

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664

Pursuant to a minute order adopted by the City Council of the City of Long Beach ("City") at its meeting on October 11, 2016, the City hereby grants permission to WASH MULTIFAMILY LAUNDRY SYSTEMS, LLC, a California limited liability company, whose address is 100 North Sepulveda Boulevard, 12th Floor, El Segundo, California 90245 ("Permittee") as follows:

- 1. <u>PERMISSION</u>. Permittee is hereby granted exclusive permission to install, maintain and operate at Permittee's sole cost and expense coin and credit card operated washers and dryers for clothing at the various locations listed in Exhibit "A" attached hereto and incorporated herein by this reference ("Permit Areas").
- 2. <u>TERM</u>. The term of this Permit shall commence at 12:01 a.m. on October 1, 2017, and shall terminate at midnight on September 30, 2022, unless revoked prior to said termination date as provided herein. This Permit may be renewed for two (2) additional three-year periods at the sole discretion of the City Manager.

3. <u>FACILITIES PROVIDED BY CITY</u>.

- A. Permittee takes the Permit Areas "as is", with no additional improvements or Items to be furnished by the City.
- B. During the term of this Permit, should the City construct additional laundry facilities, Permittee may expand its equipment and services into the new facilities which shall require an amendment to this Permit to be signed by all parties.
- 4. <u>ITEMS FURNISHED BY PERMITTEE</u>. Permittee shall provide washers and dryers that are both coin-operated and credit card-operated. Permittee shall supply all machinery, materials, supplies, and operating equipment ("Items") necessary to conduct the operations permitted hereunder at Permittee's sole cost and expense. These Items shall be clearly labeled with Permittee's name, address and telephone number and the process for obtaining a refund.

5. <u>MAINTENANCE BY PERMITTEE</u> . Permittee shall, at its sole cost and
expense, maintain, repair and replace the Items in a clean and sanitary condition
acceptable to the City, and in good operating condition and repair at all times. The Items
shall be cleaned as requested by customers of the City, and while Permittee's staff is on-
site working in the Permit Areas, the Permit Areas shall be kept free of rubbish, litter and
debris by Permittee. Failure to maintain as required herein shall be grounds for revocation
of this Permit.

- 6. MAINTENANCE BY CITY. The City shall not be liable for any loss suffered by Permittee as a result of the malfunctioning or defect of any equipment or facility or services provided by the City, except for the City's negligence. The City reserves the right to do any and all work of any nature necessary for preservation, maintenance, and operation of the Permit Areas, excluding Permittee's Items described above. Permittee shall be given reasonable notice when such work may become necessary and shall adjust operations so that the City may proceed expeditiously.
- 7. <u>UTILITIES</u>. The City shall pay the monthly charges for water, gas, electricity and sewer at each location. Permittee shall pay all charges for all costs related to installation of any connections to any utility.

8. <u>COIN COLLECTION</u>.

- A. Permittee shall empty the machines and conduct coin collection every twenty-four (24) days, to no longer than thirty-five (35) days, depending on machine usage.
- B. Permittee shall endeavor to notify the Manager of the Marine Bureau or his/her designee advance notice of all coin collection days in order to allow the City to accompany Permittee to collect coins from the equipment.
- C. Permittee shall be responsible to provide, operate and maintain all electronic credit card systems used on the equipment.

9. <u>PERMIT FEE</u>.

A. Permittee shall on or before the last day of the month for the

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previous month's collection, pay to the City's Accounting Office at 2760 N. Studebaker Road, Long Beach California 90815-1697, a Permit fee, without set off, deduction or demand, equal to forty-six percent (46%) of gross receipts derived by Permittee from the operations permitted hereunder for the immediately preceding coin collection period. "Gross receipts" shall mean the total of all actual revenues made in, on, through or from the Permit Areas relating to Permittee's Items. Uncollected credit card charges, foreign coins, coins used by Permittee to test machines and customer refunds should be excluded from Gross Receipts. Permittee shall be responsible for paying for and absorbing all credit card company fees, which shall not be deducted from gross receipts.

- B. Permittee shall transmit with each payment of Permit fees a concessionaire report showing daily gross receipts from the operations permitted hereunder for the period for which said Permit fee is being paid.
- C. In the event Permittee fails to make the payment of Permit fees or report when due, Permittee shall pay to the City a late charge of fifty dollars (\$50.00). If a due date falls on a non-workday for the City, the late charge shall not apply until the end of the next workday. If there are any unusual circumstances for Permittee's failure to pay when due, the City, at its discretion, may waive the late charge.
- Beginning in January 2018, Permittee shall submit to the City D. on or before the 10th day of January of each year throughout the term of this Permit, a statement of gross receipts in a format acceptable to the City.

10. BOOKKEEPING AND AUDITING.

Α. Permittee shall maintain a method of accounting for all the receipts and disbursements in connection with this Permit which correctly and accurately reflects the gross receipts and disbursements received or made by Permittee from the operations permitted hereunder. The method of accounting, including bank accounts established for the operations permitted hereunder, shall

be consistent with the accounting system used for any other business operated by Permittee.

- B. Such method shall include but not be limited to keeping the following documents: regular books of accounting such as general ledgers, journals including any supporting and underlying documents such as vouchers, checks, tickets, checks and other documents proving payment of sums shown.
- C. The City shall have the right from time to time to conduct an audit and re-audit of the books and operations permitted hereunder and Permittee shall cooperate fully. If the report of gross receipts disclosed by such audit and observation, Permittee shall within ten (10) days after billing therefor by the City pay any amount due the City as disclosed by said audit, any late charges that are due, and the costs of such audit if the deficiency in payment exceeds five percent (5%) of the Permit fees actually paid by Permittee. The City shall refund any overpayment of Permit fees discovered by an audit.
- 11. <u>BOND FOR FAITHFUL PERFORMANCE</u>. Prior to the execution of this Permit by the City, Permittee shall provide a faithful performance bond from a surety company, satisfactory to the City, a check certified by a reasonable bank, or a certificate of deposit payable to the City in the amount of Five Hundred Dollars (\$500.00). If Permittee fails to perform any term of this Permit, the sum guaranteed by the faithful performance bond, check or certificate of deposit shall be used by the City to reimburse it for any cost or loss occurred by reason of said failure. Said bond, check or certificate of deposit shall be held by the City during the term of this Permit. All faithful performance bonds and certificates of deposit shall include a provision giving to the City thirty (30) days' prior written notice of cancellation.

12. INDEMNITY.

A. Permittee shall indemnify, protect and hold harmless City, its Boards, Commissions, and their officials, employees and agents ("Indemnified Parties"), from and against any and all liability, claims, demands, damage, loss,

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obligations, causes of action, proceedings, awards, fines, judgments, penalties, costs and expenses, caused or alleged to have been caused by (1) Permittee's breach or failure to comply with any of its obligations contained in this Permit, or (2) negligent or willful acts, errors, omissions or misrepresentations committed by Permittee, its officers, employees, agents, subcontractors, or anyone under Permittee's control, in the performance of work or services under this Permit (collectively "Claims" or individually "Claim").

- В. In addition to Permittee's duty to indemnify, Permittee shall have a separate and wholly independent duty to defend Indemnified Parties at Permittee's expense, from and against all Claims, and shall continue this defense until the Claims are resolved, whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach, or the like on the part of Permittee shall be required for the duty to defend to arise. City shall notify Permittee of any Claim, shall tender the defense of the Claim to Permittee, and shall assist Permittee, as may be reasonably requested, in the defense. .
- 13. INSURANCE. Concurrent with the execution of this Permit, Permittee shall procure and maintain at Permittee's expense, during the term of this Permit and any renewal hereof, from an insurer admitted in California or having a minimum rating equivalent to A:VIII in Best's Insurance Guide:
 - Commercial general liability insurance, including fire legal liability and products, with a combined single limit of at least One Million Dollars (\$1,000,000) for each occurrence or Two Million Dollars (\$2,000,000) general aggregate. The City, its officials, employees, and agents shall be covered as additional insureds with respect to liability caused by or on behalf of Permittee. Said insurance shall be primary insurance with respect to City and Permittee represents and warrants that said insurance shall contain a clause allowing cross suit liability between a named insured and an additional insured under the policy.
 - В. Workers' compensation insurance as required by the California

333 West Ocean Boulevard, 11th Floor Long Beach. CA 90802-4664

DFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney

Labor Code.

- C. "All Risk" property insurance in an amount sufficient to cover the full replacement value of Permittee's personal property, improvements and Items at the Permit Areas.
- D. Upon the execution of this Permit, Permittee shall deliver to City certificates of insurance with original endorsements evidencing the coverage herein. The certificates and endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. City reserves the right to require compete certified copies of all policies at any time.
- E. Said insurance shall contain an endorsement requiring thirty (30) days' prior written notice from insurers to City before cancellation or change of coverage.
- F. Said insurance may provide for such deductibles or self-insured retention as may be acceptable to the City Manager or designee. In the event such insurance does provide for deductibles or self-insured retention, Permittee agrees that it shall fully protect City, its officials, and employees in the same manner as these interests would have been protected had the policy or policies not contained a deductible or retention provisions. With respect to damage to property, City and Permittee hereby waive all rights of subrogation, one against the other, but only to the extent that collectible commercial insurance is available for said damage.
- G. The procuring of said insurance shall not be construed as a limitation on Permittee's or as full performance on Permittee's part of the indemnification provisions of this Permit and Permittee understands and agrees that, notwithstanding any insurance, Permittee's obligation to defend, protect, indemnify and hold harmless the City, its officials, employees and agents hereunder is for the full amount of any claim, damage, cause of action, loss, demand, liability, expense, or cost caused by the acts or omissions of Permittee, its officers, employees, or agents.

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- Η. Any modification or waiver of these insurance requirements herein shall only be made with the written consent of the City Risk Manager.
- 14. LICENSES, PERMITS AND TAXES. Permittee shall obtain and pay for all licenses and permits required for its operations at the Permit Areas, including but not limited to necessary Coastal Commission approvals. In addition, Permittee shall pay all taxes levied, including any possessory interest taxes.
- 15. TRANSFER OR ASSIGNMENT. This Permit only grants Permittee the privilege to perform the operations permitted hereunder on the Permit Areas, and Permittee by this Permit acquires hereunder no right, title, or interest of any kind in the Permit Areas. Permittee shall not sublet the Permit Areas or any part thereof or allow the same to be used by any other person or for any other purpose, nor assign this Permit or in any manner convey or transfer any privilege herein granted nor delegate any duties hereunder without the prior approval of the City. This Permit shall not be transferred by attachment, execution, proceedings in insolvency or bankruptcy, either voluntary or involuntary, or receivership proceedings (collectively "transfer"). Any attempted subletting, assignment, delegation, conveyance, or transfer shall be null and void and have no force or effect and the City may immediately revoke this Permit.

16. STANDARDS OF SERVICE.

- Permittee shall conduct business in a manner acceptable to the City. A response time of no more than forty-eight (48) hours (excluding weekends and holidays) shall be required for each call for service.
- В. Permittee shall ensure that a live person answers requests for service calls twenty-four (24) hours a day, seven (7) days a week. Any machine that receives more than three (3) service calls resulting from mechanical failure within a period of one (1) month shall be replaced by Permittee.
- C. The City shall have the right to approve the level of service rendered and to order such service improved, discontinued or remedied. If the quality of service or product supplied or the cleanliness of the operations are not at

a level satisfactory to the City or do not adequately meet the needs of the public, or if Permittee violates any of the terms or conditions of this Permit, then the City shall have the right to revoke this Permit by giving prior notice of revocation to Permittee. However, Permittee may request in writing within three (3) days after receipt of said notice a hearing before the Director of City's Department of Parks, Recreation and Marine if the City notifies Permittee that this Permit will be revoked due to Permittee's failure to operate at a satisfactory level.

- 17. <u>CONTROL OF PERMIT AREAS</u>. The City shall have and retain absolute control of the Permit Areas. If necessary for the health, welfare or safety of the public, or as a result of revocation of this Permit, the City shall have the right to enter the Permit Areas and immediately take possession of the Permit Areas, and require Permittee to temporarily remove, or relocate the Items described in Section 4 hereof at Permittee's full cost and expense.
- 18. <u>LAWS</u>. Permittee shall comply with all applicable municipal, state and federal laws, rules, regulations, and ordinances and the directives or instructions of the City relating to the operations permitted hereunder. Failure to do so may result in the immediate revocation of this Permit. Permittee shall obtain and display, as required, all other permits or licenses, including but not limited to those from the City's Department of Health and Human Services and business licenses.
- 19. <u>CONDUCT</u>. Permittee shall at all times conduct the operations permitted hereunder in an orderly manner to the satisfaction of the City, and in a manner that will not create a nuisance.
- 20. <u>BURGLARY</u>. The City shall not be liable for any damage or loss to any of Permittee's Items or Permittee's receipts, including but not limited to damage or loss resulting from burglary, theft, vandalism, fire, or natural disaster.

21. PRICES.

A. All prices charged for the operations permitted hereunder by Permittee shall be subject to the prior approval of the City. The standards used to

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approve or disapprove prices shall be the prevailing market price for the same service or grade of operations permitted hereunder.

- В. The City may require Permittee to provide written justification of price increases, including but not limited to a listing of similar operations charging comparable prices or notification from suppliers or operators regarding price increases. Before January 1 each year Permittee shall submit in writing to the City a list of all prices and the prices of any other Items, services and operations to be sold. The City shall notify Permittee of the approval or disapproval of the Items, services, and operations listed and Permittee shall not alter the list of approved prices without the prior approval of the City. The City reserves the right to revoke its approval of any listed price when it appears that the price is above the prevailing market price for the same grade or quality of operations permitted hereunder or merchandise.
- 22. INSPECTION. The City, through its employees or independent contractors, shall have the right to inspect and observe Permittee's operations. During these inspections, the City shall have the right to use photographic devices and other instruments for recoding conditions and activities at the Permit Areas.
- 23. CLEANLINESS. While Permittee staff is on-site working in the Permit Areas, Permittee shall keep the area surrounding the operations permitted hereunder in a reasonably neat, clean, safe, sanitary condition satisfactory to the City. Permittee shall not introduce any offensive or refuse matter, any substance constituting a fire hazard, any material detrimental to the public health, or any hazardous material on the Permit Areas.
- 24. ALTERATIONS TO THE PERMIT AREAS. Permittee shall not make any alterations, additions, or other improvements of any character to the Permit Areas without the prior approval of the City. Any approved alterations changes, additions or other improvements shall be at the sole cost and expense of Permittee. Any alterations, changes, additions, or other improvements may, at the option of the City, become the property of the City. The facilities connected with the operations permitted hereunder shall be compatible

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Long Beach. CA 90802-4664

 with planned or existing improvements and facilities in, on, or near the Permit Areas. Permittee shall confine the operations permitted hereunder to that area set aside for its operations.

25. NONDISCRIMINATION.

A. In connection with performance of this Permit and subject to applicable rules and regulations, Permittee shall not discriminate against any employee or applicant for employment because of race, religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap, or disability. Permittee shall ensure that applicants are employed, and that employees are treated during their employment, without regard to these bases. These actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

B. It is the policy of City to encourage the participation of Disadvantaged, Minority and Women-owned Business Enterprises in City's procurement process, and Permittee agrees to use its best efforts to carry out this policy in its use of subconsultants and contractors to the fullest extent consistent with the efficient performance of this Permit. Permittee may rely on written representations by subconsultants and contractors regarding their status. Permittee shall report to City in May and in December or, in the case of short-term permits, prior to invoicing for final payment, the names of all subconsultants and contractors hired by Permittee for this Project and information on whether or not they are a Disadvantaged, Minority or Women-Owned Business Enterprise, as defined in Section 8 of the Small Business Act (15 U.S.C. Sec. 637).

26. <u>HEALTH AND SAFETY</u>. Permittee shall correct safety deficiencies and violation of safety practices immediately and shall cooperate fully with the City in the investigation of accidents occurring on the Permit Areas or in connection with the operations permitted hereunder. If Permittee fails to correct dangerous conditions which

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have led or, in the opinion of the City could lead to injury, the City may immediately revoke this Permit notwithstanding anything to the contrary herein.

- USE OF AREA. Permittee, in the conduct of the operations permitted 27. hereunder, shall not in any manner whatsoever interfere with regular use of any facilities, park areas or the Permit Areas for their intended purpose, i.e., the enjoyment by the public.
- 28. APPROVAL. Any approval, consent or permission to be obtained by Permittee from the City shall be in writing and Permittee's failure to obtain same shall not relive Permittee of Permittee's obligations to faithfully perform the provisions of this Permit. Permittee shall immediately comply with any written request or order submitted to Permittee by the City.
- OTHER PERMITS. Permittee may use the Permit Areas solely for the 29. purposes stated in this Permit. The City shall have the right to grant permits for different purposes or similar purposes in different locations and Permittee shall cooperate fully with any other Permittees in the vicinity.
- 30. REVOCATION. If Permittee fails, neglects or refuses to improve or change the operations permitted hereunder or to conform to the rules, regulations, directions or instructions from the City or fails, neglects or refuses to pay the monthly Permit fees or any part thereof after the same shall become due, or fails to perform any of the provision herein, and said failure, neglect, or refusal continues for a period of thirty (30) days after notice thereof to Permittee, then the City may immediately revoke this Permit. Revocation of this Permit shall not impair any other right or remedy of the City hereunder.

Notwithstanding anything herein to the contrary and except for provisions allowing immediate revocation, this Permit may be revoked by the City for any reason whatsoever on thirty (30) days' prior notice of such revocation to Permittee

31. NO WAIVER. The acceptance of all or part of any Permit fees by the City after the failure, neglect, or refusal or Permittee shall not be deemed a waiver of any provision of this Permit or of any right to indemnity or to any right to revoke this Permit. Any waiver by the City of the failure, neglect, or refusal of Permittee shall be in writing and shall

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not constitute a waiver of any other or subsequent failure, neglect, or refusal.

32. <u>RESTORATION OF PERMIT AREAS</u>. Upon the expiration or sooner revocation of this Permit, Permittee shall remove the Items described in Section 4 hereof from the Permit Areas within thirty (30) days from written notice from the City to make such removal and to restore the Permit Areas to the condition existing at the time Permittee's use commenced, to the satisfaction of the City. If said Items are not removed within that period, they shall become the property of the City or, at the option of the City, they may be removed and the restoration performed and Permittee charged for the labor and materials required to perform the work plus any overhead costs.

- 33. <u>NOTICES</u>. All Notices shall be in writing and personally delivered or deposited in the U. S. Postal Service, certified return receipt, postage prepaid to Permittee at the address shown above, and to the City's Department of Parks, Recreation & Marine at 2760 N. Studebaker Road, Long Beach, California 90815-1697, Attn: Director. Notice of change of address shall be given in the same manner as stated for other notices. Notice shall be deemed given on the date received or rejected deposited in the mail or on the date personal service is obtained, whichever first occurs.
- 34. <u>AMERICANS WITH DISABILITIES ACT</u>. Permittee shall provide clothing washers and dryers that are Americans with Disabilities Act compliant.

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	1	Permittee agrees to and shall perform the terms, covenants, and conditions		
	2	imposed upon Permittee under this Permit		
	3	WASH MULTIFAMILY LAUNDRY		
	4	SYSTEMS, LLC, a California limited liability company		
	5	october 2 , 2017 By V. /		
	6	Name Vahe Aposhica Title Assistant Secretary		
	7	October 2 , 2017 By V		
	8	Name Annald Navarro		
	9	Title <u>Assistant Secretary</u>		
	10 11	"Permittee"		
	12	CITY OF LONG BEACH, a municipal corporation		
	13	EXECUTED PURSUAN		
	14	City Manager THE CITY CHARTEI		
	15	"City" Assistant City Manager		
	16	This Permit is approved as to form on, 2017.		
	17	CHARLES PARKIN, City Attorney		
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	19	By		
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WASH MULTIFAMILY LAUNDRY SYSTEMS, LLC Coin-Operated Laundry Equipment Locations

LOCATION	EQUIPMENT
Shoreline Marina 250 East Shoreline Drive	8 – Washers Speed Queen Model
Boat owner restroom D2	No. SFNWYRSP113TW01
Adjacent to gangway J	8 – Dryers
	Speed Queen Model
	No. SDEWYRGS173TW01
Shoreline Marina	8 – Washers
400 East Shoreline Drive	Speed Queen Model
Boat owner restroom D5	No. SFNWYRSP113TW01
Adjacent to gangway Y	8 – Dryers
	Speed Queen Model
	No. SDEWYRGS173TW01
Alamitos Bay Marina	2 – Washers
Boat owner restroom – Basin 8	Speed Queen Model
6200 Costa Del Sol	No. SFNWYRSP113TW01
	2 – Dryers
	Speed Queen Model
	No. SDEWYRGS173TW01