

**COUNTY OF SAN MATEO**  
**AGREEMENT WITH INDEPENDENT CONTRACTOR**

**Agreement No. 17000-03-P697**

**Contractor Name and Address**

J & J VENDING, INC

2700 McCONE AVENUE

HAYWARD, CA 94545

**Contractor:** Upon completion of work or agreed-upon work periods, mail invoice with above Agreement Number to:

Department: EMPLOYEE AND PUBLIC SERVICES

Attention: STEVE ROSSI

Address: 455 COUNTY CENTER - 5<sup>TH</sup> FLOOR

City, State, Zip REDWOOD CITY, CA 94063

It is agreed between the County of San Mateo, California, and Contractor as follows:

1. **Services to be performed by Contractor** In consideration of the payments hereinafter set forth, Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A" attached hereto for the COUNTY OF SAN MATEO Employee and Public Services. Contractor shall ensure compliance with all state, federal and local laws or rules applicable to performance of the work required under this contract.
2. **Contract Term** The term of this Agreement shall be from 7-1-03 to 6-30-06 unless terminated earlier by the County, except that the County shall have the right, at its sole option, to extend the contract for up to two additional one year terms by notifying vendor of the same.
3. **Payments** In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A", County shall make payment to Contractor in the manner specified herein and in Exhibit "A". In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination. The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for services under this Agreement exceed \$ 0.00.
4. **Relationship of the Parties** Contractor agrees and understands that the work/services performed under this Agreement are performed as an Independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers or advantages of County employees.
5. **Workers' Compensation Insurance** The Contractor shall have in effect, during the entire life of this Agreement, Worker's Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor certifies awareness of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and certifies compliance with such provisions before commencing the performance of this work of the Agreement as set forth in California Labor Code section 1861.
6. **Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by himself/herself or by any Subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount specified by Risk Management.
7. **Hold Harmless** Contractor agrees to indemnify and defend the County, its employees and agents from any and all claims, damages and liability in any way occasioned by or arising out of the negligence of the contractor in the performance of this agreement.

8. **Confidentiality** All data produced or compiled by Contractor shall be considered confidential unless it can be obtained as public record and shall not be shared with a third party without the prior written consent of County. All financial, statistical, personal, technical, and other data and information relating to the County's operations which is made available to the Contractor in order to carry out this Agreement shall be presumed to be confidential. Contractor shall protect said data and information from unauthorized use and disclosure by the observance of the same or more effective procedures as the County requires of its own personnel. The Contractor shall not, however, be required by this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Agreement or is rightfully obtained from third parties.
9. **Non-Assignability** Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of County, and any attempted assignment without such prior written consent in violation of this Section shall automatically terminate this Agreement.
10. **Termination of Agreement** The County Purchasing Agent may, at any time from execution of Agreement, terminate this Agreement, in whole or in part, for the convenience of the County, by giving written notice specifying the effective date and scope of such termination. Termination shall be effective on a date no less than thirty days from notice. In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. In the event of termination, Contractor shall be paid for all work satisfactorily performed until termination, except where the contracting department determines the quality or quantity of the work performed is unacceptable. Such payment shall be that portion of the full payment, which is determined by comparing the work/services completed to the work/services required by the Agreement.
11. **Payment of Permits/Licenses** It shall be the Contractor's responsibility to obtain any license, permit or approval required from any agency for work/services to be performed at his/her own expense, prior to commencement of said work/services or forfeit any right to compensation under this Agreement.
12. **Non-Discrimination** No person shall be excluded from participation in, denied benefits of, or be subject to discrimination under this Agreement on the basis of their race, color, religion, national origin, age, sex, sexual orientation, pregnancy, childbirth or related conditions, medical condition, mental or physical disability or veteran's status. Contractor shall ensure full compliance with federal, state and local laws, directives and executive orders regarding non-discrimination for all employees and Subcontractors under this Agreement.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to: i) termination of this Agreement; ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years; iii) liquidated damages of \$2,500 per violation; iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to: i) examine Contractor's employment records with respect to compliance with this paragraph; ii) set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of its response to the Complaint when filed.

13. **Equal Benefits** With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
14. **Retention of Records** Contractor shall maintain all records related to this Agreement for no less than three years after the County makes final payment or after termination of this contract and all other pending matters are closed. All records shall be subject to the examination and/or audit by agents of the County, the State of California and/or Federal grantor agencies.
15. **Merger Clause** This Agreement, including Exhibit "A" attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the County Purchasing Agent. In the event of a conflict between the terms, conditions, or specifications set forth herein and those in Exhibit "A" attached hereto, the terms, conditions, or specifications set forth

herein shall prevail. This Agreement, or facsimile proposal of the Agreement, constitutes the entire Agreement between County and Contractor. Further, liability referenced to in section 6 is limited to Contractor's negligence during the Contractor's performance under this contract.

**THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES**



Contractor's Signature

5-19-03

Date

Joel E. Skidmore

Contractor's (Please Print)

Vice President

I hereby certify that the services requested are necessary, that the selection process documentation is accurate, that all insurance certificates including Worker's Compensation are on file in this office, that Risk Management has approved any reductions in Contractor's insurance limits below \$1,000,000, and that no work will commence until this document is signed by the County Purchasing Agent. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

\_\_\_\_\_  
Purchasing Agent, County of San Mateo

\_\_\_\_\_  
Date

\_\_\_\_\_  
Department or Division Head Approval

\_\_\_\_\_  
Date

\_\_\_\_\_  
Budget Unit

\_\_\_\_\_  
Department or Division Head Name (Please Print)

**COUNTY OF SAN MATEO**  
**AGREEMENT WITH INDEPENDENT CONTRACTOR**

**Agreement No. 17000-03-P697**  
**Exhibit "A"**

Agreement between the County of San Mateo and J & J VENDING, INC.

**I. Description of Services to be Performed by the Contractor**

TO PROVIDE VENDING MACHINE INSTALLATIONS AND SERVICES FOR VARIOUS SAN MATEO COUNTY DEPARTMENTS AND LOCATIONS PURSUANT TO EXHIBIT "A-1" ATTACHED.

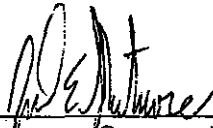
**II. Amount and Method of Payment**

SEE EXHIBIT "A-1".

**III. Approvals and Notice**

THE PURCHASING AGENT SHALL BE THE DESIGNATED COUNTY INDIVIDUAL FOR ALL APPROVALS AND NOTICES REQUIRED IN THIS CONTRACT.

Contractor agrees that the requirements of this Agreement pertaining to the protection of proprietary rights and confidentiality within paragraph 8 and the Hold Harmless provision within paragraph 7 shall survive termination of this Agreement.

 _____ Contractor's Signature	<u>5-19-03</u> _____ Date	<u>Jud E Skidmore, C.P.</u> _____ Contractor's Signature	<u>5/19/03</u> _____ Date
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_____ Purchasing Agent, County of San Mateo	_____ Date	_____ Department or Division Head	_____ Date	_____ Budget Unit
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**Exhibit "A-1"**  
**County of San Mateo**

**Agreement with Independent Contractor**  
**Agreement No. 17000-03-P697**

III. Description of Services to be Performed by the Contractor

A. General Requirements

1. All J & J employees shall wear company uniforms and carry photo ID when servicing County locations.

B. Commission/Rebate Program

1. J & J shall provide a monthly statement for each machine at each location which details sales for the period and commission due the County.
2. Commissions shall be paid at the rates detailed on Schedule 1.
3. Commissions shall be paid monthly, divided by whatever machine groupings the Purchasing Manager may from time to time designate. The monthly checks shall be delivered to the Purchasing Manager.

C. Service Requirements

1. A specific individual shall be assigned to the County account for the purpose of maintaining the terms of the agreement and to support service issues.
2. Implementation of the agreement shall be coordinated with the Purchasing Division and each County department requesting service.
3. J & J Vending shall have sole responsibility for collection of money from all machines.
4. Service for machines shall be provided 7 days per week, 24 hours per day. Response to service calls shall be 2 hours. All machines shall be cleaned with each service and replenishment call.
5. A refund system for money lost in vending machines shall be established for each location.

D. Equipment Requirements

1. All vending machines are, and shall at all times, remain the property of the Contractor/Vendor, with title vested in the contractor/Vendor. The County shall have no property interest in the said vending machines.
2. All vending machines shall be modern vending machines customary to the trade, equal to or better than vending machines currently in place, and shall have currency acceptance capabilities of at least similar capabilities or better. All vending machines furnished shall be in "like new" condition. All vending machines shall be Energy Star compliant.
3. All vending machines shall be installed by the Contractor/Vendor at no cost to the County. The Contractor/Vendor will confine its vending machines to the space allocated by the County, as designated by the Purchasing Manager.

4. The Contractor/Vendor shall at its expense be responsible for all service, maintenance and repairs of all vending machines. All vending machines shall be in good mechanical order and excellent sanitary condition. Vending machines that deteriorate to a mechanical state that is unreliable shall be replaced at no cost to the County. The County through its Purchasing Manager reserves the right to request removal and replacement of any vending machine that is not mechanically reliable.
5. Upon request, Vending Miser will be installed on soda machines at no cost to the County.
6. Vending Machines located at County facilities shall not advertise tobacco or alcohol products.

E. Product Requirements

1. The County shall have the right to designate product selection on a machine by machine basis.
2. Vendor shall be responsible to ensure that all products are fresh when stocking/restocking, that inventory is rotated, and items are removed prior to expired freshness date during each delivery.
3. Perishable items must be replaced within 10 calendar days.
4. All packaged goods shall display the contents and ingredients contained therein.
5. All food and drink shall be from reputable sources, processors and manufacturers. Any item which fails to meet generally accepted quality standards shall be removed from the machines.
6. All product prices shall be firm for 6 months from the date the agreement is executed. Prices may change each 6 month period thereafter. The county shall be given 45 days' notice of all price changes.

IV. The County, through its Purchasing Manager, shall determine the schedule for installing and/or removing all vending machines.

V. J&J Vending shall extend the terms and conditions of this contract to County of San Mateo affiliated non-profit agencies and other San Francisco Bay Area public agencies.

SCHEDULE 1

AGREEMENT NO. 17000-03-P697

**PRICING AND COMMISSION**

PRODUCT	PRICE	COMM
LLS Chips	\$ 0.85	20%
Chips	\$ 0.60	20%
Candy Bars	\$ 0.80	20%
Cookies	\$ 0.85	20%
Pastry	\$ 1.00	20%
Gum & Mints	\$ 0.60	20%
Microwave Popcorn	\$ 1.00	20%
Can Drink	\$ 0.75	21%
20oz Soda	\$ 1.25	21%
Bottled Water	\$ 1.25	21%
16oz Juice	\$ 1.40	21%
Sobe	\$ 1.75	21%
Starbucks Frappicinno	\$ 2.00	21%
Enerov Drinks	\$ 2.00	21%
Coffee 8oz / 12oz	.50 / .75	22%
Dec	.50 / .75	22%
Hot Chocolate	.75 / 1.00	22%
French Vanilla	.75 / 1.00	22%
Tea	.50 / .75	22%
	\$ 0.75	5%
	\$ 0.75	5%
	\$ 1.25	5%
	\$ 1.25	5%
Bagels	\$ 1.25	5%
Hot Sandwiches	2.00 - 2.75	5%
Cold Sandwiches	2.00 - 2.75	5%
Ice Cream	1.00 - 1.75	5%