Agenda Date: **Version:** 1 **Status:** Passed

In Control: Finance & Administration Council Committee **File Type:** Resolution

A RESOLUTION OF THE CITY OF JONESBORO, ARKANSAS AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH SG360 JANITORIAL SERVICES

WHEREAS, the City of Jonesboro, Arkansas and SG360 Janitorial Services desire to enter into an agreement for SG360 to perform janitorial services at several City owned office buildings; and

WHEREAS, said agreement is attached hereto and the terms set out therein;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF JONESBORO, ARKANSAS THAT:

1. The City of Jonesboro approves the Agreement with SG360 Janitorial Services to perform janitorial services for the City of Jonesboro. That the term of the Agreement shall be for a period of one year with the option to extend at the end of the initial term and the payment to SG360 Janitorial Services $4.182.00 per month plus applicable taxes, if any. All other details of the agreement, including the scope of services to be provided, are set out in the attachment.

2. The Mayor, Harold Perrin and City Clerk, Donna Jackson are hereby authorized by the City Council for the City of Jonesboro to execute all documents necessary to effectuate this agreement.

PASSED AND APPROVED this 6th day of September, 2016.

SG360

JANITORIAL SERVICES

To accept this contract, please sign and return this document to SERVICE Group 360

email: ernesto@sg360inc.com
fax: 870-802-3592
mail: P.O. Box 1501
Jonesboro, AR 72403

Ernesto Saucedo | Bob Pastory
ernesto@sg360inc.com | bob@sg360inc.com

GENERAL TERMS &PROVISIONS

SERVICE Group 360

This General Provisions Agreement ("Agreement") is made affective this Sept 16 2016 by and between Service Group 360 International LLC ("Contractor") and City of Jonesboro ("Client")

NOW, THEREFORE, the parties hereto agree as follows:

1. GENERAL DUTIES

A. At all times, Contractor shall perform all duties hereto outlined in a professional, ethical, and businesslike manner. Contractor shall make every possible effort to ensure the proper delivery of services as outlined in this Agreement. Client will make a designated representative available to Contractor when challenges are arising so that equitable solutions to any potential challenges may be established.

2. CHEMICALS, SUPPLIES AND EQUIPMENT

A. Contractor shall supply all supplies and equipment necessary to provide janitorial services as outlined in this Agreement. Consumables such as liners, toilet paper, paper towels, soap, and urinal blocks are included in the above listed price for services.

B. Contractor shall stock enough paper goods, hand soap, and liners so as to not run out in between service times. Paper goods in common area restrooms shall be checked once per day as a minimum when day porter services are provided.

C. Contractor shall provide any and all equipment necessary to perform janitorial services as outlined in this agreement. It is understood by both parties that Contractor may require a location on site to store any necessary equipment and that this location is to be designated by Client. Client understands that failure to provide secured and adequate storage for necessary equipment may result in some services, where said equipment is required, to not be performed correctly.

3. PERSONNEL / EEOC POLICY

A. All matters pertaining to the recruitment, screening, hiring, and retention of employees shall be the exclusive responsibility of Contractor. Contractor shall adhere to all local, state, and federal laws concerning Equal Employment Opportunity laws and shall not discriminate based on race, religion, sex or age. Contractor shall comply with all local, regional, and federal regulations relative to payroll taxes, unemployment, general liability, minimum wage, health care, etc.

B. Any employee of contractor may be removed from the site work force upon written request of Client.

C. Contractor may perform criminal background checks for employees who work for Contractor. It is not required that Contractor provide to Client copies of employee background check documents or results from said background checks. Contractor shall provide to Client a copy of employee background checks by way of written request from Client.

4. NON-SOLICITATION

A. During the term of this agreement and for a period of twelve (12) months following termination,Client shall not shall not, directly or indirectly, solicit or attempt to solicit, divert or hire away any person employed by Contractor without first obtaining written consent.

5. INSURANCE

A. Contractor shall be fully insured with general liability and workers compensation policies. Upon the execution of a signed agreement between Contractor and Client, Client may request a copy of Contractor's proof of insurance inaccordance to the requirements of Client.

B. If Client requires additional insurance beyond what was requested in the bidding process then Contractor shall invoice to Client any and all additional costs associated with an increase incoverage.

6. CONTRACT COMPLIANCE

A. Contractor management shall work closely with a designated Client representative or representatives to ensure compliance with the requirements of this Agreement. Contractor shall additionally assign an off-site manager who will be responsible for day to day compliance of this Agreement. Contractor shall provide the contact information of this manager to Client.

B. Client shall provide to Contractor a list of defined services that are to be performed at Clients facility. If Client does not have a defined list of services, Contractor shall provide a standard list of services. Contractor and Client should agree on the defined list of services, or Scope of Work(SOW), prior to a signed agreement. A copy of the agreed to SOW shall be included with this Agreement.

7. SAFETY

A. Contractor shall train all employees on a regular basis to ensure said employees understand and comply with the safety procedures of Client. In addition to the safety requirements of Client, Contractor shall ensure that all employees are trained how to properly adhere to all local, state, and federal regulations concerning safety in the workplace.

8. STORAGE/OFFICE

A. Client shall make every possible effort to provide Contractor with an area to safely store any and all equipment, chemicals, small tools, and office supplies needed to execute this Agreement. Contractor shall be responsible for the security of all items within this defined area. Any damage that would be attributed to "normal wear and tear" shall not be charged, invoiced, or billed to Contractor. Client may not deduct costs for any damage from Contractor billing without first obtaining an agreement inwriting from Contractor.

9. PRICING ADJUSTMENT

A. . The pricing for this Agreement is as defined in the pricing section of the general provisions. However, It shall be understood that prices for services may need to be adjusted on occasion based on any increases in the federal or state minimum wage, State or Federal unemployment taxes, workers compensation, general liability, FICA, or any new taxes or fees imposed by Local, State, and Federal government agencies. In the event of the need to increase the cost for services to Client by Contractor pursuant to this subsection, Contractor must first obtain written approval from Client. It is understood, that this increase does not constitute a need for a re-bid process for this agreement.

B. It is understood that Contractor desires to pay an acceptable living wage to its employees in exchange for work provided at Client's facility. In consideration of this desire, Contractor may request a price increase to yearly services for the purposes of providing a cost of living increase for employees of Contractor. The amount of this increase shall not exceed the national CPI. In the event of a request of an increase by Contractor pursuant to this subsection, Client may approve said increase at its discretion. It is understood, that this increase does not constitute a need for a re-bid process for this agreement.

C. In the event of an increase or decrease to Contractors price for services for any reason, Contractor and Client may amend this document with an addendum which shall list out any and all price adjustments and shall also include the purpose for any said price increase.

D. Should Client request a change in services as a result of opening a new building or unit, or permanent closing of building or units and should such change result in a change of costs to contractor, the monthly price for services shall be adjusted by the projected change in costs to Contractor with an addendum to this contract.

10. EXTRA LABOR

A. It is understood, that from time to time, Client may have the need for labor services outside of the scope of work. Within the scope of janitorial services charges for any extra labor will be $16.75 per hour.

11. INVOICING AND NON-PAYMENT

A. Contractor will pre-bill Client for contracted services with payment expected at conclusion of service for the month that service is billed. Contractor may also bill on a twice per month schedule, with payment expected on the 1st and 15th of the month invoiced. *(EXAM PLE: Contractor will pr e-bill for December services at*

The first of December with payment expected by the end of December.)

B. Any challenges to this provision shall be discussed and any and all alternative agreements should be documented and agreed to prior to the execution of any signed agreement between Contractor and Client.

C. It is understood by both parties that Contractor requires prompt payment for services to operate effectively. As such, in the event of Client's failure to provide payment to Contractor for services rendered within sixty (60) days from the issuance of an invoice for services pursuant to this subsection, Contractor may terminate this agreement with immediate effect. It is understood, in the event of non- payment Contractor will employ any and all legal means of collecting owed monies for services provided.

12. HOLIDAY

A. Contractor shall provide employee Holidays on the following days: New Years, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas. There shall be no services rendered on these days nor shall any credits for these days be issued. If Client wishes services to be performed on these days it is understood that Client shall be charged an additional fee.

13. INCLEMENT WEATHER

A. In the event of inclement weather such as snow or ice, Contractor shall make every effort possible to ensure services are performed. However, it is understood that occasions may arise where getting employees to work is not possible due to roads being considered unsafe. In these instances Contractor shall work with Client to determine an action plan and what will and will not be accomplished on these days.

14. LENGTH OF CONTRACT

A. The initial term on this Agreement shall commence on Sept 1. 2015 and it shall continue in effect for a period of one (1) year. Thereafter, upon mutual agreement between Client and Contractor, this Agreement shall continue for 3 one-year extensions at the mutually agreed to price, including any and all price increases or reductions

B. Termination for Unsatisfactory Performance

A. If, in the sole reasonable opinion of Client, Contractor is not performing services in accordance with this agreement and submitted proposal, Client shall give contractor sixty (60) days written notice of its intent to cancel the agreement if such deficiencies are not corrected within that time ("cure letter"). This cure letter shall specify which services and service areas are in default.

B. If Client determines that the listed service deficiencies have been corrected on or before the end of the sixty (60) days cure period this agreement shall continue in full force.

C. If the service deficiencies listed in the official notice or "cure letter" have not been corrected, Client may, by further written notice cancel this agreement with thirty (30) days' notice starting at the end of the cure period.

D. In the event that client does not take any action after the initial notice of deficiency, the service deficiencies shall be deemed corrected and this agreement shall continue in full force and effect.

15. NO CAUSE TERMINATION

A. This agreement may be terminated by Client without cause by giving at least ninety (90) days' notice in writing on company letterhead and delivered by certified mail to Contractor. In the event of termination by Client pursuant to this subsection, Client may immediately relieve Contractor of all daily duties, provided that Client shall pay Contractor at the then applicable monthly billing rate to the termination date included inthe original termination notice.

B. Contractor may terminate this Agreement at Contractor discretion by providing at least forty-five (45) days written notice to Client. In the event of such a discretionary termination, Contractor shall not be entitled to any payments beyond the last date of service provided at Client's service location.

16. NOTICES

A. Any notices required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail,postage prepaid, or recognized overnight delivery services.

If to Contractor:
SERVICE Group 360,Inc.
P.O. Box 1501
Jonesboro, AR 72403

If to Client:

_____
_____
_____

17. FINAL AGREEMENT

A. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

18. GOVERNING LAW

A. This Agreement shall be construed and enforced inaccordance with the laws ofthe state of Arkansas.

19. HEADINGS

A. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

20. SEVERABILITY

A. If any term of this Agreement is held by a court of competent jurisdiction on to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

_____

21. ACCEPTANCE OF TERMS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

CONTRACTOR

SERVICE Group 360 International LLC.

Print Name: Ernesto Saucedo

Title: Branch Manager

Signature: [signature]

Date: 08-23-16

CLIENT

(Write/ legal name in line above)

Print Name: Harold Perrin

Title: Mayor

Signature: [signature]

Date: 9-19-16

Accounts payable contact information:

Please include the accounts payable information in the below fields. Send this information to erika@sg360inc.com or include with contract when sending back.

Name: _____

Phone number: _____

Preferred method to receive invoices: mail:_____ | email: _____

Mailing address: _____

_____

_____

Email address: _____

22. PRICE FOR SERVICES

Client agrees to pay contractor:

Price for Services

Without Sales Tax

Annually	$	50,184
Payable in monthly installments of:		
Monthly	$	4,182

Price for Services

Including Sales Tax - 8.5%

Annually	$	54,449
Payable in monthly installments of:		
Monthly	$	4,537.41

This price includes;

1. Supervision and admin costs
2. Labor to perform services
   a. 5 days per week
3. Cleaning supplies and equipment
4. Stocking Consumables (consumables provided by Contractor: liners, paper towels, toilet paper, hand soap, and urinal blocks)

APPROVAL OF PRICING:

CLIENT

Print Name _____

Title _____

Signature _____

Date _____