

## REPORT TO CITY COUNCIL

**DATE:** MAY 11, 2011

**TO:** MAYOR AND HONORABLE MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER

**BY:** LOUIS CELAYA, ASSISTANT TO THE CITY MANAGER

**SUBJECT:** APPROVE AGREEMENT FOR VENDOR SERVICES BETWEEN THE CITY OF AGOURA HILLS AND PC RECYCLES LLC. FOR COMMERCIAL ELECTRONIC WASTE COLLECTION PROGRAM

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Agoura Hills currently provides electronic waste (e-waste) collection and disposal services to residents of Agoura Hills via its residential trash collection program. Electronic waste (PCs, printers, faxes, etc.) has become a major component of many communities' waste streams requiring programs to insure that e-waste is properly collected and recycled. The lack of an adequate collection and disposal mechanism in the area for businesses to get rid of their e-waste, coupled with the fact that permanent locations to receive electronic waste are a substantial distance away, provides no incentive or mechanisms for businesses to take these items to be recycled.

For several months, staff has been working with its solid waste consultant, Solid Waste Solutions Inc., to develop a commercial e-waste collection program that would afford Agoura businesses the opportunity to dispose of their e-waste conveniently, and at no cost to the business or the City. The program entails a bi-annual collection at designated locations in the City where businesses would be able to drop off their electronic items for proper disposal. The collection event would be conducted on a designated Friday, thereby encouraging maximum participation by businesses and affording them the ability to take advantage of resources available to bring items to these events. This program will be revenue neutral to the City and there will be no cost to the businesses to participate.

After completing a request for qualification process and interviewing prospective companies, staff selected the most responsive business, PC Recycles, to undertake this endeavor. PC Recycles will provide the personnel and equipment necessary to host these bi-annual events. PC Recycles will also establish an account and track items collected for necessary state reports, assist in publicity of the events, as well as provide hard drive destruction and business office electronic room dismantling for a nominal fee to those businesses that express interest.

PC Recycles has agreed to enter into a two-year agreement with the City for the provision of this service, and has consented to donate a portion of the proceeds generated from collection of CRTs, laptops and other universal waste to Las Virgenes Unified School District schools. They have also provided donations to other educational foundations and schools in Ventura County.

Finally, the City has been approached by the Las Virgenes Education Foundation (LVEF) and requested it be considered as a recipient of the donated proceeds where they would, in turn, pass it on to Las Virgenes Unified District Schools. LVEF is currently talking with neighboring cities about electronic waste collection programs where proceeds could be donated to schools.

The proposed agreement has been reviewed by the City Attorney and approved as to form.

## **RECOMMENDATION**

Staff respectfully requests the City Council:

- 1) Approve agreement for vendor services between the City of Agoura Hills and PC Recycles LLC for Commercial Electronic Waste Collection Program; and
- 2) Approve the request from the Las Virgenes Education Foundation as the recipient of proceeds generated from Commercial Electronic Waste Collection Program proceeds or designate an alternate recipient source

Attachment: Agreement for Vendor Services Between the City of Agoura Hills and PC Recycles LLC for Commercial Electronic Waste Collection

AGREEMENT FOR VENDOR SERVICES  
WITH THE CITY OF AGOURA HILLS

NAME OF VENDOR:	PC Recycles LLC
RESPONSIBLE PRINCIPAL OF VENDOR:	Attn: Farhad Saifyan
VENDOR'S ADDRESS:	2580 Azurite Circle Newbury Park, CA, 91320
CITY'S ADDRESS:	City of Agoura Hills 30001 Ladyface Court Agoura Hills, CA 91301 Attn: City Manager
PREPARED BY:	Louis A. Celaya
COMMENCEMENT DATE:	June 1, 2011
TERMINATION DATE:	June 30, 2013
CONSIDERATION:	Contract Price: No Charge Not to Exceed:

**AGREEMENT FOR VENDOR SERVICES BETWEEN THE  
CITY OF AGOURA HILLS AND PC RECYCLES LLC**

**THIS AGREEMENT** is made and effective as of \_\_\_\_\_, between the City of Agoura Hills, a municipal corporation ("City") and \_\_\_\_\_ ("Vendor"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

**1. TERM.** This Agreement shall commence on June 1, 2011, and shall remain and continue in effect until tasks described herein are completed, but in no event later than June 30, 2013, unless sooner terminated pursuant to the provisions of this Agreement.

The City may, at its option, extend this Agreement for one additional term of one year upon providing written notice of its intent to so-extend this Agreement to the Contractor not less than thirty (30) days prior to the expiration of the initial Term. Such extension shall be at the same price and conditions as set forth herein.

**2. SERVICES.** Vendor shall perform the services and tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Vendor shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

**3. PERFORMANCE.** Vendor shall at all times faithfully, competently and to the best of his or her ability, experience, and talent, perform all tasks described herein. Vendor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Vendor hereunder in meeting its obligations under this Agreement.

**4. PAYMENT.**

A. The City agrees to pay Vendor monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. Any terms in Exhibit B other than the payment rates and schedule of payment are null and void. This amount shall not exceed \$0 ("Contract Price") for the initial Term of the Agreement unless additional payment is approved as provided in this Agreement.

B. Vendor shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Vendor shall be compensated for any additional services in the amounts and in the manner as agreed to by the City Council and Vendor at the time City's written authorization is given to Vendor for the performance of said services.

C. Vendor will submit invoices monthly for actual services performed. Invoices shall be submitted between the first and fifteenth business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each

invoice as to all non-disputed fees. If the City disputes any of Vendor's fees it shall give written notice to Vendor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

**5. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE**

A. The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Vendor at least ten (10) days prior written notice. Upon receipt of said notice, the Vendor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this Section, the City shall pay to Vendor the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Vendor will submit an invoice to the City pursuant to Section 4.

**6. DEFAULT OF VENDOR**

A. The Vendor's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Vendor is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Vendor for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Vendor. If such failure by the Vendor to make progress in the performance of work hereunder arises out of causes beyond the Vendor's control, and without fault or negligence of the Vendor, it shall not be considered a default.

B. If the City Manager or his delegate determines that the Vendor is in default in the performance of any of the terms or conditions of this Agreement, it shall serve the Vendor with written notice of the default. The Vendor shall have (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Vendor fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

**7. OWNERSHIP OF DOCUMENTS**

A. Vendor shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of services under this Agreement. Vendor shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Vendor shall provide free access to the representatives of City or its designees at reasonable times to such books and records, shall give City the right to examine and audit said books and records, shall permit City to make transcripts there from as

necessary, and shall allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Vendor. With respect to computer files containing data generated for the work, Vendor shall make available to the City, upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

**8. INDEMNIFICATION.** The Vendor agrees to defend, indemnify, protect and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, demands, losses, defense costs or expenses, including attorney fees and expert witness fees, or liability of any kind or nature which the City, its officers, agents and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Vendor's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Agreement, excepting only liability arising out of the negligence of the City.

**9. INSURANCE REQUIREMENTS.** Vendor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Vendor, its agents, representatives, or employees.

A. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1) Insurance Services Office Commercial General Liability form No. CG 00 01 11 85 or 88.

2) Insurance Services Office Business Auto Coverage form CA 00 01 06 92 covering Automobile Liability, code 1 (any auto). If the Vendor owns no automobiles, a non-owned auto endorsement to the General Liability policy described above is acceptable.

3) Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance. If the Vendor has no employees while performing under this Agreement, worker's compensation insurance is not required, but Vendor shall execute a declaration that it has no employees.

B. Minimum Limits of Insurance. Vendor shall maintain limits no less than:

1) General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

3) Worker's Compensation as required by the State of California; Employer's Liability: One million dollars (\$1,000,000) per accident for bodily injury or disease.

C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City Manager. At the option of the City Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers; or the Vendor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1) The City, its officers, officials, employees and volunteers are to be covered as additional insureds in respect to: liability arising out of activities performed by or on behalf of the Vendor; products and completed operations of the Vendor; premises owned, occupied or used by the Vendor; or automobiles owned, leased, hired or borrowed by the Vendor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

2) For any claims related to this project, the Vendor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insured maintained by the City, its officers, officials, employees or volunteers shall be excess of the Vendor's insurance and shall not contribute with it.

3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

4) The Vendor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

E. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City. Self insurance shall not be considered to comply with these insurance requirements.

F. Verification of Coverage. Vendor shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the City. All endorsements are to be received and approved by the City

before work commences. As an alternative to the City's forms, the Vendor's insurer may provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications.

**10. INDEPENDENT CONTRACTOR**

A. Vendor is and shall at all times remain as to the City a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Vendor shall at all times be under Vendor's exclusive direction and control. Neither City nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Vendor or any of Vendor's officers, employees, or agents except as set forth in this Agreement. Vendor shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City. Vendor shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner.

B. No employee benefits shall be available to Vendor in connection with the performance of this Agreement. Except for the fees paid to Vendor as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Vendor for performing services hereunder for City. City shall not be liable for compensation or indemnification to Vendor for injury or sickness arising out of performing services hereunder.

**11. LEGAL RESPONSIBILITIES.** The Vendor shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Vendor shall at all times observe and comply with all such ordinances, laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Vendor to comply with this section.

**12. RELEASE OF INFORMATION**

A. All information gained by Vendor in performance of this Agreement shall be considered confidential and shall not be released by Vendor without City's prior written authorization. Vendor, its officers, employees, agents or subcontractors, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Vendor gives City notice of such court order or subpoena.

B. Vendor shall promptly notify City should Vendor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Vendor and/or be present at any deposition,



hearing or similar proceeding. Vendor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Vendor. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

**13. NOTICES.** Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: City of Agoura Hills  
30001 Ladyface Court  
Agoura Hills, California 91301  
Attention: City Manager

To Vendor: PC Recycles LLC  
2580 Azurite Circle  
Newbury Park, CA, 91320  
Attention: Farhad Saifyan/Jeff Albert  
(805) 499-0050

**14. ASSIGNMENT.** The Vendor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Upon termination of this Agreement, Vendor's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the City Council and the Vendor.

**15. LICENSES.** At all times during the term of this Agreement, Vendor shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

**16. GOVERNING LAW.** The City and Vendor understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Agoura Hills. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

**17. PROHIBITED INTEREST.** No officer, or employee of the City of Agoura Hills shall have any financial interest, direct or indirect, in this Agreement, the proceeds thereof, the Vendor, or Vendor's sub-contractors for this project, during his/her tenure or for one year thereafter. The Vendor hereby warrants and represents to the City that no officer or employee of the City of Agoura Hills has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, or in the business of the Vendor or Vendor's sub-contractors on this project. Vendor further agrees to notify the City in the event any such interest is discovered whether or not such interest is prohibited by law or this Agreement.

**18. ENTIRE AGREEMENT.** This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

**19. AUTHORITY TO EXECUTE THIS AGREEMENT.** The person or persons executing this Agreement on behalf of Vendor warrants and represents that he or she has the authority to execute this Agreement on behalf of the Vendor and has the authority to bind Vendor to the performance of its obligations hereunder.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed the day and year first above written.

**CITY OF AGOURA HILLS**

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Greg Ramirez,  
City Manager

ATTEST:

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Kimberly M. Rodrigues, MMC  
City Clerk

APPROVED AS TO FORM:

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Craig A. Steele,  
City Attorney

**VENDOR**

PC Recycles LLC  
2580 Azurite Circle  
Newbury Park, CA, 91320  
Attention: Farhad Saifyan/Jeff Albert  
(805) 499-0050/f(805) 499-0052

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**[Signatures of Two Corporate Officers Required]**

**EXHIBIT A**

**TASKS TO BE PERFORMED**

*The specific elements (scope of work) of this service include:*

**AGOURA HILLS BUSINESS E-WASTE COLLECTION**

Twice annually, CONTRACTOR shall provide services for the provision of Business Electronic Waste Collection for all businesses within the City of Agoura Hills. CONTRACTOR will diligently collect common electronic waste such as, personal computers (PC), printers, PC related accessories and peripherals, televisions, phones, mobile phones, and other applicable items commonly identified as electronic waste.

- Anticipated Event Months:  
January & June (specific dates to be coordinated between CITY and CONTRACTOR)
- Event Collection Location:  
Agoura Hills, CA (specific location to be coordinated between CITY and CONTRACTOR)
- Event Times: 10:00 a.m. – 2:00 p.m. or 9:00 a.m. – 1:00 p.m.
- CONTRACTOR will create an account for the CITY for tracking and reporting purposes
- CONTRACTOR shall provide all equipment, materials and personnel required to perform the service
- CONTRACTOR has agreed to donate\* a portion of proceeds from CRTs, PC/Laptop and universal waste collection to the Las Virgenes Unified Schools. CONTRACTOR will provide the following rates for items collected:

\$.05 per lb. on CRTs  
\$.05 per lb. on PC/Laptops  
\$.01 per lb. on Universal waste

\* School donations will require participation from volunteers from the Las Virgenes schools to assist at the collection event in order to be eligible for the donation

- CONTRACTOR will provide the following services for those businesses interested in participating for a nominal fee. Fees will be paid directly to the CONTRACTOR by the participating business. Services and fees are as follows:

Hardware Destruction	\$5.00 per hard drive
Business Office Electronic Room Dismantle	\$250/day plus personnel fee

**EXHIBIT B**

**PAYMENT RATES AND SCHEDULE**

RATES:                    There will be no cost to the CITY for provision of this service.

RATES FOR PC RECYCLE BUSINESS ASSISTED SERVICE:

Hardware Destruction	\$5.00 per hard drive
Business Office Electronic Room Dismantle	\$250 per day plus personnel fee
Personnel	\$25 - one man dismantle \$50 - two man dismantle