

CITY OF LOS ANGELES
CALIFORNIA

ALVIN Y. BLAIN
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
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ANTONIO R. VILLARAIGOSA
MAYOR

November 17, 2005

Honorable Members of the Council
of the City Los Angeles
Room 395, City Hall

AGREEMENTS WITH GETTY HOUSE FOUNDATION

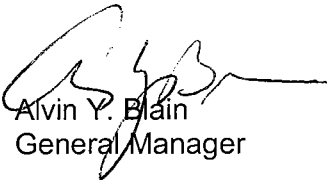
Transmitted herewith for approval of the City Council are two Agreements by and between the City of Los Angeles ("City") and Getty House Foundation, a private non-profit public benefit corporation ("Foundation").

The first of the two Agreements is the third of a continuing series of agreements between the City and the Foundation which began in July 1997 for the refurbishment and continued maintenance of the Getty House facility located at 605 South Irving Boulevard, Los Angeles, CA 90005. This Agreement for an eight (8) year term supersedes the June 2001 Agreement which was approved by City Council and is intended to provide long-term coordination of the use and operation of the Getty House whether or not the Mayor of the City of Los Angeles elects to reside in that facility.

The second of the two Agreements is a one-year Agreement to partly fund the Foundation for the fiscal year July 1, 2005 to June 30, 2006 for a portion of its costs in connection with the management and maintenance of the Getty House facility. An appropriation of \$118,000 has been included in the current budget for the Department of General Services for this purpose.

City Council approval of these Agreements will enable the parties to execute them.

If you have any questions or require further information regarding these Agreements, please contact Valerie Melloff at (213) 928-9577.


Alvin Y. Blain
General Manager

Attachments

AGREEMENT
BY AND BETWEEN
THE CITY OF LOS ANGELES
AND
GETTY HOUSE FOUNDATION

This Agreement is entered into by and between the City of Los Angeles, a municipal corporation ("City") and Getty House Foundation, a California nonprofit public benefit corporation ("Foundation").

W I T N E S S E T H

WHEREAS the City and the Foundation entered into an agreement in July 1997 pursuant to the terms of which the Foundation carried out significant restoration and refurbishment of the G.F. Getty House, located at 605 South Irving Boulevard, Los Angeles, California 90005 ("Residence"), in order that the restored Residence could be used by the Mayor of the City of Los Angeles as a venue for city receptions, to host heads of state and other dignitaries and as the home of Los Angeles Mayors who choose to occupy the Residence during their respective terms of office;

WHEREAS on June 19, 2001, the City Council approved an agreement, subsequently executed by the parties, superseding the July 1997 agreement;

WHEREAS the City and the Foundation desire to enter into this agreement to supersede the June 2001 agreement in order to provide long-term coordination of the use and operation of the Residence whether or not the Mayor of the City of Los Angeles elects to reside in the Residence;

NOW, therefore, the City and the Foundation, in consideration of the above premises, and of the covenants, agreements, and representations set forth below, hereby covenant, agree and represent as follows:

1. Term of Agreement

The term of this agreement shall commence July 1, 2005 and continue for eight years until June 30, 2013, subject to the City's ability to terminate for convenience with written notification to Getty House Foundation of at least 180 days.

2. Mission Statement

The Getty House Foundation is a nonprofit public benefit corporation to which the City has delegated responsibility for certain activity at and involving the Residence. The Foundation shall be responsible for establishing a wide range of programming including children's educational programs, organized school visits, public tours, special forums, speakers and fund raising events at the Residence to support the Residence.

3. Supervision

In carrying out its duties and activities pursuant to this agreement, the Foundation shall report to and accept direction from the Mayor.

4. Foundation's Activities

The Foundation shall be authorized to do the following:

- a. Oversee operations and activities at the Residence;
- b. Conduct fund raising and accept donations made for the benefit of the Residence, including the improvement, maintenance and operation thereof;
- c. Conduct fundraising activities such as the annual City of Angels Awards Benefit to raise funds for the general support of the programs of the Foundation;
- d. Conduct special events at the Residence for community outreach activities;
- e. Conduct weekly public education activities associated with the history and culture of the City of Los Angeles at the Residence in conjunction with LAUSD;
- f. Hold other children's educational and enrichment programs throughout the school year at the Residence;
- g. Conduct tours of the entire Residence, provided that the tours will not include the second floor private living areas if the Mayor resides in the Residence;
- h. Direct and oversee physical and aesthetic improvements and repairs to the Residence and enter into subcontracts for the work to be performed in connection therewith;
- i. Work with the Department of General Services for any planned work or activities which impact the work that the City will do;
- j. Ensure that all contractors, including designers and decorators, provide services for the Residence under the direction of the Foundation and obtain all permits necessary for the accomplishment of their tasks.

5. City's Responsibilities

The Residence will be used by the Mayor for official City functions and events and may be used as the Mayor's residence while holding office.

The City shall:

- a. Provide, through the Department of General Services, and in coordination with the Foundation, routine maintenance of the Residence, including the structure, and its electrical, plumbing and mechanical systems;

b. Provide, through the Department of Recreation and Parks, a full-time gardener for routine landscaping, irrigation and grounds maintenance on the site;

c. Provide all utilities for the Residence;

d. Provide, through the Department of Transportation, traffic control as required for the Foundation's special events to be held at the Residence;

e. Be responsible for and oversee natural disaster repair work for the Residence, including obtaining reimbursement from FEMA/OES, and coordinate these efforts, to the extent possible, with the Foundation;

6. Furnishings and Other Possessions of the Foundation

The Foundation has solicited contributions of or has purchased all of the furniture, fixtures, window coverings, china, silver and other items presently located in the Residence. All of these items shall remain located in the Residence, unless their removal is otherwise approved by the Foundation. In the event that a Mayor chooses to reside in the Residence during his or her term of office, the City shall consult with and use its best efforts to cooperate with the Foundation to ensure that all of the items not used by the Mayor on the second floor of the Residence are properly accounted for and stored, so as to be available at such time as a Mayor is no longer in residence. The first floor of the Residence, which is open to and available for use by the Foundation and the public in connection with Foundation programs and activities, shall remain undisturbed.

In order to preserve the historic integrity of the garden and other grounds of the Residence, neither the City nor any occupant of the Residence may make any modifications without the consent of the Foundation.

7. Permits

All contractors, including designers and decorators, providing services for the Residence shall be responsible for obtaining the permits necessary for the accomplishment of their tasks. The City will waive the cost of any and all City permit fees for contractors, including designers and decorators, in connection with ongoing upkeep of the Residence.

8. Foundation's Obligation for Oversight of Operations at the Residence

It is understood that the Foundation will continue to conduct fund raising for the Residence. However, the Foundation shall not be required to raise any specific amount of funds for the Residence, nor shall the Foundation be responsible for costs or expenses in connection with the Residence in the event all materials, equipment, furnishings, supplies and labor are not donated, unless the Foundation has entered into a subcontract for such materials, furnishings, supplies or labor. The Foundation shall not commence work on any aspect or item unless and until sufficient funds and donations have been received and encumbered by the Foundation from any source for completion of that aspect or item. Except as otherwise provided in this agreement, the Foundation is not authorized to obligate the City, financially or otherwise, without prior approval of the City's Municipal Facilities Committee.

9. Foundation Office and Exclusive Use

The Foundation will maintain an office at the Residence in the Carriage House. In addition, the Foundation shall have the exclusive right to use the Residence for fundraising activities.

10. Mutual Indemnification

Foundation and City agree to indemnify and hold each other harmless from all loss and liability for injury or damage, actual or alleged, to persons or property arising out of or resulting from the indemnifying party's acts or omissions in the performance of this Agreement.

In the event of third-party loss caused by the negligence, wrongful act or omission of both parties, each party shall bear financial responsibility in proportion to its percentage of fault as may be mutually agreed or judicially determined.

11. Insurance

City may insure, self-insure or retain its indemnity and liability risk in accordance with its customary risk management policy, at City's sole discretion. The City will insure or self-insure the Residence and its contents. However, in the event of partial or total destruction of the Residence, nothing herein shall be construed as requiring the City to repair the damage or reconstruct the Residence.

Foundation shall carry or cause to be carried the following insurance coverages conforming to the conditions stated in the City's Special Endorsement forms, specimens of which are attached to this agreement:

a. Worker's Compensation insurance for all its employees in accordance with California law at all such times as it may apply during the term of this agreement. Such coverage shall contain a waiver of subrogation clause in favor of City for work performed at the Residence.

b. General Liability insurance having coverage for premises and operations, contractual liability, independent contractors, broad form property damage and host liquor liability and having at least \$1 million combined single limit, per occurrence and in the aggregate and fire damage liability with a sub-limit of at least \$50,000.

c. Directors and Officers Liability insurance having limits of at least \$500,000 per occurrence and \$1 million in the aggregate covering the wrongful acts of the Foundation or its principals.

The foregoing insurance is subject to open market availability at reasonable cost. City may modify these requirements based on Foundation's submission of evidence of good faith but unsuccessful efforts to obtain the coverages stated.

Foundation shall further require all contractors, vendors and permittees to provide evidence of appropriate insurance covering risks of loss which arise from their respective

activities at the Residence and which includes both City and Foundation as additional insureds. If they are eligible, said contractors, vendors and permittees may satisfy this insurance requirement by participating in any of the City's blanket or group insurance programs.

12. Notices

The following addresses shall serve as the places to which notices and other correspondence between the parties shall be sent:

Foundation: Getty House Foundation
605 South Irving Boulevard
Los Angeles, CA 90005

City: General Manager, Department of General Services
Room 701, City Hall South
111 East First Street
Los Angeles, CA 90012

13. Foundation's Representative

The Chairperson of the Foundation shall represent the Foundation with respect to all matters connected with this agreement.

14. City's Representative

The General Manager of the Department of General Services or his designee shall act on behalf of the City with respect to all matters concerning this agreement.

15. Foundation Record Keeping

The Foundation shall maintain an accurate record of all donations received and expenditures made during the term of this agreement in accordance with acceptable accounting practices. Such records shall be retained for at least three (3) years beyond the expiration or termination of this agreement. Within 30 days of receiving a written request from the City's Representative, the Foundation shall provide written reports regarding the Foundation's performance and copies of any financial self-audits or outside audit reports undertaken or commissioned by the Foundation. City shall at any reasonable time within three (3) years of the expiration or termination of this agreement through any duly authorized representative, have access to and the right to examine and conduct an audit and reaudit of any pertinent books, documents or other records of Foundation involving transactions relating to this agreement.

16. Termination

If a party to this agreement fails to abide by a material provision of the agreement, the nonbreaching party shall provide written notice to the party allegedly in breach, specifying the alleged breach. The party receiving notice shall have 10 calendar days to cure (or, in the case of a breach requiring more than 10 days to cure, commence and diligently proceed to cure) the

alleged breach and/or provide a written response to the notice alleging breach. If, in the reasonable opinion of the party giving notice of breach, the breach has neither been cured, nor has the party alleged to be in breach responded satisfactorily by commencing to cure the breach or demonstrating there is no breach, the nonbreaching party may terminate this agreement by providing written notice thereof to the other party. Upon dissolution of the Foundation or termination by the City of the agreement for breach of the agreement, all funds raised by the Foundation on behalf of the City and all funds provided to the Foundation by the City shall become the property of the City and be placed in a City account to carry out the intended purposes of the agreement.

17. Applicable Law, Interpretation and Enforcement

Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City. This agreement shall be enforced and interpreted under the laws of the State of California and the City.

18. Integrated Agreement

This agreement sets forth all of the rights and duties of the parties with respect to the subject matter hereof, and replaces any and all previous agreements or understandings, whether written or oral, relating thereto. This agreement may be amended only as provided for in Paragraph 17 hereof.

19. Amendment

All amendments hereto shall be in writing and signed by persons who have signed this Agreement on behalf of the parties, by such other person, in the case of the City, who is authorized to do so by the Mayor, or in the case of the Foundation, who is authorized to bind the Foundation thereto.

20. Independent Contractor

The Foundation is acting hereunder as an independent contractor and not as an agent or employee of the City. The Foundation shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of the City.

21. Prohibition Against Assignment or Delegation

The Foundation shall not, unless it has first obtained the written permission of the City, assign or delegate its rights, duties or obligations hereunder.

22. Nondiscrimination and Affirmative Action

The Foundation shall comply with the nondiscrimination and affirmative action provisions of laws of the United States of America, the State of California, and the City. In performing this Agreement, the Foundation shall not discriminate in its employment practices against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status or

medical condition. The Foundation shall comply with the provisions of the Los Angeles Administrative Code Section 10.8 through 10.13, to the extent applicable hereto. The City's Office of Contract Compliance shall assist the Foundation in complying with this paragraph of the agreement. Any subcontract entered into by the Foundation relating to this agreement, to the extent allowed hereunder, shall be subject to the provisions of this paragraph.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed:

THE CITY OF LOS ANGELES,
a municipal corporation,

By _____
ALVIN Y. BLAIN
General Manager
Department of General Services

Date _____

GETTY HOUSE FOUNDATION,
a California Nonprofit Public Benefit Corporation,

By _____
SUSAN CAPUTO
Executive Director

Date _____

Attest:
FRANK T. MARTINEZ, City Clerk

By _____
Deputy City Clerk

Date _____

APPROVED AS TO FORM
ROCKARD J. DELGADILLO, City Attorney

By _____
MARK L. BROWN,
Sr. Assistant City Attorney

Date _____

AGREEMENT TO PARTLY FUND THE ACTIVITIES
OF THE GETTY HOUSE FOUNDATION

This Agreement ("Agreement" herein) to partly fund services provided by the Getty House Foundation is entered into between the City of Los Angeles, a municipal corporation, ("CITY" herein), and the Getty House Foundation, a private non-profit corporation, ("CONTRACTOR" herein). This contract consists of 27 pages, including attachments, and exhibits with reference to the following facts:

A. The CITY's Budget (Department of General Services Fund) for the fiscal year ending June 30, 2006, includes an appropriation of one hundred eighteen thousand dollars (\$118,000) to partially fund the CONTRACTOR'S activities. The CONTRACTOR understands that said funds will be disbursed to it only in accordance with the provisions of this Agreement.

B. The CONTRACTOR oversees all activities, including management and maintenance, of the Getty House located at 605 South Irving Boulevard Los Angeles, CA. The Getty House is the official residence of the Mayor of Los Angeles and may be visited by the public.

C. The CONTRACTOR'S activities increase the well being of the CITY and, therefore, the CONTRACTOR'S services constitute a public purpose for which financial assistance may be provided.

NOW THEREFORE, the CITY and the CONTRACTOR, in consideration of the above premises and of the covenants, agreements and representations set forth below, hereby covenant, agree and represent as follows:

1. TERM OF AGREEMENT

This term of Agreement shall commence on July 1, 2005 and terminate on June 30, 2006.

2. CONTRACTOR'S ACTIVITIES

The CONTRACTOR will utilize the funds procured under this agreement to assist with costs associated with the ongoing management and maintenance of the Getty House, which serves as the official residence of the Mayor of Los Angeles, located at 605 South Irving Boulevard Los Angeles, California. To ensure the greatest flexibility and success of the program, the specific line amounts listed below may be adjusted by a maximum of 15%, as needed by the CONTRACTOR. Notwithstanding any adjustments to the specific line amounts, the total amount to be provided for the purposes of this Agreement shall not exceed one hundred eighteen thousand dollars (\$118,000).

House Manager (Salary)	\$ 42,000
Workman's Comp	7,300
Medical Benefits	3,300
Payroll	3,400
Maintenance	16,600
Upgrades – Improvements	16,600
Phones	3,000
Content & Fine Art Insurance	6,100
Property Insurance	11,500
Office & Administrative Expenses	3,600
Materials & Supplies – Maintenance	1,000
Operating Supplies & Equipment	<u>3,600</u>
 TOTAL	 <u>\$118,000</u>

Any adjustments to the specific line amounts exceeding 15% shall be requested in writing by the CONTRACTOR and are subject to the written approval of the CITY's representative. The CONTRACTOR shall obtain all necessary licenses and permits and shall suitably inform the public that the CONTRACTOR'S activities are partially funded by the City.

3. AMOUNT OF PAYMENT

The CONTRACTOR shall be paid by the CITY for allowable costs incurred in engaging in the activities set forth in Paragraph 2 hereof during the term of this Agreement in a total amount not to exceed one hundred eighteen thousand dollars (\$118,000) by submitting a REQUEST FOR PAYMENT including therein a proposed budget which indicates the estimated costs to be incurred by the CONTRACTOR for which payment is requested in a form to be prescribed by the CITY. Said costs shall be allowable if they reasonably relate to the activities performed by the CONTRACTOR as described in Paragraph 2 hereof.

4. REQUEST FOR ADVANCE PAYMENT

a. At any time after this Agreement becomes effective, the CONTRACTOR may submit a request for advance payment in an amount not to exceed forty thousand dollars (\$40,000) by submitting a REQUEST FOR PAYMENT including therein a proposed budget which indicates the estimated costs to be incurred by the CONTRACTOR for which payment is requested. On or about January 1, 2006, the CONTRACTOR may submit a request for advance payment in an amount not to exceed thirty-eight thousand dollars (\$38,000) by submitting a REQUEST FOR PAYMENT including therein a proposed budget which indicates the estimated costs to be incurred by the CONTRACTOR for which payment is requested. The REQUESTS FOR PAYMENT shall be submitted in a form to be prescribed by the CITY and shall be signed under PENALTY OF PERJURY by the CONTRACTOR'S representative designated in this Agreement. The total amount of the REQUEST FOR PAYMENT shall not exceed the amount specified in Paragraph 2. In addition, the CONTRACTOR shall submit adequate documentation to substantiate the expenditure of the advance.

b. No further payments will be disbursed to the CONTRACTOR until the previous advance has been expended. Copies of documentation to support all the expenditures of the advance must be submitted to and approved by the CITY's representative prior to disbursement

by the CITY of any subsequent payments. Such documentation shall include but not be limited to copies of such items as receipts, invoices matched with canceled checks, invoices marked "Paid", payroll registers, internal hiring documents and time sheets. Bank statements may be requested to support submitted documentation at the discretion of the CITY.

5. PAYMENT

a. Upon approval of each REQUEST FOR PAYMENT by the CITY's representative, the CITY shall pay the CONTRACTOR the approved amount for allowable costs, which in total, shall not exceed the sum of one hundred eighteen thousand dollars (\$118,000).

b. No later than August 16, 2006, the CONTRACTOR shall submit a CLOSE-OUT STATEMENT prepared on a form to be prescribed by the CITY and either a comprehensive unaudited financial statement or a copy of an audit report prepared by an independent Certified Public Accountant (CPA). The CITY shall not be obligated to fund the CONTRACTOR for any subsequent fiscal year appropriations which may be made by the CITY's Council until such CLOSE-OUT STATEMENT and financial report has been submitted to and approved by the CITY's representative. Said CLOSE-OUT STATEMENT shall include documentation which supports expenditure of any costs which have not previously been submitted to and approved by the CITY's representative.

c. Any portion of any advance payment made or not expended or obligated by the CONTRACTOR or not approved by the CITY's representative shall be paid back to the CITY no later than August 16, 2006. Such payment will accompany the CLOSE-OUT STATEMENT.

d. The CONTRACTOR must submit a REQUEST FOR PAYMENT during the period commencing from the effective date of the Agreement up to one year after the termination date. The CITY shall have no obligation to pay any REQUEST FOR PAYMENT after said period.

6. MONIES TO BE USED FOR CURRENT EXPENSES

The monies expended by the CITY hereunder are to be used by the CONTRACTOR to meet expenses incurred during the term of this Agreement. The CONTRACTOR may not submit a REQUEST FOR PAYMENT, nor may the CITY pay any portion of any liability of the CONTRACTOR existing prior to the term of this Agreement.

7. ESTABLISHMENT OF SEPARATE ACCOUNTS AND RECORDS

Any and all funds disbursed by the CITY to the CONTRACTOR and any interest and proceeds generated thereby shall be held in trust for the purposes of this Agreement and shall be placed in a separate account solely for those funds, and all allowable expenditures shall be drawn from that account. Any funds remaining in said account which are in excess of the allowable expenditures as provided herein shall be returned to the City within forty-five (45) calendar days after the termination date of this Agreement.

8. BOOKS OF ACCOUNT-FINANCIAL RECORDS

The CONTRACTOR shall maintain and preserve books of account and records of financial transactions regarding the expenditure of CITY funds pursuant to this Agreement. Said books and records shall accurately reflect monies received from the CITY by date and amount, and CITY monies expended by name of vendor, description of goods or services purchased, date of purchase, and price. The CONTRACTOR shall retain such books and records for at least three years following the expiration date of this Agreement. At any time during the term of this Agreement or within three years following the expiration date of the Agreement, said books and records shall be subject to examination and audit by authorized CITY personnel or by the CITY'S Representative.

9. CONTRACT REPRESENTATIVES

i. CONTRACTOR'S Representative

The CONTRACTOR hereby appoints Susan Caputo or her designee, to represent the CONTRACTOR with respect to all matters connected with this Agreement. Said Representative(s) shall be personally responsible for submitting all of the forms and statements as required by this Agreement.

ii. CITY'S Representatives

The General Manager of the Department of General Services, or his designee shall represent the CITY with respect to all matters connected with this Agreement, provided, however, that any matter which would increase the CITY's financial obligation hereunder will require the approval of the CITY's Council and Mayor.

10. NOTICES

The following addresses shall serve as the places to which notices and other correspondence between the parties shall be sent:

CONTRACTOR's address: **Getty House Foundation
Attn: Susan Caputo
605 South Irving Blvd.
Los Angeles, CA 90005**

CITY's address: **City of Los Angeles
Department of General Services
111 East 1st Street, Room 701
Los Angeles, CA 90012**

11. STANDARD PROVISIONS FOR CITY CONTRACTS

The **STANDARD PROVISIONS FOR CITY CONTRACTS** are included herein by this reference and a copy of said provisions dated October 2003 is attached hereto as **PSC-1 through PSC-29 inclusive**.

12. EXHIBITS

The following exhibits are included herein by this reference and a copy of said exhibits are attached hereto:

EXHIBIT 1-INSURANCE REQUIREMENTS

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed:

THE CITY OF LOS ANGELES,
A municipal corporation,

By _____ Date _____
ALVIN Y. BLAIN
General Manager
Department of General Services

GETTY HOUSE FOUNDATION,
A California Nonprofit Public Benefit Corporation,

By _____ Date _____
SUSAN CAPUTO
Executive Director

Attest:
FRANK MARTINEZ, City Clerk

By _____ Date _____
Deputy City Clerk

APPROVED AS TO FORM AND LEGALITY
ROCKARD J. DELGADILLO, City Attorney

By _____ Date _____