, sweep and mop floors, walls corners and ceilings. Clean handrails and contact points to remove dirt, dust and grime		X	
Doors			
Clean all glass doors and entrance side glasses	X		
Stainless Steel/metal Surfaces - All kick plates, doors, partitions, etc. Clean and polish (leaving no streaks). Roll up window to kitchen.		X	
Exterior Walks			
Sweep or blow 50 feet from entrances.		X	
Wet Mop		X	
Entry Mats - Clean under mats, shampoo entry walk off mats, return to original locations		X	
Empty ashtray receptacles, sift and replace sand	X		
Sofas, Chairs, and Gallery Furniture, Office Chairs & Conference Areas			
Vacuum upholstery thoroughly, shampoo as needed			X
Non-upholstered areas (legs, arms of chairs and surface areas) - wet clean or polish			X
Water Fountains - Clean, Disinfect and Polish	X		
Light Switches - Clean, Disinfect and Polish		X	
Baseboards - Clean, remove heel marks and soil			X

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

City Libraries

BASIC SERVICES	FREQUENCY		
	DAILY	WEEKLY	MONTHLY
Trash & Recycle Containers			
Empty containers (change liners as needed)	X		
Damp clean exterior of containers		X	
Miscellaneous			
Public Telephone, Ledges, Counter Tops, Book Shelving, Book Spins, Magazines, Cassette Boxes, Newspaper Cases, Filing Cabinets - Dust, damp clean and polish, tops sides and bottoms			X
Dusting - Low dust (to 6 foot height) including bookshelves, books feather dusted			X
Dusting - high/low dust all fixtures			X
Wood Furniture - Clean and wax all wood furniture including, end tables, end panels, on the bookshelves, Pac Pods, reference desks, circulation desk, public desk and shelving. Exclude office desks.			X
Dust - wipe dust accumulation on wall art, sculptures, photographs, white boards and bulletin boards.			X
HVAC - Vacuum and clean HVAC supply and return vents, surrounding ceiling tiles within four-foot perimeter of vent. Scrub as needed			X
WALLS - Spot clean, remove lint and cobwebs on walls, ceilings and corners and where present. Clean all light panels as needed	X		
Rest Rooms/Family Changing Rooms			
Doors - clean and disinfect	X		
Sweep or vacuum all dirt and debris	X		
Wet mop and disinfect	X		
Clean floor drain cover	X		
Clean and disinfect stalls, commodes and urinals	X		
Clean mirrors and shelves	X		
Wash urinals, walls surrounding urinal & toilet partitions	X		
Clean sinks and chrome, fill soap dispensers	X		
Clean and fill napkin disposal and change liner	X		
Fill toilet paper dispenser	X		
Spot clean walls, pipe fixtures	X		
Spot clean ceramic tile/concrete walls, removing stains, heavy soils, graffiti, or other foreign material	X		
Fill and damp clean seat cover dispenser	X		

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

City Libraries

BASIC SERVICES	FREQUENCY			
	DAILY	WEEKLY	MONTHLY	
Provide deodorizer or air freshener to combat smells	X			
Treat toilets with heavy duty cleaner disinfectant		X		
Treat all floor drains - 1 gallon of water and disinfect		X		
Machine scrub floors with disinfectant and grout, apply floor finish as directed. Burnish floors with floor finish.		X		
WALLS - Remove lint and cobwebs on walls, ceilings and corners and where present. Clean all light panels as needed			X	
Kitchens, Lounges, Community Rooms, Conference Rooms, Lobbies and Hallways (Exclude Childcare area)				
Clean exterior surfaces of break room/lounge appliances. City staff responsible for refrigerators.			X	
Glass Walls Interior/Exterior, windows, room partitions, doors, Glass windows				
Dust Dry Mop		X		
Spot Wet Mop		X		
Glass surfaces, doors handles, spot clean walls non-material partitions and cubicle partitions (non-material)		X		
Windows - Interior/Exterior Clean			X	
Teen Room				
Vacuum all carpet (under desks, tables, chairs, elevators, entry mats)	X			
Windows - Spot clean	X			
Dust - Shelving and windowsills		X		
Gallery				
TV's - Clean		X		
Vending Machines - Clean and disinfect exterior areas		X		
Elevator - Clean surfaces of elevator walls, doors, door panels, control panels and door tracks.			X	
COST SUMMARY				
SERVICE	FREQUENCY	MONTHLY COST	ESTIMATED HOURS PER SERVICE	ANNUAL PRICE
GLENDALE MAIN LIBRARY - Basic Services	MONTHS - Times 12	\$ 5,507	16	\$ 66,084
FOOTHILLS BRANCH LIBRARY - Basic Services	MONTHS - Times 12	\$ 3,234	8.5	\$ 38,808
VELMA TEAGUE BRANCH LIBRARY - Basic Services	MONTHS - Times 12	\$ 2,246	4.5	\$ 26,952
TOTAL ANNUAL CONTRACT AMOUNT (ALL LIBRARIES)			\$ 131,844	

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY FORM**

City Libraries

OPTIONAL SERVICES - Libraries	FREQUENCY	LUMP SUM
Windows Interior - Clean	AS REQUESTED	\$ 750
Windows Exterior - Clean	AS REQUESTED	\$ 575
Blinds or other Window Coverings - Clean, dust, or vacuum both sides	AS REQUESTED	\$ 600
Walls - Spot clean	AS REQUESTED	\$ 275
Light fixtures - Clean - light diffusers, or light tube/bulb if no diffuser	AS REQUESTED	\$ 350
Appliances - Clean	AS REQUESTED	\$ 275
Beams - Dust	AS REQUESTED	\$ 150
Ceiling Fans - Clean	AS REQUESTED	\$ 150
Skylight Windows - Clean	AS REQUESTED	\$ 1450
FLOORING REQUIREMENTS		
Note: Contract Administrator will schedule all cleaning of flooring (carpeted or non-carpeted) and furniture. The Contract Administrator may request that others perform this work. If requested to provide this service an estimate will be obtained to confirm bid prices as submitted herein. All work must be approved prior to commencement.		
Carpet Areas: clean per recommended manufacturers standards - Proposer to specify method of cleaning		
Offices	AS REQUESTED	\$.09 per square feet
Gallery	AS REQUESTED	\$.09 per square feet
Library Floor	AS REQUESTED	\$.09 per square feet
Paper Products and Soap		
Provide all paper products, hand towels, toilet tissue, seat covers, sanitary napkins and hand soap.	AS REQUESTED	\$ 2,500
Floors non-carpeted		
Stripping, waxing, spray buffing	AS REQUESTED	\$.25 per square feet
Restroom Floors - Stripping, waxing, spray buffing of floors	AS REQUESTED	\$.35 per square feet
Restroom Walls - Hand scrub and wash all walls and base, clean tile and grouting to prevent/remove discoloration of grout	AS REQUESTED	\$ 275
Emergency Service - Clean	AS REQUESTED	\$ 35 per hour

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY & PRICE FORM**

City Parks

BASIC SERVICES	FREQUENCY			
	DAILY	WEEKLY	MONTHLY	
ALL AREAS				
Outside the Restrooms				
Floors, doors, drinking fountains, benches and display areas within 10-foot radius - Clean	X			
Sweep or blow 10 feet from entrances		X		
Trash Containers				
Empty containers inside restrooms (change liners as needed)	X			
Damp clean exterior of containers		X		
Rest Rooms				
Doors - clean and disinfect	X			
Sweep all dirt and debris	X			
Wet mop floors and disinfect, remove tar and gum	X			
Clean floor drain cover	X			
Clean and disinfect sinks, stall partitions, commodes and urinals	X			
Clean mirrors and shelves (if applicable)	X			
Empty, clean and change receptacle liner	X			
Fill toilet paper dispenser	X			
Ensure locks are secure and maintained on dispensers with locking devices	X			
Spot clean pipe fixtures		X		
Spot clean floors, concrete walls, removing stains, heavy soils, graffiti, or other foreign material	X			
Treat base/kickboards with deodorizer to combat smells	X			
Treat all floor drains - 1 gallon of water and disinfect		X		
Pressure wash floors, walls and partitions and disinfect			X	
Remove lint and cobwebs on walls, ceilings and corners and where present. Clean all light panels as needed		X		

COST SUMMARY

SERVICE LOCATION	FREQUENCY	MONTHLY COST	ANNUAL PRICE
Bonsall South, 1 facility - Men's & Women's toilets - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Bonsall North, 1 facility - Men's & Women's toilets - Basic Svcs	MONTHS - Times 12	\$ 285	\$ 3,420
Cholla, 1 facility - Men's & Women's toilets - Basic Svcs	MONTHS - Times 12	\$ 285	\$ 3,420

**CUSTODIAL SERVICES
SERVICE LEVEL FREQUENCY & PRICE FORM**

City Parks

COST SUMMARY			
SERVICE LOCATION	FREQUENCY	MONTHLY COST	ANNUAL PRICE
Foothills, 2 facilities, Ballfields - Men's & Women's / Skatecourt, 4 single Unisex toilets- Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Glendale Heroes Regional Park, 2 facilities, Skatecourt- 4 single Unisex / Main Ramada- Men's & Women's - Basic Svcs	MONTHS - Times 12	\$ 285	\$ 3,420
Lions Ballfield, 1 facility - Men's & Women's - Basic Svcs	MONTHS - Times 12	\$ 285	\$ 3,420
Murphy, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
O'Neil, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Paseo Racquet Center Ballfield, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Rose Lane, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Sahuaro Ranch, 3 facilities - Men's & Women's - Basic Svcs	MONTHS - Times 12	\$ 285	\$ 3,420
Sands, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Thunderbird Conservation Park, 3 facilities -Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Thunderbird Paseo @ 67th, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
Thunderbird Paseo @ 59th, 1 facility - Men's & Women's - Basic Services	MONTHS - Times 12	\$ 285	\$ 3,420
TOTAL ANNUAL CONTRACT AMOUNT - Parks			\$ 51,300
OPTIONAL SERVICES - Parks			
	FREQUENCY	LUMP SUM	
Hourly Rate Extra Work - inclusive of equipment and supplies	AS REQUESTED	\$ 25.00	per hour

EXHIBIT C
AGREEMENT FOR CUSTODIAL SERVICES
DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
- a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the parties may agree, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
- a. The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 10 years experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.

2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.

2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

4. **Exceptions.**

4.1 Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.

4.2 Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.

4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.