ITEM NO. 19

STAFF REPORT *CITY OF OCEANSIDE*

DATE: June 23, 2010

TO: Honorable Mayor and City Councilmembers

FROM: Neighborhood Services Department

SUBJECT: **AMENDMENT 3 TO THE PROFESSIONAL SERVICES AGREEMENT WITH THE AMERICAN LOGISTICS COMPANY FOR SENIOR SHUTTLE SERVICES**

SYNOPSIS

Staff recommends that the City Council approve Amendment 3 to the Professional Services Agreement with American Logistics Company for senior shuttle services, increasing the contract price by $158,280; and authorize the City Manager to execute the amendment.

BACKGROUND

In December 2006, the Genentech Foundation donated $115,000 to the City of Oceanside to implement a senior shuttle program. In Summer 2007, staff implemented an RFP process for the selection of a company to provide senior shuttle services. More than sixteen companies received the RFP with two proposals returned for review. In August 2007, the Senior Commission recommended the selection of American Logistics Company, primarily due to the unique demand-service style provided by the company. On October 3, 2007, the City entered into a Professional Services Agreement with American Logistics Company for senior shuttle services in an amount not to exceed a contract price of $115,000. The Agreement ended September 30, 2008, and has continued to date with subsequent amendments paid through grant funds.

On July 1, 2009, City Council accepted TransNet Senior Mini-grant funds from SANDAG for Fiscal Year 2009 through 2012. The accepted grant funds included funding and match requirements for the senior shuttle program. On June 2, 2010, City Council approved the Fiscal Year 2010-11 annual budget for adoption on June 23, 2010 which includes the respective year's required grant match.

ANALYSIS

The City of Oceanside has been working on solutions for senior transportation since 1997. Available funding had been the primary deterrent from implementing those solutions, and the senior shuttle program is contingent on the receipt of grant funds. With transportation program funding opportunities on the horizon, staff was directed to apply for transportation funds as they become available.

The senior transportation program is a comprehensive approach in its three pronged method; senior shuttle service, taxi scrip subsidy, and volunteer driver service. One single service does not meet every senior's need. While providing door-to-door service, the senior shuttle also provides reassurance to seniors that they will be on time for important scheduled medical appointments such as dialysis.

There are currently 1,100 Oceanside resident seniors enrolled in the transportation program receiving one or all three of the services offered. Approximately 300 one-way rides are provided by the shuttle program operated by American Logistics Company on a monthly basis. Seniors pay a minimal $5 per ride for any authorized destination to include anywhere within Oceanside city limits, Camp Pendleton Hospital, Scripps Encinitas, Kaiser Carlsbad, any medical facility in the Tri-City area, and the Vista transit station.

As one of the TransNet grant requirements, shuttle services will be expanded in FY 2010-11. Expansion will include, services offered on Saturdays and Sundays as well as adding Kaiser and Palomar San Marcos as destinations. These expanded services are among the most requested destinations that the program does not currently offer under the shuttle service.

FISCAL IMPACT

The shuttle program is budgeted as follows for FY 2010-11:

Shuttle Service:	$145,901	Grant Allocation
	$ 12,379	Match Appropriation
	$158,280	Total FY 2010-11 Budget
	$228,338	Subtotal previous contracts
	$386,618	Total Contract Price

COMMISSION OR COMMITTEE REPORT

At its meeting on June 8, 2009, the Senior Commission recommended that the City Council approve Amendment 3 to the Professional Services Agreement with American Logistics Company for senior shuttle services.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve Amendment 3 to the Professional Services Agreement with American Logistics Company for senior shuttle services, increasing the contract price by $158,280; and authorize the City Manager to execute the amendment.

PREPARED BY:

Megan Crooks
Management Analyst

SUBMITTED BY:

Peter A. Weiss
City Manager

REVIEWED BY:

Michelle Skaggs-Lawrence, Deputy City Manager

Margery Pierce, Neighborhood Services Director

Teri Ferro, Financial Services Director

Attachments: Amendment No. 3
Professional Services Agreement

CITY OF OCEANSIDE

AMENDMENT NO. 3 TO THE PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF OCEANSIDE AND AMERICAN LOGISTICS COMPANY

THIS AMENDMENT NUMBER THREE (3) TO PROFESSIONAL SERVICES AGREEMENT (hereinafter "AMENDMENT") dated July 1, 2010 for identification purposes is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter called "CITY", and the AMERICAN LOGISTICS COMPANY, hereinafter designated as "CONTRACTOR".

RECITALS

WHEREAS, CITY and CONTRACTOR are parties to that certain AGREEMENT dated October 3, 2007, as amended by Amendments No. 1 and No. 2 dated January 27, 2009 and July 1, 2009, hereinafter referred to as the "AGREEMENT", for the provision of shuttle services to Oceanside seniors, age 65 years and older.

WHEREAS, CITY and CONTRACTOR agree that senior transportation is an essential service provided under the terms of the AGREEMENT and is needed to promote the independence of Oceanside senior residents.

WHEREAS, CITY has received grant funds to continue the services rendered under the AGREEMENT.

WHEREAS, the parties wish to expand the scope of services and extend the time for CONTRACTOR to provide the senior shuttle services described in the AGREEMENT.

AMENDMENT

NOW, THEREFORE, in consideration of which, and for other valuable consideration set forth herein, the parties hereto do mutually agree that the AGREEMENT be amended as follows:

1. Section 1, SCOPE OF WORK, is hereby amended by amending subsection 1.1.A., Term, adding subsection 1.2.A., Shuttle Services, and amending 1.6.A., Boundaries, as follows:

1.1.A. Term. CONTRACTOR agrees to continue scope of work for the term of July 1, 2010 through June 30, 2011 or until all funds are expended, whichever occurs first.

1.2.A. Shuttle Services. Shuttle service shall be available Saturday and Sunday from 7:00 am to 6:00 pm.

1.6.A. Boundaries. Trips to medical facilities outside of the City limits shall include the following locations:

a. Naval Hospital camp Pendleton;

b. Kaiser San Marcos located at 400 Craven Road, San Marcos, 92078; and

c. Palomar Pomerado Health at San Marcos located at 120 Craven Road, San Marcos, 92078.

2. Section 6, COMPENSATION, is hereby amended by amending subsection 6.1., Additional Compensation, as follows:

6.1. Additional Compensation. CONTRACTOR'S compensation for all work performed in accordance with the AGREEMENT is increased by $158,280, for a total contract price of $386,618.

3. Except as expressly set forth in this AMENDMENT, the AGREEMENT shall remain in full force and effect and is hereby ratified and reaffirmed.

SIGNATURES. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the CONTRACTOR and the CITY.

IN WITNESS WHEREOF the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the AGREEMENT, including this Amendment, and have caused this Amendment to be executed by setting hereunto their signatures this _____ day of _____, 2010.

AMERICAN LOGISTICS COMPANY

By: _____
Craig Puckett, President

By: _____
~~Shawna Casey, Assistant Treasurer~~
John R. Muir, CFO

20-4583766
Employer ID No.

CITY OF OCEANSIDE

By: _____
Peter A. Weiss
City Manager

APPROVED AS TO FORM:

_____
City Attorney

NOTARY ACKNOWLEDGMENTS OF CONTRACTOR MUST BE ATTACHED.

ACKNOWLEDGMENT

State of California
County of Orange)

On June 14th 2010 before me, Stacey Van Winkle

personally appeared Craig Rockett,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

STACEY VAN WINKLE
Commission # 1726967
Notary Public - California
Orange County
My Comm. Expires Feb 25, 2011

CITY OF OCEANSIDE

AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF OCEANSIDE AND AMERICAN LOGISTICS COMPANY

THIS AMENDMENT NUMBER TWO (2) TO PROFESSIONAL SERVICES AGREEMENT (hereinafter "AMENDMENT") dated July 1, 2009 for identification purposes is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter called "CITY", and the AMERICAN LOGISTICS COMPANY, hereinafter designated as "CONTRACTOR".

RECITALS

WHEREAS, CITY and CONTRACTOR are parties to that certain AGREEMENT dated October 3, 2007, as amended by Amendment No. 1 dated January 27, 2009, hereinafter referred to as the "AGREEMENT", for the provision of shuttle services to Oceanside seniors, age 65 years and older.

WHEREAS, CITY and CONTRACTOR agree that senior transportation is an essential service provided under the terms of the AGREEMENT and is needed to promote the independence of Oceanside senior residents.

WHEREAS, CITY has received grant funds to continue the services rendered under the AGREEMENT.

WHEREAS, the parties wish to expand the scope of services and extend the time for CONTRACTOR to provide the senior shuttle services described in the AGREEMENT.

AMENDMENT

NOW, THEREFORE, in consideration of which, and for other valuable consideration set forth herein, the parties hereto do mutually agree that the AGREEMENT be amended as follows:

1. Section 1, SCOPE OF WORK, is hereby amended by adding subsection 1.1.A., Term, as follows:

1.1.A. Term. CONTRACTOR agrees to continue scope of work for the term of July 1, 2009 through June 30, 2010 or until all funds are expended, whichever occurs first.

2. Section 6, COMPENSATION, is hereby amended by adding subsection 6.1., Additional Compensation, as follows:

6.1. Additional Compensation. CONTRACTOR'S compensation for all work performed in accordance with the AGREEMENT is increased by $90,038, for a total contract price of $228,338.

3. Section 4.4 is hereby amended by adding the San Diego Association of Governments

("SANDAG") as an additional insured in said section, so that it reads as follows:

All insurance companies affording coverage to the CONTRACTOR for the purposes of this Section shall add the City of Oceanside and the San Diego Association of Governments ("SANDAG") as "additional insured" under the designated insurance policy for all work performed under theis agreement. Insurance coverage provided to the City and SANDAG as additional insured shall be primary insurance, and other insurance maintained by the City of Oceanside and SANDAG, their officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

4. Except as expressly set forth in this AMENDMENT, the AGREEMENT shall remain in full force and effect and is hereby ratified and reaffirmed.

SIGNATURES. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the CONTRACTOR and the CITY.

IN WITNESS WHEREOF the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the AGREEMENT, including this Amendment, and have caused this Amendment to be executed by setting hereunto their signatures this _____ day of _____, 2009.

AMERICAN LOGISTICS COMPANY

By: _____
Craig Puckett, President

By: _____
Shawna Casey, Assistant Treasurer

204583766
Employer ID No.

CITY OF OCEANSIDE

By: _____
Peter A. Weiss
City Manager

APPROVED AS TO FORM:

_____, ASST
CITY Attorney

NOTARY ACKNOWLEDGMENTS OF CONTRACTOR MUST BE ATTACHED.

CITY OF OCEANSIDE

AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF OCEANSIDE AND AMERICAN LOGISTICS COMPANY

THIS AMENDMENT NUMBER ONE (1) TO PROFESSIONAL SERVICES AGREEMENT (hereinafter "AMENDMENT") dated January 27, 2009 for identification purposes is made and entered into by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter called "CITY", and the AMERICAN LOGISTICS COMPANY, hereinafter designated as "CONTRACTOR".

RECITALS

WHEREAS, CITY and CONTRACTOR are parties to that certain AGREEMENT dated October 3, 2007, hereinafter referred to as the "AGREEMENT", for the provision of shuttle services to Oceanside seniors, age 65 years and older.

WHEREAS, CITY and CONTRACTOR agree that senior transportation is an essential service provided under the terms of the AGREEMENT and is needed to promote the independence of Oceanside senior residents.

WHEREAS, CITY has received grant funds to continue the services rendered under the AGREEMENT.

WHEREAS, the parties wish to expand the scope of services and extend the time for CONTRACTOR to provide the senior shuttle services described in the AGREEMENT.

AMENDMENT

NOW, THEREFORE, in consideration of which, and for other valuable consideration set forth herein, the parties hereto do mutually agree that the AGREEMENT be amended as follows:

1. Section 1, SCOPE OF WORK, is hereby amended by adding subsection 1.1.A., Term, and 1.6.A., Boundaries, as follows:

1.1.A. Term. CONTRACTOR agrees to continue scope of work on a month-to-month basis through June 30, 2009 or until all funds are expended, whichever occurs first.

1.6.A. Boundaries. Trips to medical facilities outside of the City limits shall include the following location:

a. Naval Hospital Camp Pendleton

2. Section 6, COMPENSATION, is hereby amended by adding subsection 6.1., Additional Compensation, as follows:

6.1. Additional Compensation. CONTRACTOR'S compensation for all work performed in accordance with the AGREEMENT is increased by $23,300, for a total contract price of $138,300.

3. Except as expressly set forth in this AMENDMENT, the AGREEMENT shall remain in full force and effect and is hereby ratified and reaffirmed.

SIGNATURES. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment on behalf of the respective legal entities of the CONTRACTOR and the CITY.

IN WITNESS WHEREOF the parties hereto being duly authorized on behalf of their respective entities to execute this Amendment, do hereby agree to the covenants contained in the AGREEMENT, including this Amendment, and have caused this Amendment to be executed by setting hereunto their signatures this 18th day of January 2009.

AMERICAN LOGISTICS COMPANY

By: _____
Craig Puckett, President

By: _____
Shawna Casey, Assistant Treasurer

_____
Employer ID No.

CITY OF OCEANSIDE

By: _____
Peter A. Weiss
City Manager

APPROVED AS TO FORM:

_____, 1987.
CITY Attorney

NOTARY ACKNOWLEDGMENTS OF CONTRACTOR MUST BE ATTACHED.

Document No. 07-D0631-1
10/3/07 (1

City's Original

CITY OF OCEANSIDE

PROFESSIONAL SERVICES AGREEMENT

PROJECT: SENIOR SHUTTLE PROGRAM

THIS AGREEMENT is made and entered into this 3rd day of October, 2007, by and between the CITY OF OCEANSIDE, a municipal corporation, hereinafter designated as "CITY", and AMERICAN LOGISTICS COMPANY, hereinafter designated as "CONTRACTOR."

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF WORK.** The project is more particularly described as follows: CONTRACTOR shall provide on-demand, senior transportation services for the Senior Shuttle Program Monday through Friday for seniors and disabled clients age 65 years and over that live in Oceanside inclusive of reservation call in-take, call-outs, dispatch service, coordination of vehicle drivers, coding of transportation destinations, and statistical and clientele reports. The scope of work may be changed in writing, upon agreement by both parties after a two-month evaluation of service.

1.1 Term. Services shall be provided under this Agreement from October 1, 2007 through September 30, 2008. In the event that all funds are not used within the one-year term and funds are still available, the agreement may continue on a month-to-month basis until all funds are expended.

1.2 Shuttle Services. CONTRACTOR shall ensure that a minimum of two vehicles are dedicated to the Senior Shuttle Program each day of service through sub-contracted drivers. Shuttle service shall be available Monday through Friday from 7:00 a.m. to 6:00 p.m. Drivers shall provide excellent customer service. CONTRACTOR shall ensure that all drivers will allow any service animal to ride in vehicles with client. Drivers shall provide a door-to-door service both at pick-up and drop-off; clients shall not be expected to wait at the curb. CONTRACTOR shall discourage drivers from accepting tips.

1.3 Dispatch Services. CONTRACTOR will provide dispatchers that will provide reservation call in-take as well as call-outs to clients and dispatch calls to drivers. Dispatch service shall be available Monday through Friday from 7:00 a.m. to 6:00 p.m. CITY shall notify CONTRACTOR on a monthly basis, on or before the 20th of each month, of how many reservations shall be made available each day for the following month. CONTRACTOR shall begin services not exceeding a total of 276 one-way trips per month with half of the available trips being made available to non-ambulatory

clients. CONTRACTOR shall ensure that dispatchers will seek necessary accommodations of clients at time of reservation so that appropriate vehicles may be dispatched. CONTRACTOR will accept reservations from one-week in advance up to twenty-four (24) hours prior to reservation date. Same day reservations will be accepted on an as-available basis and are not guaranteed. Clients may cancel a reservation up to twenty-four (24) hours in advance with no charge to the City.

1.4 Pricing. CONTRACTOR shall invoice CITY on a monthly basis to the following address:

City of Oceanside Neighborhood Services Department
Attn: Senior Shuttle Program
300 N. Coast Highway
Oceanside, CA 92054

All pricing shall be based on one-way transportation trips as well as a mileage rate based on a Mapquest-fastest route rounded up to the nearest whole mile. If a client does not cancel a reservation and declines service at the reservation time, the reservation will be considered a "no show" and the City will be billed the service charge. There is no co-pay to be made to CONTRACTOR in the event of a "no-show". CONTRACTOR shall charge clients a co-pay to be paid to the driver in cash at time of pick-up for each one-way service and shall deduct that co-pay from the invoice to CITY. Prices for services are as follows:

Ambulatory Service Charge	$14.50
Non-ambulatory Service Charge	$27.00
Ambulatory No Show Fee	$14.50
Non-ambulatory No Show Fee	$27.00
Per mile rate	$2.50
Client Co-Pay	$5.00

1.5 Eligibility. CITY shall be responsible for determining the eligibility of a client, registering the client and providing CONTRACTOR with a spreadsheet of registered clients at contract commencement as well as on a weekly basis. CITY shall note dialysis clients on spreadsheet to ensure timed-call return trips.

1.6 Boundaries. All shuttle services shall remain in the City of Oceanside City limits with the exception of medical facilities. Trips to medical facilities may be outside of City limits to the following locations:

a. Tri-City Medical Center and nearby facilities along Thunder Drive and Vista Way up to Emerald Drive,
b. Scripps Memorial Hospital and Clinic Campus in Encinitas (310 Santa Fe Drive) and nearby facilities within the 300 block of Santa Fe Drive, and
c. Kaiser Permanente Medical offices located in Carlsbad at 6860 Avenida Encinas.

1.7 Reporting. CONTRACTOR shall provide to CITY on a monthly basis a report consisting of no-show client data and destination statistics. CONTRACTOR shall provide to CITY any and all documentation that may be required for CITY's grant funding compliance. At the request of CITY, CONTRACTOR shall attend any advisor meetings necessary on a quarterly basis.

2. **INDEPENDENT CONTRACTOR.** CONTRACTOR'S relationship to the CITY shall be that of an independent contractor. CONTRACTOR shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless specifically authorized in writing by the City Manager. CONTRACTOR shall be solely responsible for the performance of any of its employees, agents, or subcontractors under this Agreement. CONTRACTOR shall report to the CITY any and all employees, agents, and contractors performing work in connection with this project, and all shall be subject to the approval of the CITY.

3. **WORKERS' COMPENSATION.** Pursuant to Labor Code section 1861, the CONTRACTOR hereby certifies that the CONTRACTOR is aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and the CONTRACTOR will comply with such provisions, and provide certification of such compliance as a part of this Agreement.

4. **LIABILITY INSURANCE.**

4.1. CONTRACTOR shall, throughout the duration of this Agreement maintain comprehensive general liability and property damage insurance, or commercial general liability insurance, covering all operations of CONTRACTOR, its agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

4.2 CONTRACTOR shall maintain liability insurance in the following minimum limits:

Comprehensive General Liability Insurance
(bodily injury and property damage)

Combined Single Limit Per Occurrence	$ 1,000,000
General Aggregate	$ 2,000,000*

Commercial General Liability Insurance
(bodily injury and property damage)

General limit per occurrence	$ 1,000,000
General limit project specific aggregate	$ 2,000,000
Automobile Liability Insurance	$ 1,000,000

*General aggregate per year, or part thereof, with respect to losses or other acts or omissions of CONTRACTOR under this Agreement.

4.3 If coverage is provided through a Commercial General Liability Insurance policy, a minimum of 50% of each of the aggregate limits shall remain available at all times. If over 50% of any aggregate limit has been paid or reserved, the CITY may require additional coverage to be purchased by the CONTRACTOR to restore the required limits. The CONTRACTOR shall also notify the CITY'S Project Manager promptly of all losses or claims over $25,000 resulting from work performed under this contract, or any loss or claim against the CONTRACTOR resulting from any of the CONTRACTOR'S work.

4.4 All insurance companies affording coverage to the CONTRACTOR for the purposes of this Section shall add the City of Oceanside as "additional insured" under the designated insurance policy for all work performed under this agreement. Insurance coverage provided to the City as additional insured shall be primary insurance and other insurance maintained by the City of Oceanside, its officers, agents, and employees shall be excess only and not contributing with insurance provided pursuant to this Section.

4.5 All insurance companies affording coverage to the CONTRACTOR pursuant to this agreement shall be insurance organizations admitted by the Insurance Commissioner of the State of California to transact business of insurance in the state or be rated as A-X or higher by A.M. Best.

4.6 All insurance companies affording coverage shall provide thirty (30) days written notice to the CITY should the policy be cancelled before the expiration date. For the purposes of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

4.7 CONTRACTOR shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance, in a form satisfactory to the City Attorney, concurrently with the submittal of this Agreement.

4.8 CONTRACTOR shall provide a substitute Certificate of Insurance no later than thirty (30) days prior to the policy expiration date. Failure by the CONTRACTOR to provide such a substitution and extend the policy expiration date shall be

considered a default by CONTRACTOR and may subject the CONTRACTOR to a suspension or termination of work under the Agreement.

4.9 Maintenance of insurance by the CONTRACTOR as specified in this Agreement shall in no way be interpreted as relieving the CONTRACTOR of any responsibility whatsoever and the CONTRACTOR may carry, at its own expense, such additional insurance as it deems necessary.

5. **CONTRACTOR'S INDEMNIFICATION OF CITY.** CONTRACTOR shall indemnify and hold harmless the CITY and its officers, agents and employees against all claims for damages to persons or property arising out of the conduct, negligent acts, errors or omissions or wrongful acts of conduct of the CONTRACTOR, or its employees, agents, subcontractors, or others in connection with the execution of the work covered by this Agreement, except for those claims arising from the willful misconduct, sole negligence or active negligence of the CITY, its officers, agents, or employees. CONTRACTOR'S indemnification shall include any and all costs, expenses, attorneys' fees, expert fees and liability assessed against or incurred by the CITY, its officers, agents, or employees in defending against such claims or lawsuits, whether the same proceed to judgment or not. Further, CONTRACTOR at its own expense shall, upon written request by the CITY, defend any such suit or action brought against the CITY, its officers, agents, or employees resulting or arising from the conduct, tortious acts or omissions of the CONTRACTOR.

CONTRACTOR'S indemnification of CITY shall not be limited by any prior or subsequent declaration by the CONTRACTOR.

6. **COMPENSATION.** CONTRACTOR'S compensation for all work performed in accordance with this Agreement, shall not exceed the total contract price of $115,000.

All work performed by CONTRACTOR shall comply with all requirements of CITY's, grant and CONTRACTOR agrees to all provisions stated on the Assurances Form, Exhibit A to this Agreement.

No work shall be performed by CONTRACTOR in excess of the total contract price without prior written approval of the City Manager. CONTRACTOR shall obtain approval by the Manager prior to performing any work, which results in incidental expenses to CITY.

7. **TERMINATION.** CITY may terminate this Agreement with a thirty-day (30) written notice to CONTRACTOR due to any unforeseen loss of funding. Either party may terminate the Agreement at any time with a thirty-day (30) written notice.

8. **ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between CITY and CONTRACTOR concerning the work to be performed for this project and supersedes all prior negotiations, representations, or agreements.

9. **INTERPRETATION OF THE AGREEMENT.** The interpretation, validity and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. The Agreement does not limit any other rights or remedies available to CITY.

   The CONTRACTOR shall be responsible for complying with all local, state, and federal laws whether or not said laws are expressly stated or referred to herein.

   Should any provision herein be found or deemed to be invalid, the Agreement shall be construed as not containing such provision, and all other provisions, which are otherwise lawful, shall remain in full force and effect, and to this end the provisions of this Agreement are severable.

10. **AGREEMENT MODIFICATION.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

11. **SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the CONTRACTOR and the CITY.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Professional Services Agreement to be executed by setting hereunto their signatures this 3rd day of October, 2007.

AMERICAN LOGISTICS

By: _____
Craig Puckett, President

By: _____
Shawna Casey, Assistant Treasurer

20-4583786
Employer ID No.

CITY OF OCEANSIDE

By: _____
Peter A. Weiss, City Manager

APPROVED AS TO FORM:

_____, ASST.
City Attorney

NOTARY ACKNOWLEDGMENTS OF CONTRACTOR MUST BE ATTACHED.