FIRST AMENDMENT TO AGREEMENT FOR STREET SWEEPING SERVICES BETWEEN THE CITY OF HERMOSA BEACH AND ARAKELIAN ENTERPRISES

THIS FIRST AMENDMENT TO AGREEMENT ("Amendment") is made and entered into this 26th day of March, 2013, by and between the City of Hermosa Beach, a municipal corporation ("City") and Arakelian Enterprises, a California corporation ("Contractor").

RECITALS

- A. City and Contractor are parties to an Agreement for Sweeping/Cleaning of Streets, Alleys, Walkstreets, Parking Lots and the Pier dated October 12, 2010 ("Agreement").
- B. City intends to enter into an exclusive franchise agreement with Contractor for Integrated Solid Waste Management Services ("solid waste franchise") for a term of eight years concurrently with the approval of this Amendment.
- C. The parties desire by this Amendment to extend the term of the Agreement so that it coincides with the term of the solid waste franchise, to reduce the compensation for provision of street sweeping services and to make other modifications to the terms of the Agreement consistent therewith.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. Section C.2 Time of Performance is amended to read as follows:

This Agreement shall expire June 30, 2021 (the "Term"), subject to extension as provided below, as applicable. Notwithstanding the foregoing, the unexcused failure or refusal of Collector to perform any material term, covenant, obligation or condition contained in this Agreement shall give rise to the right, in favor of City, for earlier termination of this Agreement for cause in accordance with the procedures elsewhere contained herein.

City shall have the sole option to extend the Term of this Agreement up to twenty-four (24) months following the Agreement Term under Section 2.4 of the Agreement between the City of Hermosa Beach and Arakelian Enterprises, Inc. DBA Athens Services for Integrated Solid Waste Management Services. The City may, upon at least ninety-day (90-day) advance written notice to the Contractor prior to the expiration of the Term of this Agreement, exercise this extension option. This extension period shall terminate, upon the earlier of: (i) the expiration of the aforementioned twenty-four (24) months, or (ii) the date City instructs Contractor that the contact will end, provided written notice of termination is provided to Contractor by City at least ninety (90) days prior to this termination date.

- 2. <u>Section C.3 Payment for Services</u> and subsection (c) in the Contract Change Order dated March 7, 2012 are amended by reducing the cost of the contract by five (5) percent annually beginning July 1, 2013 for the balance of the Term of this Agreement.
- 3. The Scope of Work contained in the Special Provisions is amended as follows:

Section 5.4.4b(3):

Lot A: add litter pickup to daily

Section 5.1.4a(2):

Lot C (Parking Structure): change frequency of litter pickup to daily from 2x/week

Section 5.1.3A(h):

Community Center Parking Lot: change frequency from 1x/week to sweep 4x/week

There shall be no added costs for these modifications. Payment shall be included in the current contract bid item price and includes full and complete compensation for all associated labor, equipment, materials, overhead, profit, any and all indirect costs, and time adjustment to perform the above-described changes.

Except as modified above, the Agreement and each and every term and provision thereof remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the date and year first above written.

City of Hermosa Beach, California

ATTEST:

APPROVED AS $T\Delta$ FORM:

ity Attorney

CONTRACTOR:

BY:

Arakelian Enterprises