

City of Sacramento
City Council - 2PM Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2025-01237

7/1/2025

Contracts: Heavy Duty Towing Services and Storage for Community Development Department and Sacramento Police Department [Published for 10-Day Review 06/19/2025]

File ID: 2025-01237

Location: Citywide

Recommendation: Pass a **Motion** 1) ratifying the execution of four on-call non-professional service agreements with College Oak Road Solutions, Chimas Tow Five Star Towing, North Valley Tow; 2) authorizing the interim City Manager or the interim City Manager's designee to execute the on-call non-professional services contracts with College Oak Road Solutions, Chimas Tow Five Star Towing, North Valley Tow, each with a not-to-exceed amount of \$1,033,523 for one year with four one year renewal options for a total not-to-exceed amount \$5,167,615; 3) determining the expenditure for all four contracts shall not exceed \$1,033,523 in any given fiscal year.

Contact: Peter Lemos, Chief of Code and Housing, (916) 808-8183, plemos@cityofsacramento.org; Monica Duncan, Administrative Analyst, (916) 808-8025, mduncan@cityofsacramento.org, Community Development Department

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-PRC002875-College Oak Road Solutions Executed Agreement and Supplements 1, 2
- 3-PRC002875-College Oak Road Solutions Pending Supplements 3, 4
- 4-PRC002876-Chimas Tow Executed Agreement
- 5-PRC002876-Chimas Tow Pending Supplement 1
- 6-PRC002877-Five Star Towing Executed Agreement and Supplement 1
- 7-PRC002878-North Valley Tow Executed Agreement and Supplement 1

Additional Description/Analysis

Issue Detail: A Request for Qualifications (RFQ) was posted on April 16, 2024, for Heavy Duty Towing services with a scheduled close date of May 10, 2024 (Q24211313004). The City received four bids: College Oak Road Solutions, Chimas Tow, North Valley Tow, and Five Star Towing. All four heavy duty towing contracts began July 1, 2024, with a one-year term with four one-year renewal options.

Each contract specifies services of a total not-to-exceed \$249,999 each year. After the first year, the following four years are optional. The potential total amount for all four contracts shall not exceed \$5,167,615. This allows the City the flexibility to use each heavy-duty tow contractor based on availability, response time and storage capacity. On-call services will not exceed more than \$1,033,523 for any given fiscal year.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.56 regarding the purchase of supplies and non-professional services and Section IV.1.C.1 of the City's Non-Professional Services Policy regarding awards to multiple contractors for the same scope of services.

The Sacramento City Code Section 4.04.020 and the City Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements, and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to City Council action. This item was published for 10-day review on June 19, 2025, in compliance with the City Code.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: Not applicable.

Rationale for Recommendation:

City Code Section 3.56.090 reads in part, "Unless otherwise provided in this title, all contracts involving an expenditure of \$250,000 or more must be authorized by the city council." Section IV.1.C.1 of the City's Non-Professional Services Policy provides that for contract solicitation and award purposes; procurements must include the total amount of all service contracts awarded to all contractors for the same service. Because College Oak Road Solutions, Chimas Tow Five Star Towing, North Valley Tow will perform the same scope of services, and the aggregate not-to-exceed amount of all four agreements exceeds \$250,000, Council approval is required.

Financial Considerations: Sufficient funding is available in the Fiscal Year 2025/26 Community Development Department Operating Budget to make purchases through June 30, 2026. Future services are dependent on the availability of funding in the adopted budgets for the applicable fiscal year. On-call services will not exceed more than \$1,033,523 million each fiscal year.

Due to the forecasted structural budget gap, the City Manager has directed City Departments to

minimize costs and for all new contracts to receive an additional level of scrutiny to ensure they are necessary for the operations to the City. This contract has been reviewed and approved by the City Manager's Office to advance to Council for approval. Funding for the proposed contract beyond FY25/26 is subject to Council approval of the annual budget for the duration of the contract.

Local Business Enterprise (LBE): College Oak Road Solutions, Chimas Tow, Five Star Towing are LBE, North Valley Tow is not LBE.

Background: The Community Development Department (CDD) and the Sacramento Police Department (SPD) have an operational requirement for heavy duty tow services. On an annual basis, the City of Sacramento tows approximately over 600 heavy duty (Class C & D) vehicles for various types of violations, with the number of heavy-duty tows rising annually. The cost of heavy-duty tows has continued to increase over the past several years as the City's Code and Police Department proactively remove recreational vehicles which are often abandoned, dismantled, and inoperable on city streets. This service is essential to continue the SPD and CDD Neighborhood Code Compliance Division's business operations.

There has been an increase in the number of heavy-duty and recreational vehicles and trailers abandoned on City streets, and these vehicles often contribute to other nuisances including an accumulation of junk and debris at and around the vehicle, hazardous vehicles, and leaking septic tanks. In many instances, the disposal cost of these vehicles is exorbitant because the tow company service also includes the disposal of stored items, hazardous chemicals, and materials. The City anticipates that payments for heavy duty towing services will continue to rise from previous years. It is projected that this expenditure will increase significantly while unhoused residents seek other options for affordable housing and abandon these vehicles on City streets.

CONTRACT #: PRC002875
CONTRACT NAME: Heavy Duty Towing Services
CONTRACT PROJECT #:
DEPARTMENT: Community Development and PD
DIVISION: Neighborhood Code Compliance
CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

*College Oak Road Solutions dba College Oak Towing
4125 Winters Street, Sacramento, CA 95838
916-648-2580/doug@collegeoaktow.com*

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning July 1, 2024.
2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Invitation to Bid, Request for Qualifications, or Request for Proposals, and any Addenda
Exhibit A – Scope of Work
Exhibit B – Payment
Exhibit C – Insurance
Exhibit D – General Conditions
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.60. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.60 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.60.

Contractor's violation of Sacramento City Code chapter 3.60 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Monica Duncan/Administrative Analyst
300 Richards Boulevard, Sacramento, CA 95811
916-808-8025/mduncan@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*Doug Nelson/Vice President
4125 Winters Street, Sacramento, CA 95838
916-648-2580/doug@collegeoaktow.com*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

- 2. Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.
- 3. Time of Performance.** The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$ 249,999. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payment terms are NET 30 days, unless the Contractor offers a prompt payment discount that was accepted by the City or as otherwise stated in this Contract. Any prompt payment discounts will be computed from the date of acceptance by the City, or from the date an invoice is received, whichever occurs later.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to:
A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by CONTRACTOR must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order
 - (7) Contractor's remit address

- (8) Itemized description of items billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

7. **Accounting Records of Contractor.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

9. **Public Works Requirements.** *[To be completed by the City Representative:]*

The services provided under this Contract include ***[check one if applicable]:***

_____ Construction work in an amount exceeding \$25,000;

_____ Land Surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project; or

_____ Alteration, demolition, repair, or maintenance work in an amount exceeding \$15,000.

If any of the lines is checked above, this Contract includes "Public Work" under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of the California Labor Code, which require, among other things, that Contractor and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations ("DIR") in accordance with California Labor Code section 1773. Contractor and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the Contractor and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the Contractor and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR's website at <http://www.dir.ca.gov/Public-Works/Contractors.html>. The above summary is provided solely for informational purposes and does not in any way affect the Contractor's and subcontractors' obligation to comply in all respects with all other applicable laws and regulations. The Contractor shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR registration number(s). The Contractor's current DIR registration number and the

current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.190, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.180 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** *(Check the applicable provision.)*

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

 No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a

vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** *(Check the applicable provision.)*

☒ Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

☐ No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

☐ No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured

against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

7. Acceptability of Insurance. Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

8. Verification of Coverage.

A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

9. Subcontractor Insurance Coverage. Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of City Information.** During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or

communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. Contractor Information.

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption
13. **Term; Suspension; Termination.**
 - A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
 - B. City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of

such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. The City shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

14. **Default by Contractor.** In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

15. **Guarantee and Warranty.** Contractor assumes design responsibility and warrants the articles to be free from design defect and suitable for the purposes intended by City. If it is determined by the City that the Goods and Services do not meet the minimum requirements of this Contract, the Contractor shall correct the same at Contractor's sole expense.

- A. The Contractor agrees that the Goods and Services furnished under this Contract will be covered by the industry standard or better warranty.
- B. Contractor further warrants that the Goods and Services furnished under this Contract will be covered by the most favorable commercial warranties the Contractor gives to any customer for the Goods and Services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City at law or equity, or by any other clause of this Contract.
- C. Any additional warranties provided by law, including the warranty of merchantability and warranty of fitness for a particular purpose will remain in full force and effect and inure to the City's benefit. City reserves all rights and remedies provided by law for breach of any applicable warranty related to the Goods and Services.
- D. City's inspections, approval, acceptance, or payment for all or part of any Goods and

Services will in no way affect City's warranty rights.

16. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

17. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

18. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself,

its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
 - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

27. Debarment Certification

A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:

(1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;

(2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;

(3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or

(4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.

(5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.

B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.

C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.

D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

SCOPE OF WORK

EXHIBIT A

NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

The CITY Representative for this Agreement is:

Monica Duncan, Administrative Analyst
Community Development Department
codetowcontracts@cityofsacramento.org
916-808-8056

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

1. DESCRIPTION OF TERMS

- A. Abandoned Vehicle – Vehicle left upon a highway or upon public or private property per CVC 22523 and towed under authority CVC 22669.
- B. Base Services -Any service or tow which is performed when the vehicle operator or agent is present, and the vehicle is not stored at the direction of an officer.
- C. Chief of Code and Housing Enforcement – For the purpose of this contract, the Chief of Code and Housing Enforcement of the City of Sacramento Community Development Department shall refer to him/her or a designee.
- D. Certificate of Secretary -A document that authorizes someone to sign legal contracts on behalf of a corporation. This Certificate is normally signed by the corporate secretary.
- E. CITY -City of Sacramento Police Department and Community Development Department.
- F. Contractor -The company with which a contract is established to provide the services described in the RFQ.

- G. Load Salvage Operations - Any operation involving the recovery of a load which has been spilled, or the off-loading and reloading of a load from an overturned vehicle performed in order to upright the vehicle. This will usually be limited to operations involving Class B, C, and D tow trucks.
- H. Portal to Portal - Service shall start at the time of departure from the place of business or point of dispatch, whichever is closer to the location of the call, and shall end at the estimated time of return to the place of business or the completion of the call, if another call is pending, whichever is shorter. Return to place of business includes a reasonable and verifiable amount of time required to place the tow truck back into service when unusual circumstances require additional time that are not part of normal operating procedures. Examples:
- 4X4 recovery in the mud: reasonable to charge for cleaning mud from truck and equipment;
 - Reasonable to charge for cleaning burn debris from carrier bed;
 - Car towed leaves mud track on bed of carrier: not reasonable to charge for cleaning of carrier bed.
- For this Contract, "Portal to Portal" shall also mean "Portal to End of Service."
- I. Possession - Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.
- J. Applicant - A firm which proposes to provide towing services as described in the RFQ.
- K. Public Safety Response - A response which results in storage of a vehicle at the direction of an officer. This does not include storage at the request of the vehicle operator, registered owner, or agent.
- L. Response Time - The period of time from a Contractor's notification by the City of Sacramento's designated employee to the arrival of the tow truck at the location requested.
- M. Retail Rate - The customary rate charged by an operator to individual retail customers. This is the competitive rate a company has posted in the office and quotes over the phone.
- N. Operations - Those towing/recovery procedures which require Class C or D tow trucks and/or unique equipment. Examples of unique equipment include, but are not limited to: forklifts, low beds, air bags, special dollies and trailers, fuel pump off systems, helicopters, etc.
- O. Suspension - The temporary removal of a Contractor from both rotation lists for a specific period during the term of the Tow Services Contract. See Non-professional Services Agreement.
- P. Termination - The permanent removal of a Contractor from the rotation lists for the remainder of the term of the Tow Services Contract. See Non-Professional Services Agreement.
- Q. Tow Review Committee - A committee of three (3) people to be appointed by the Chief of Code and Housing Enforcement to hear appeals of discipline imposed pursuant to this contract. The committee shall consist of one member of the Sacramento Community Development Department, one member of the public who is not affiliated with any tow company, and one contractor from the Tow Services Contract who is not in the same tow district as the subject of discipline.

- R. Vehicle Survey – The marking for tow and/or abatement of vehicles from city streets and/or private property in a specific geographical location. Vehicle surveys may be conducted during both regular business hours and/or weekends.
- S. Tow Truck - As defined in Section 615 of the California Vehicle Code, a vehicle which includes slide back carriers and wheel lift vehicles. A "trailer for hire" shall not be approved for listing as a Class A tow truck
- T. Vehicle Recovery Operation - An operation involving the process of up-righting an overturned vehicle or returning a vehicle to a normal position on the roadway which requires the use of auxiliary equipment due to the size or location of the vehicle. This will usually be limited to operations requiring a Class B, C, or D tow truck(s).
- U. Vessel- a ship or large boat- vessel propelled on water by oars, sails, or engine.
- V. Utility Trailer - As defined in Section 667 of the California Vehicle Code, a trailer or semitrailer used solely for the transportation of the user's personal property, not in commerce, or designed and used for transportation of livestock, and does not exceed a gross weight of 10,000 pounds or a manufacturer's gross vehicle weight rating (GVWR) of 10,000 pounds.

2. RATES, CHARGES AND FEES

- A. Towing and Storage Rates - Effective January 1, 2024, the maximum rates charged, and the fee paid to the City in connection with any event pursuant to this Agreement, are as follows:

- 1. For class A and B tows, the Contractor will charge the vehicle owners no more than the rate of \$235.00 per tow, on public safety response calls with a one hour minimum. Charges in excess of one hour will be charged in no more than one (1) minute increments.
- 2. The total fees charged for after-hours release shall be no more than one-half (1/2) the current hourly rate of \$235.00 per hour and shall only be allowed if there is no person on duty at the storage facility for release and a call back is required outside normal business hours.

Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.

- 3. Storage fees for passenger vehicles, vans, and light trucks shall be no more than \$60.00 per day. Operators will store vehicles inside if specifically requested to do so by the Police Department or the owner of the vehicle.
- 4. Fees listed above, plus lien processing fees described in the California Vehicle Code, proposed/actual non-skilled contract labor, special equipment (For class C and D tows only) and rental/skilled labor markup are the only fees allowed. Additive fees for postage, cleanup, lockout, use of dolly, etc. are not authorized.
- 5. For Class C or D operations, the contractor shall submit his/her proposed rates for towing, storage, and special operations. Fees shall be reasonable and consistent with industry standards for similar operations. Charges in excess of one hour shall be

charged in one (1) minute increments. For Class C and D vehicles which are unclaimed or unsold at lien, the contractor may submit an invoice with a copy of the junk slip showing delivery to a salvage yard. In this case, the Department will pay a set fee as bid in the bid proposal that will include the cost of disposal, tow in/out and storage for the applicable class of vehicle. This fee is intended to reimburse the contractor for expenses resulting from dismantlement, special handling, and disposal of the salvaged vehicle. -

1. Fees - The Chief of Code and Housing Enforcement shall determine the reasonableness of the fees for these types of operations, based upon the average of the proposed fees submitted and a comparison to industry standards for similar operations. The formula for determining the reasonableness of rates for special operations consists of averaging the rates submitted by qualified proposers for Class C, and Class D. Fifteen percent (15%) will be added to the average of each of the rates. Rates submitted that exceed the one-hundred and fifteen percent value (115%), in any of the tests, will be considered to be excessive or unreasonable, and the proposal for those rates will be rejected. Those offerors whose pricing is determined to be "unreasonable" in accordance with the above-listed procedure, shall be offered the opportunity to submit "Best and Final" pricing. Proposers will be allowed once to resubmit disapproved rates for special operations. Disallowed rates submitted for special operations shall not disqualify the contractor from conducting Class A towing/storage for the City.
 2. Mark Up Rate - The Contractor shall submit a markup rate (percentage of the cost to the operator) for retail equipment and specialized labor not otherwise listed on the application. If the contractor performs a service for which the required rate was not submitted to, and approved by the City, the contractor shall only be entitled to charge for the actual cost of that service. Example: contract labor rate not submitted; the contractor may only charge for the actual rate paid for the labor.
 3. Schedule of Rates - The approved schedule of rates charged by the Contractor shall be available in the tow truck and carried by all drivers at all times and shall be presented upon request to the person(s) for whom the tow services were provided, or his or her agent, any Sacramento Police Officer or Code Enforcement Officer, and any citizen within Sacramento. An adequate supply of these copies will be maintained at all times. These handouts will be the same as those listed in Scope of Work, Section 4(H).
 4. Rate Requirements - Represent the maximum a contractor may charge on a City call. A contractor is not precluded from charging less when deemed appropriate by the contractor. These requirements shall not be construed as requiring a charge when a contractor would not normally charge for such a service. No contractor, or his/her employee or agent, shall refer to any rate as the minimum required by the City.
 5. Rotation Tow Lists - Nothing shall prohibit a class B, C, or D operator from maintaining a place on a lighter class rotation tow list, provided the tow truck meets the equipment specifications for that class of operation.
- B. Storage - Storage shall commence at the time the vehicle arrives at the storage facility. Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.
- C. Contractor Billing and Rates - The contractor shall bill the registered owner of the vehicle towed by the contractor in accordance with the Tow Services Contract. No vehicle towing or storage charges shall be charged until the vehicle is hooked up to the tow truck AND in transit.

3. SPECIAL OPERATIONS

- A. Evidence Impound Tow – The CITY has only one (1) Contractor for evidence-impound tows and no other rotation tow Contractor should maintain custody over vehicles that constitute evidence, at any time. If an officer impounds a vehicle for evidence and a rotational tow is dispatched, it is the responsibility of the Contractor to ensure compliance with section 22655.5 of the California Vehicle code.

If it is determined that a vehicle is to be retrieved for any evidence purpose, the evidence impound tow company will respond immediately to pick up the vehicle, 24 hours a day/7 day a week, from any rotation tow company covered by this agreement.

Nothing shall prohibit the original tow company from allowing the immediate pick-up of any vehicle that has been changed to evidence impound. All associated tow fees incurred at the original tow company will remain with that company. The evidence impound tow company shall not be responsible for advance payment of any fees to the original rotation tow company.

Once the evidence impound is concluded, the vehicle shall be released to the original tow company and their fees resume from that date forward. It is the originating tow companies' discretion to accept delivery of the vehicle after the evidence impound is concluded. If delivery is declined, all tow fees associated with the original tow are forfeited and the vehicle remains with the evidence impound tow company.

- B. Vehicle Survey– The Sacramento Community Development Department will notify the contractor of the date the Vehicle Survey will be held. The contractor will be notified of the date and time frame of such activity via email or by telephone.

4. FACILITY REQUIREMENTS

Primary Business Office and Storage Yard Locations - The contractor must maintain its primary storage yard within 20-mile radius of Sacramento City Limits. Nothing in this section will prohibit a contractor from operating a secondary storage facility approved by Community Development Department outside of the 20-mile radius of Sacramento city limits providing the contractor provides transportation, at no cost, to any secondary facilities for vehicle releases. Vehicles are to be towed to a primary location. Only overflow vehicles which are unlikely to be claimed by their owners are to be towed to a secondary location. As space opens up at the primary yard, all vehicles that are likely to be released will be moved to that location from any secondary storage yards, priority will be given to all theft recovery vehicles. The contractor may not impose any additional fees or charges for storage at a secondary location.

- (1) Code Compliance - In addition to the provisions herein, the primary location shall comply with all Sacramento City Codes - Title 17.228.107 Towing Service/Vehicle Storage Yard and Title 17.612.020 Paving Requirements.

Compliance must be shown through completion and passing of an onsite inspection arranged through Sacramento City Code Enforcement. Primary storage yards and secondary facilities located outside of CITY limits shall meet the same standards as those subject to the City of Sacramento Code and possess' permits, licenses and certificates as required by the municipality where the facility is located. Any secondary storage yards must be inspected and on file with the Tow Administrator.

- (2) Address Change Notification - The contractor must notify the City of any change in his/her primary or secondary storage location or business office at least thirty (30) days in advance of the actual change in location. If the contractor fails to provide proper written notice, he or she will be suspended from the Tow Services Contract until the new location is approved by the Community Development Department. All new locations are subject to all facility requirements contained in this contract. Facility inspections may be conducted at any time for contract compliance.
- (3) Proof of Occupancy - The contractor shall provide the City with a copy of any lease, including any modifications or extensions, for contractor's primary and secondary storage locations(s) or business office(s), if applicable. In the event the property is owned outright, provide a copy of the most recent property tax bill. If the Contractor fails to provide a copy of any lease, modification, or extension, then he/she will be suspended from the Tow Services Contract until a copy is received by the City.

B. Physical Characteristics - The primary office shall be large enough to accommodate necessary personnel and administrative records. Contractor shall provide a public, permanent restroom facility, either unisex or separate, and a public indoor or covered outdoor waiting area to seat at least four (4) people. Restroom facilities shall be maintained in a functional, clean, and orderly fashion.

C. Public Safety - All adequate measures shall be taken to protect the safety of the public.

D. Access - The public shall have direct, unabated access to the inside of the office waiting area.

E. Capacity - The capacity of the primary location storage must total not less than thirty (25) accessible parking spaces for use in connection with this contract, measuring a minimum of eighteen (18) feet by ten (10) feet for each space, as described in City Code 18.08.050 (4,500 total square feet of storage).

F. Business Hours - Normal business hours shall not be less than 8:00 a.m. to 5:00 p.m., Monday through Friday, except for the following City recognized holidays: New Year's Day, Martin Luther

King, Jr. Day, George Washington's Birthday, Cesar Chavez's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, day after Thanksgiving, and Christmas Day.

G. Signage - Contractor must meet the following signage requirements at all times

(1) The contractor shall display in plain view at all cashier stations, a sign as described in Section 3070 of the Civil Code:

- a. Disclosing all towing and storage fees and other charges in force.
- b. Disclosing the following information: "Any person being charged for a Lien Processing Fee is entitled to copies of the supporting documentation showing the lien processing completed as of that date."

(2) An operator's place of business shall have a sign that clearly identifies it to the public as a towing service. The sign shall have letters that are clearly visible to the public from the street. The size of the lettering shall be comparable to the sign and lettering of neighboring businesses. The sign shall be visible at night.

(3) The Contractor shall display in plain view and have available for handout upon request to any owner or operator of a towed or stored vehicle the Vehicle Owner Rights under VC Section 22651.07 Towing Fees and Access Notice

H. Signage Handouts - Contractor shall have an adequate supply at all times of all required postings in English on 8.5" x 11" sheets of paper that is readily available to the public. These handouts will contain:

- (1) The contractor's name, address and contact phone number on the top or a listing of all tow rotation companies on the backside with full contact information, and;
- (2) All required postings of rates, fees, business hours and lien processes as stated in Scope of Work, Sections 4(F) and 4(G). This supply of handouts shall be placed out and available for the public to take with them at any time.

I. Office/Storage Requirements Not Met - Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.

5. CONTRACTOR'S PERFORMANCE

A. The Contractor shall comply with all Federal, State and local laws applicable to towing, storage and disposition of vehicles.

B. Assignment to a Tow District – For class B, C, and D (heavy duty) tows- the assignment will be Citywide.

Depending upon the City's needs, it is possible that heavy duty tow districts will be assigned by north and south regions for Code Enforcement.

During the term of the Heavy-Duty Tow Services Contract, the CITY shall continually evaluate the number of Contractors assigned to and the number of calls emanating from each district. The CITY may reassign any Contractor(s) to another

district if the CITY determines that the reassignment is in the best interest of the CITY.

- North – District #1: Area north of US-50, west of Capital City Fwy/I-80 Bus E and north of the north bank of the American River.
- South – District #2: Area south of US-50, east of Capital City Fwy/I-80 Bus E and south of the south bank of the American River.

(1) The Contractor may be assigned, by the Code and Housing Enforcement Chief, to one (1) tow district only, depending on the number of qualified applicants received, and shall provide tow service within that district on a 24-hour, 7-days-per-week basis.

(2) Two tow rotation lists will be maintained, one by the Code Enforcement Department, and one by Sacramento Police Department. Inclusion in the tow rotation lists mandates that the Contractor shall meet all requirements set forth in the Scope of Work, Section 5. Contractors are prohibited from maintaining multiple 'spots or turns' on the same tow rotation list.

C. Response Time - The Contractor shall respond to all requests for service from the City of Sacramento within thirty (30) minutes from the time it receives the call from the Police or Code Enforcement Dispatcher. During peak hours between 0630-0930 hrs and 1530-1830 hrs, the Contractor shall respond to all Class C & D requests for service from City of Sacramento within 45 minutes.

In the event the Contractor fails to furnish a tow unit within the specified time period, the City of Sacramento may cancel the tow request and request a tow unit from another Contractor. When the tow is canceled, the Contractor shall forfeit his/her turn in that rotation. If the Contractor does not answer a call from the City of Sacramento for dispatch to a tow, the Contractor shall forfeit his/her turn in that rotation.

D. Inability to Dispatch Tow - If the Contractor is unable to dispatch a tow unit immediately upon receiving a call for service, the Contractor shall immediately inform the City of Sacramento, and the Contractor shall forfeit that turn of the rotation.

E. Passing on Vehicles - The Contractor shall tow and store all vehicles which the City of Sacramento requests that the Contractor remove from any location, private or public, provided the Contractor has the necessary equipment and the vehicle can be safely transported.

F. Safekeeping of Vehicles and Personal Property - The Contractor shall be responsible for the security of vehicles and property at the place of storage. As a minimum, a fenced or enclosed area shall be provided. The Contractor is responsible for the reasonable care, custody, and control of any property contained in towed or stored vehicles and shall take any and all precautions necessary with the safekeeping of all items associated with each tow.

Personal effects in the vehicle at the time of the tow shall be immediately released to the registered owner or authorized agent during normal business hours when he/she presents proper identification.

Contractor shall take any and all precautions necessary to maintain all towed vehicles in 'like' condition as they were received.

G. Subcontracting -The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with Community Development

Department or Police Department.

- H. Towing of Assigned Vehicle - The Contractor shall not tow a vehicle which has been assigned to another Contractor by the City of Sacramento, except as expressly requested by an Officer, a City Dispatcher, or the Tow Hearing Officer. Responding to a call and towing or attempting to tow a vehicle to which the Contractor was not assigned shall result in up to a thirty (30) day suspension from both tow rotation lists on first offense and termination on second offense within any twelve (12) continuous months.
- I. Accident Assistance - The Contractor shall tow any vehicle or vehicles which have been assigned to another Contractor to the closest safe distance from the accident as directed by a Sacramento Police Department officer and shall not charge either the owner of the vehicle or vehicles or City for this service. The originally assigned Contractor will then assume the responsibility of towing the vehicle upon arrival at the scene.
- J. Vehicle Inspection Assistance - The Contractor shall provide assistance, including, but not limited to, moving, or lifting towed vehicles, without additional charges. Theft recovery vehicles are to be stored in a secure facility and be easily accessible until cleared by the Auto Theft detail.
- K. Inspection of Towed Vehicle VIN and License Plates - **Contractor shall inspect every tow on-scene prior to hooking up or within twenty-four (24) hours of each tow dispatch call to verify that the license plates and VIN (Vehicle Identification Number) on every vehicle or trailer matches the information documented by the Officer on the SPD-188 form.** If any variation or discrepancy exists, the Contractor will immediately notify the Officer on-scene, Police Department Dispatch, or the Community Development Department.
- L. Holds Placed on Towed Vehicles - Contractor shall release any vehicle where a proper Sacramento Police Department release has been obtained or where directed by the California Vehicle Code.

If a 'verbal' advisement from the towing Officer is given to 'hold' the car and no valid tow authority authorizes this 'verbal hold', the contractor shall immediately release such vehicle once a proper release is obtained from the Sacramento Police Department, or Sacramento Community Development Department or as directed by the California Vehicle Code. Failure to meet the above requirements shall result in up to a thirty (30) day suspension from both tow rotation lists and full financial responsibility for the tow and all storage fees for each violation.

- M. Vehicle Release - Prior to releasing a vehicle to the registered owner or his/her agent, a release must be obtained from the Sacramento Police Department for vehicles towed and/or stored pursuant to the following California Vehicle Code sections:

- 10751 Altered or Removed Vehicle Identification Number
- 14602.6 Revoked/Suspended License
- 14602.8(a) DUI Impound
- 14602.8(b) DUI Impound
- 22523(a) Abandoned on Highway
- 22523(b) Abandoned on Private Property
- 22669 (a) Parked-abandoned on street, highway, or public property.
- 22651(a) Vehicle Left Standing on Bridge
- 22651 (b) Vehicle Left standing on a Highway
- 22651(d) Blocking Driveway

- 22651 (e) Blocking Fire Hydrant
- 22651 (f) Vehicle Left on a Highway
- 22651(h)(1) Driver Arrested
- 22651(h)(2) Notice of Suspension Issued
- 22651 (i) Five or More Parking Citations
- 226510) No License Plates
- 22651 (k) Parked in Excess of 72 Hours
- 22651(l) Vehicle in Violation of Local Ordinances re: Construction
- 22651(m) Vehicle in Violation of Local Ordinances Permitting Removal
- 22651 (n) No Parking - Tow-Away Zones
- 22651(o) Registration Expired 6 Months
- 22651(p) Unlicensed Driver
- 22651(q) Vehicle Parked on Highway in Common Interest development where posted
- 22651 (r) Illegally Parked - Blocking Movement
- 22651.5 Removal of Vehicles with Activated Audible Alarms
- 22653(a) Removal from Private Property (stolen)
- 22653(b) Removal from Private Property - Left at scene of accident
- 22653(c) Driver Arrested - Private Property
- 22660 Removal from private property (by ordinance)
- 22655 Hit-and-Run or Pursuit/Evading
- 22655.3 Removal of Vehicle Evading the Police
- 22655.5 Removal of Vehicle Involved in a Public Offense
- 22656 Removal of Vehicle from a Railroad Right-of-Way
- 22669(d) Parked - Major Components Missing
- 23109.2 Seizure of Vehicle Used in Speed Contest

Failure to meet the above requirements shall result in up to a thirty (30) day suspension from the tow rotation and full financial responsibility for the tow and all storage fees for each violation.

- N. Lien Sales - Shall be the sole responsibility of the Contractor, and all such sales shall be conducted in accordance with applicable state law.

6. ABANDONED VEHICLES

- A. Abandoned Vehicles - Vehicles towed under California Vehicle Code 22669 shall occur during regular business hours (Monday-Friday 0700-1700 hours), unless the vehicle in question poses a hazard.

7. CONTRACTOR'S RECORDS

- A. Contractor's Records - The Contractor shall maintain records of tow services furnished for all public agencies as well as all private persons or entities while participating in the Tow Services Contract, including those described below, at a minimum. Such records shall be retained for a period of three (3) years and shall be open to inspection during business hours immediately upon request by representatives of the CITY. Failure to make records, including

insurance policies and complete financial and payroll data, available immediately upon request shall be grounds for immediate suspension or termination of the Tow Services Contract. At a minimum, records shall contain:

(1) Tow Services - The Contractor shall record the following information for every tow:

- Original or copy of the SPD-188 tow form.
- Name, address, and phone number of person, if available, whose vehicle was towed.
- VIN and license number, make, year, and model of each vehicle towed.
- Location from which the vehicle was towed.
- Name or employee number of driver assigned to said tow.
- Location to which vehicle was towed (if different from Contractor's primary storage facility.) and any and all subsequent location transfers or moves including dates and time of those moves.
- Reason for tow, whether impound, accident, stolen recovery, abandoned, etc., if available.
- Name of party to whom the vehicle was released.
- Method and date of payment.
- All fees and charges for said tow, showing specifically towing, storage, lien fees, etc.
- Any items of personal property released from any vehicle, including the date, time, and name of person receiving the items.
- Disposition of towed vehicles that are unclaimed.
- All proceeds from the sale of towed vehicles that are unclaimed.
- All documentation of purported claims relating to damage, theft, vandalism, other acts of negligence or damage from natural disasters related to each involved vehicle, trailer or conveyance.
 - Date and Time (by means of a computer or time stamp)
 - Date and time the request for tow is received.
 - Date and time a tow unit departs the tow facility (or residence of driver if after business hours).
 - Date and time the tow unit arrives at the Contractor's storage facility.
 - Date and time any contents are released.
 - Date and time of release of the vehicle.

(2) Lien Sale Data - The Contractor shall record the following information for every tow:

- Date the lien processing begins.
- Date the notice of lien sale is mailed.
- Date and time of lien sale.
- Location of lien sale.
- Identification of purchaser.
- Monies received as a result of the lien sale.
- Amount of excess monies forwarded to the state.

(3) Personnel Records - All employees, drivers, both current and former shall have a secured personnel file at the primary business office that shall contain at a minimum, records related to their employment, training, benefits status, discipline, FMLA and leave requests, vacation requests and sick time records. Any additional personnel

documentation needed to comply with this contract shall also be contained within these records.

- A. DOJ Report Request - The Contractor shall comply with the California Vehicle Code in the immediate reporting of the removal and storage of any vehicles towed at the request of the CITY. Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with a copy of all reports which the Contractor is required to furnish the Department of Justice pursuant to the Vehicle Code.
- B. Vehicle Status Report - Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with all reports showing the status of all vehicles towed by the Code Enforcement Division. The report shall provide descriptions and identification of the vehicles, location of the vehicles, date of impounds, accrued charges, and date of release from impound.
- C. Property Receipts - The Contractor shall furnish a receipt to the vehicle owner for any property removed from any vehicle towed or stored. A copy of the receipt shall be placed in the vehicle involved, and the original receipt maintained with the Contractor's records.

8. TRUCK DRIVERS AND EQUIPMENT SPECIFICATIONS

- A. Truck/Driver Availability - The Contractor must have in operation at all times a sufficient number of qualified drivers and at least two (2) Class A tow vehicles with a minimum of 10,000 GVWR meeting the tow truck specifications and having the equipment specified for a Class A tow truck, as set forth in Attachment E. This requirement can be met with either two (2) recovery/wheel lift trucks, or one (1) each recovery/wheel lift truck and one (1) flatbed carrier truck. The Contractor shall maintain and provide a current list of all Sacramento City qualified tow vehicles.
- B. Tow Vehicle Permit - The Contractor shall use only tow vehicles that have been inspected by the City of Sacramento and have received a valid and current Tow Vehicle Permit. Additionally, each tow vehicle shall be certified by a state-licensed inspection facility or have received a certificate issued by the California Highway Patrol when responding to tow requests pursuant to this Tow Services Contract.
- C. CHP Requirements - Each tow vehicle used for services under the Tow Services Contract shall comply with the provisions of the California Vehicle Code. Each tow truck will be equipped as provided in Attachment E, CHP Tow Truck inspection Guide – CHP 234B, at all times and must have the Contractor's company name clearly painted or in decal form on both sides of the tow truck. Each tow vehicle must pass an annual CHP vehicle inspection. See Attachment D, CHP Safety Net Driver/Vehicle Inspection Report – CHP 407F.
- D. Tow Truck Driver - The Contractor shall ensure that tow truck drivers responding to calls initiated by Community Development and Sacramento PD are qualified and competent employees of his/her company. The Contractor shall ensure that the tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of the various types of vehicles serviced through the tow rotation. Tow truck drivers shall be at least 18 years of age, hold a current and valid Sacramento City Tow Driver Permit and possess the following minimum class driver's license. CHP Certification is required.
 - Class A Tow Truck – A valid Class C license, or a valid Class A license with valid medical certificate on file.

- Class B Tow Truck – A valid Class C license for non-regulated vehicles, or a valid Class A license with valid medical certificate, on file, for regulated vehicles pursuant to Section 34500 CVC.
 - Class C Tow Truck – A valid Class A license with valid medical certificate.
 - Class D Tow Truck – A valid Class A license with valid medical certificate.
 - The Class A (1) license must be endorsed to allow operation of special vehicle configurations and/or special cargos.
- E. Current List of Drivers - The Contractor shall maintain and provide a current list of his/her drivers to the Community Development Department upon implementation of this contract. The Contractor shall notify the Community Development Department upon any change in driver status, including the addition of any new driver(s), or the deletion of any driver(s). An updated list shall be provided to the Community Development Department within (7) seven calendar days of any change in driver status. Contractors, shall at a minimum, maintain the following information for each driver:
- Full Name
 - Date of Birth
 - California driver's license number with expiration date
 - Copy of valid medical certificate
 - Tow drivers permit number with expiration date
 - Job title/description
 - Current home address
 - Current home phone number
 - Type(s) of truck(s) driver has been trained and instructed to operate.
- F. Equipment Changes - The Contractor shall in writing or through electronic mail, immediately notify the Sacramento Community Development Department Tow Administration Office of any changes in or additions to tow trucks and other equipment, including deletions of trucks and equipment.
- G. Employer Pull Notice Program – Pursuant to California Vehicle Code Section 1808.1, all tow truck drivers and contractors shall be enrolled in the Department of Motor Vehicles (DMV) Employer Pull Notice Program. Upon the addition of new drivers, the Contractor will be granted a maximum of 30 days to enroll drivers in the Pull Notice Program. Pull Notices shall be kept on file, signed, and dated by the Contractor. The CITY may require the Contractor to provide copies of Pull Notice Reports. All drivers will maintain a valid City of Sacramento Tow Vehicle Driver Permit.

The Department of Motor Vehicles Employer Pull Notice Program can be viewed at:
<https://www.dmv.ca.gov/portal/vehicle-industry-services/motor-carrier-services-mcs/employer-pull-notice-epn-program/>

9. PROFESSIONAL DEMEANOR AND CONDUCT

- A. Professional Demeanor and Conduct - At all times while participating in the Tow Services Contract, Contractor and Contractor's tow truck drivers and all other employees shall conduct themselves in a courteous, honest and professional manner in all their dealings with the public and the CITY, its employees, and agents. The CITY may at any time conduct random customer service inquiries with citizens whose vehicles have been towed by any CITY Contractor. Negative responses shall result in further follow-up by the Tow Hearing Officer and possible administrative action against the offending Contractor.

As a tow operator for the City of Sacramento you will abide by the California Tow Truck Association Code of Ethics.

- To show my faith in the worthiness of my profession by upholding high standards, honor, and a high degree of integrity.
- To provide the general public with the best possible service and to promote a sense of personal obligation to each individual.
- To comply with all federal, state, county, CITY laws and regulations.
- To aid my fellow industry man in time of need and not to do anything which may conceivably injure the reputation of my competitors.
- To seek success and to demand fair remuneration that is justly due but accept no profit at the price of my own self-respect lost because of unfair advantage taken or questionable acts on my part.
- To provide the public with adequate equipment, which is kept as clean and neat as possible, and to train my drivers to be polite and courteous during public contact.
- To employ truth and accuracy in advertising and soliciting and to honor any commitments made in the course of business.

B. Misconduct - The Contractor and its employees shall refrain from any acts of misconduct, including but not limited to any of the following:

- (1) Rude or discourteous behavior directed towards City of Sacramento personnel or citizens for whom service is provided. "Rude or discourteous behavior" shall mean any act that would insult, aggravate, disturb or frustrate a person of reasonable sensibilities, which act(s) shall include, but is not limited to, using profanity or inappropriate language, manifesting an uncooperative and/or angry demeanor, performing acts of vandalism, failing to respond to questions in a courteous and professional manner, intentionally misrepresenting rates or tow procedures or attempting to manipulate rates or tow procedures to the detriment of citizens or the City of Sacramento. A violation of this subsection shall result in up to a thirty (30) day suspension from the tow list on the first and second offense and termination of this contract on the third offense within a continuous twelve (12) month period. For the purpose of this Tow Contract a member of the public shall include any private or business party outside of the City of Sacramento, whether individual or as part of a group. See Scope of Work, Section 9.
- (2) Any act of sexual harassment or sexual impropriety.
- (3) Unsafe driving practices.
- (4) Any objective symptoms of alcohol and/or drug use/abuse while performing any related tow service for the City of Sacramento. See Attachment F – Drug Free Workplace.
- (5) Sub-standard service, customer service, selective service, or refusal to provide service which the tow company is capable of performing.

10. ADMINISTRATIVE MATTERS

- A. Transfer of Business - The Contractor will notify the Chief of Code and Housing Enforcement immediately upon transfer of ownership of all or part of the company in writing. The Tow Services Contract is not transferable to the new owner. The new owner must apply to and be approved by the Sacramento Community Development Department for participation in the Tow Services Contract.
- B. Optional Semi-Annual Contract Review - The purpose of this section is to provide a process

for an optional semi-annual review of the terms and conditions of the Contract by the Chief of Code and Housing Enforcement and an organization representing a majority of the Contractors in the City of Sacramento in the event that legitimate and substantial changes occur in conditions or law affecting the majority of the Contractors in the City of Sacramento. Examples of such conditions may include, but are not limited to, substantial increases/decreases in business expenses, changes in the law affecting the Department or the operators, or recommended changes in the terms and conditions of the rotational Tow Contract as a result of service delivery experience in the City of Sacramento.

A request for a semi-annual review of the terms and conditions of the Contract shall be communicated to the Tow Program Administration Office of the Sacramento Community Development Department in writing by a majority of the Contractors under this Contract, and not merely at the request of a single Contractor. The Chief of Police may also request a semi-annual review if he/she feels it is in the best interests of the citizens of the motoring public, the Sacramento tow industry, and/or the Department.

- C. Period of Performance - The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term.
- D. Option Period - It is the City of Sacramento's sole discretion to exercise an option period. Option periods will be exercised upon successful completion of the contract in accordance with its Non-Professional Services Agreement, Scope of Work, and its contract clauses and provisions.
- D. Termination - This Tow Services Contract may be terminated at any time by either party with or without cause. Although the CITY may elect to impose discipline for violations of the Contract which are less severe than termination or may grant an appeal to discipline imposed, the Contract may be terminated without cause. The Contractor agrees that the disciplinary procedures and options contained herein do not affect the CITY's ability to terminate the Contract at the discretion of the Community Development Department without cause. Nothing in the Contract shall be construed to create any property rights, interests or licenses held by the Contractor.

11. CONTRACT VIOLATIONS AND/OR COMPLAINTS

When the Contractor or his or her employees have violated any of the terms of the Contract or any law upon completion of any investigation pursuant to this section, the Community Development Department shall inform the Contractor, in writing, of any disciplinary action to be taken.

Unless otherwise noted herein, violations may result in any of the following actions:

- First violation – written warning notice
- Second Violation – fifteen (15) day suspension
- Third Violation – termination of contract

- A. In addition to the violations/disciplinary actions detailed above, following are further violations:

- (1) Within any calendar month, failure to respond to a minimum of 95% of requests for tow service within the time set forth in Section 5(C), Contractor's Performance, refusing/failing to tow any qualifying vehicle assigned, or passing on/unavailability to respond will constitute a violation. Tow request completions will be reviewed quarterly.

- (2) Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation list on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.
 - (3) Subcontracting for any tow service or violating the financial interest section of the RFQ, shall result in immediate termination of this Tow Services Contract.
 - (4) Contractor's failure to satisfy a court order/judgment mandating reimbursement to a vehicle or property owner for the damage or loss which occurred while the vehicle was in the Contractor's custody will result in a suspension from tow rotation list. The suspension will remain in effect until the Contractor has presented proof of the reimbursement to the Police Department.
- B. If it is determined that a Contractor is to be served with a notice of termination from the Tow Services Contract, the Tow Administrator will provide written notification detailing the offense(s).

The Contractor may request an appeal hearing within seven (7) calendar days by submitting a request in writing to the Community Development Department. Nothing set forth in this paragraph shall permit the Contractor to appeal any termination of the Tow Services Contract effected by the Community Development Department. Failure of the Contractor to request an appeal of the decision of the Community Development Department within the seven (7) days required pursuant to this section shall constitute a waiver of the Contractor's right to an administrative appeal of the decision. If a hearing is requested, it shall be held as soon as practicable while still allowing the Contractor a meaningful time period to prepare a defense. The hearing shall be conducted by the Tow Review Committee. The hearing shall be informal, and the rules of evidence shall not apply. The Contractor shall be entitled to present all relevant facts to the Tow Review Committee in support of his/her position. The Contractor shall be notified in writing of the decision by the Tow Review Committee within ten (10) calendar days of the date of the hearing. The decision of the Tow Review Committee is final and binding and shall be subject to no further administrative appeal.

In the event the CITY serves a Contractor with Notice of Termination from the Tow Services Contract, and the Contractor seeks an appeal hearing, the disciplinary action will be delayed pending the administrative appeal process. In the event CDD elects to modify the discipline imposed on the Contractor, the Contractor agrees he or she shall not be entitled to recover any costs, compensation, damages, losses, and/or expenses of any type or description from or file a claim against the CITY, its officers, employees, and appointees, including but not limited to members of the Tow Review Committee, arising out of or related to, in any manner, a complaint filed against, or discipline imposed upon the Contractor.

12. INSURANCE REQUIREMENTS

The failure to maintain adequate insurance coverage for any reason at any time shall result in immediate suspension from the Tow Services Contract and the tow rotation list until proof of insurance is received by the CITY.

Insurance Requirements - During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in Section 12. Full compensation for all premiums that the Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums.

It is understood and agreed by the Contractor that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy. A Garage Liability policy with limits of \$1,000,000 may be substituted for the commercial general liability policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.
- (3) Garage Keepers Liability- Policy in the amount of at least \$250,000.
- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers' Compensation waiver of subrogation in favor of the CITY is not required for all work performed by the Contractor.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of Contractor, and premises owned, leased or used by Contractor. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 12 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) The Contractor shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in the Administrative Information Section, 1(G). Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to Contractor and/or cancel the Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with the Sacramento Community Development Department.

In the case of an exception, Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

Heavy Duty Tow Pricing Schedule

***In your pricing, please include Storage, tow in/tow out and Disposal fee combined.**

***Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.**

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	\$1784.25
Boats on trailer	\$1884.25
Utility Trailer	\$995.00
Travel Trailers:	
10 ft (or lower) - 20 ft	\$1984.25
21ft-30 ft	\$2384.25
31 ft-40 ft (or above)	\$2584.25
Motorhomes:	
10 ft (or lower) - 20ft	\$2184.25
21ft-30 ft	\$2584.25
31 ft-40 ft (or above)	\$2784.25
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	\$330.00 Per Hr
Class C Storage	\$70.00 Per Day
Class D	\$400.00 Per Hr
Class D Storage	\$70.00 Per Day



CERTIFICATE OF LIABILITY INSURANCE

3/1/2025

DATE (MM/DD/YYYY)

3/5/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	CONTACT NAME: Carrie Nelson	
	PHONE (A/C, No, Ext): E-MAIL ADDRESS: cnelson@lockton.com FAX (A/C, No):	
INSURED 1538790 COLLEGE OAK ROAD SOLUTIONS, LLC DBA COLLEGE OAK TOWING 4125 WINTER STREET SACRAMENTO CA 95838	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Vanliner Insurance Company	21172
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** 20347093 **REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX DAMAGE TO RENTED PREMISES (Ea occurrence) \$ XXXXXXXX MED EXP (Any one person) \$ XXXXXXXX PERSONAL & ADV INJURY \$ XXXXXXXX GENERAL AGGREGATE \$ XXXXXXXX PRODUCTS - COMP/OP AGG \$ XXXXXXXX \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			NOT APPLICABLE			COMBINED SINGLE LIMIT (Ea accident) \$ XXXXXXXX BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTIONS <input type="checkbox"/>			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	FRW 4420001-00	3/1/2024	3/1/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

WAIVER OF SUBROGATION APPLIES WHEN REQUIRED BY WRITTEN CONTRACT AND WHERE ALLOWED BY LAW, SUBJECT TO POLICY TERMS AND CONDITIONS.

CERTIFICATE HOLDER

20347093
CITY OF SACRAMENTO
C/O EXIGIS LLC
PO BOX 4668 - ECM#35050
NEW YORK NY 10163

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M. Amello

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER G.L. Anderson Ins Svcs Inc an affiliate of Professional Ins Assoc 193 Blue Ravine Rd, Suite 210 Folsom CA 95630	CONTACT NAME: PHONE (A/C, No, Ext): 916-353-5130 FAX (A/C, No): E-MAIL ADDRESS: certificates@glandersonins.com
INSURED College Oak Road Solutions, LLC dba College Oak Towing; FirstLine Road Solutions, LLC Firstline Equipment Rental, LLC 4125 Winters Street	INSURER(S) AFFORDING COVERAGE INSURER A: Houston Specialty Ins. Co. INSURER B: Imperium Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** 2059998579 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ECAP6-HS-GL-000321-01	4/1/2024	4/1/2025	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 Garage Liability \$ Included
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			ECAP6-IIC-CA-000321-01	4/1/2024	4/1/2025	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ UM/UIM \$30,000
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTIONS \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Garagekeepers			ECAP6-IIC-CA-000321-01	4/1/2024	4/1/2025	Location Limit 600,000
B	Motor Cargo/On Hook			ECAP6-IIC-CA-000321-01	4/1/2024	4/1/2025	Per Truck Limit 600,000/5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Garage Liability included in General Liability Limits
Evidence of workers' compensation insurance. Waiver of subrogation applies per attached endorsement.

*10 day notice of cancellation for non-payment of premium

CERTIFICATE HOLDER

City of Sacramento c/o EBIX RCS 151 North Lyon Street Hemet CA 92543	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Kelly Anderson</i>
-------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

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SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: *Douglas E. Nelson*

Title: Vice President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: *Maxwell Nelson*
Maxwell Nelson (Jun 18, 2024 11:58 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: *Monica Duncan*
Monica Duncan (Jun 18, 2024 12:48 PDT)

Title: Administrative Analyst

Approved By:

Signature: *Michael A. Jasso*
Michael Jasso (Jun 19, 2024 08:36 PDT)

Title: Assistant City Manager

Additional Signature (if required): *Thomas S. Pace*

Title: Director of Community Development

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 10/23/2024
Supplemental Contract No.: 1

The City of Sacramento ("City") and College Oak Road Solutions DBA College Oak Towing ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002875, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

No change in the Scope of Services.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased/decreased** by \$150,000, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$249,999</u>
Increase/decrease by this supplemental contract:	<u>\$150,000</u>
New not-to exceed amount including all supplemental contracts:	<u>\$399,999</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: *Douglas E. Nelson*

Title: Vice President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO


A Municipal Corporation

APPROVED AS TO FORM:

Signature: 
Maxwell Nelson (Oct 30, 2024 15:20 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: 
Monica Duncan (Dec 10, 2024 15:30 PST)

Title: Administrative Analyst

Approved By:

Signature: *Thomas S. Pace*

Title: Director of Community Development

Additional Signature (if required): *Thomas S. Pace*

Title: Director of Community Development

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 03/12/2025
Supplemental Contract No.: 2

The City of Sacramento ("City") and College Oak Road Solutions DBA College Oak Towing ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002875, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

No change in the Scope of Services.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased** by \$150,001, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$150,000</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$399,999</u>
Increase by this supplemental contract:	<u>\$150,001</u>
New not-to exceed amount including all supplemental contracts:	<u>\$550,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: *Douglas E. Nelson*

Title: Vice President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: *Maxwell G. Nelson*
Maxwell Nelson (Apr 1, 2025 10:22 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: *Monica Duncan*
Monica Duncan (Apr 22, 2025 15:51 PDT)

Title: Administrative Analyst

Approved By:

Signature: *Michael A. Jasso*
Michael Jasso (May 1, 2025 11:12 PDT)

Title: Assistant City Manager

Additional Signature (if required): *Thomas S. Pace*

Title: Director of Community Development

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 06/11/2025
Supplemental Contract No.: 3

The City of Sacramento ("City") and College Oak Road Solutions DBA College Oak Towing ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002875, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

No change in the Scope of Services.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased by \$55,000**, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$300,001</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$550,000</u>
Increase by this supplemental contract:	<u>\$55,000</u>
New not-to exceed amount including all supplemental contracts:	<u>\$605,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature:

Title:

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature:

Title:

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title:

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 06/11/2025
Supplemental Contract No.: 4

The City of Sacramento ("City") and College Oak Road Solutions DBA College Oak Towing ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002875, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

No change in the Scope of Services. The Community Development Department shall extend the time of performance by one additional year. The new contract expiration date is 6/30/2026. In addition, Attachment 1 Exhibit B of the original contract has been updated with the attached Pricing Schedule to be effective July 1, 2025.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased by \$250,000**, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$355,001</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$605,000</u>
Increase by this supplemental contract:	<u>\$250,000</u>
New not-to exceed amount including all supplemental contracts:	<u>\$855,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

Heavy Duty Tow Pricing Schedule

***In your pricing, please include Storage,tow in/tow out and Disposal fee combined.**

***Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.**

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	1784.25
Boats on trailer	1984.25
Utility Trailer	1095.00
Travel Trailers:	
10 ft (or lower) - 20 ft	2184.25
20ft-30 ft	2484.25
31 ft-40 ft (or above)	2684.25
Motorhomes:	
10 ft (or lower) - 20 ft	2284.25
20ft-30 ft	2684.25
31 ft-40 ft (or above)	2884.25
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	330.00
Class C Storage	70.00
Class D	400.00
Class D Storage	70.00

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature:

Title:

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature:

Title:

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title:

CONTRACT #: PRC002876
CONTRACT NAME: Heavy Duty Towing Services
CONTRACT PROJECT #:
DEPARTMENT: Community Development and PD
DIVISION: Neighborhood Code Compliance
CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

Chima's Tow
8016 19th Avenue, Sacramento, CA 95826
916-454-5112/chimatow@aol.com

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning July 1, 2024.
2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Invitation to Bid, Request for Qualifications, or Request for Proposals, and any Addenda
Exhibit A – Scope of Work
Exhibit B – Payment
Exhibit C – Insurance
Exhibit D – General Conditions
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.60. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.60 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.60.

Contractor's violation of Sacramento City Code chapter 3.60 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Monica Duncan/Administrative Analyst
300 Richards Boulevard, Sacramento, CA 95811
916-808-8025/mduncan@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*Iranpreet Chima/Owner
8016 19th Avenue, Sacramento, CA 95826
916-454-5112/chimatow@aol.com*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

- 2. Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.
- 3. Time of Performance.** The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$ 249,999. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payment terms are NET 30 days, unless the Contractor offers a prompt payment discount that was accepted by the City or as otherwise stated in this Contract. Any prompt payment discounts will be computed from the date of acceptance by the City, or from the date an invoice is received, whichever occurs later.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to:
A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by CONTRACTOR must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order
 - (7) Contractor's remit address

- (8) Itemized description of items billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

7. **Accounting Records of Contractor.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

9. **Public Works Requirements.** *[To be completed by the City Representative:]*

The services provided under this Contract include ***[check one if applicable]:***

_____ Construction work in an amount exceeding \$25,000;

_____ Land Surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project; or

_____ Alteration, demolition, repair, or maintenance work in an amount exceeding \$15,000.

If any of the lines is checked above, this Contract includes "Public Work" under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of the California Labor Code, which require, among other things, that Contractor and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations ("DIR") in accordance with California Labor Code section 1773. Contractor and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the Contractor and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the Contractor and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR's website at <http://www.dir.ca.gov/Public-Works/Contractors.html>. The above summary is provided solely for informational purposes and does not in any way affect the Contractor's and subcontractors' obligation to comply in all respects with all other applicable laws and regulations. The Contractor shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR registration number(s). The Contractor's current DIR registration number and the

current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.190, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.180 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

 No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a

vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** *(Check the applicable provision.)*

 X Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

 No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

 No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured

against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

7. **Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

8. **Verification of Coverage.**

A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

9. **Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of City Information.** During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or

communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. Contractor Information.

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption
13. **Term; Suspension; Termination.**
- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
 - B. City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of

such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. The City shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

14. **Default by Contractor.** In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

15. **Guarantee and Warranty.** Contractor assumes design responsibility and warrants the articles to be free from design defect and suitable for the purposes intended by City. If it is determined by the City that the Goods and Services do not meet the minimum requirements of this Contract, the Contractor shall correct the same at Contractor's sole expense.

- A. The Contractor agrees that the Goods and Services furnished under this Contract will be covered by the industry standard or better warranty.
- B. Contractor further warrants that the Goods and Services furnished under this Contract will be covered by the most favorable commercial warranties the Contractor gives to any customer for the Goods and Services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City at law or equity, or by any other clause of this Contract.
- C. Any additional warranties provided by law, including the warranty of merchantability and warranty of fitness for a particular purpose will remain in full force and effect and inure to the City's benefit. City reserves all rights and remedies provided by law for breach of any applicable warranty related to the Goods and Services.
- D. City's inspections, approval, acceptance, or payment for all or part of any Goods and

Services will in no way affect City's warranty rights.

16. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

17. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

18. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself,

its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
 - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

27. Debarment Certification

- A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:
- (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;
 - (2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;
 - (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or
 - (4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.
 - (5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.
- B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.
- C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.
- D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

SCOPE OF WORK

EXHIBIT A

NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

The CITY Representative for this Agreement is:

Monica Duncan, Administrative Analyst
Community Development Department
codetowcontracts@cityofsacramento.org
916-808-8056

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

1. DESCRIPTION OF TERMS

- A. Abandoned Vehicle – Vehicle left upon a highway or upon public or private property per CVC 22523 and towed under authority CVC 22669.
- B. Base Services -Any service or tow which is performed when the vehicle operator or agent is present, and the vehicle is not stored at the direction of an officer.
- C. Chief of Code and Housing Enforcement – For the purpose of this contract, the Chief of Code and Housing Enforcement of the City of Sacramento Community Development Department shall refer to him/her or a designee.
- D. Certificate of Secretary -A document that authorizes someone to sign legal contracts on behalf of a corporation. This Certificate is normally signed by the corporate secretary.
- E. CITY -City of Sacramento Police Department and Community Development Department.
- F. Contractor -The company with which a contract is established to provide the services described in the RFQ.

- G. Load Salvage Operations - Any operation involving the recovery of a load which has been spilled, or the off-loading and reloading of a load from an overturned vehicle performed in order to upright the vehicle. This will usually be limited to operations involving Class B, C, and D tow trucks.
- H. Portal to Portal - Service shall start at the time of departure from the place of business or point of dispatch, whichever is closer to the location of the call, and shall end at the estimated time of return to the place of business or the completion of the call, if another call is pending, whichever is shorter. Return to place of business includes a reasonable and verifiable amount of time required to place the tow truck back into service when unusual circumstances require additional time that are not part of normal operating procedures. Examples:
- 4X4 recovery in the mud: reasonable to charge for cleaning mud from truck and equipment;
 - Reasonable to charge for cleaning burn debris from carrier bed;
 - Car towed leaves mud track on bed of carrier: not reasonable to charge for cleaning of carrier bed.

For this Contract, "Portal to Portal" shall also mean "Portal to End of Service."

- I. Possession - Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.
- J. Applicant - A firm which proposes to provide towing services as described in the RFQ.
- K. Public Safety Response - A response which results in storage of a vehicle at the direction of an officer. This does not include storage at the request of the vehicle operator, registered owner, or agent.
- L. Response Time - The period of time from a Contractor's notification by the City of Sacramento's designated employee to the arrival of the tow truck at the location requested.
- M. Retail Rate - The customary rate charged by an operator to individual retail customers. This is the competitive rate a company has posted in the office and quotes over the phone.
- N. Operations - Those towing/recovery procedures which require Class C or D tow trucks and/or unique equipment. Examples of unique equipment include, but are not limited to: forklifts, low beds, air bags, special dollies and trailers, fuel pump off systems, helicopters, etc.
- O. Suspension - The temporary removal of a Contractor from both rotation lists for a specific period during the term of the Tow Services Contract. See Non-professional Services Agreement.
- P. Termination - The permanent removal of a Contractor from the rotation lists for the remainder of the term of the Tow Services Contract. See Non-Professional Services Agreement.
- Q. Tow Review Committee - A committee of three (3) people to be appointed by the Chief of Code and Housing Enforcement to hear appeals of discipline imposed pursuant to this contract. The committee shall consist of one member of the Sacramento Community Development Department, one member of the public who is not affiliated with any tow company, and one contractor from the Tow Services Contract who is not in the same tow district as the subject of discipline.

- R. Vehicle Survey – The marking for tow and/or abatement of vehicles from city streets and/or private property in a specific geographical location. Vehicle surveys may be conducted during both regular business hours and/or weekends.
- S. Tow Truck - As defined in Section 615 of the California Vehicle Code, a vehicle which includes slide back carriers and wheel lift vehicles. A "trailer for hire" shall not be approved for listing as a Class A tow truck
- T. Vehicle Recovery Operation - An operation involving the process of up-righting an overturned vehicle or returning a vehicle to a normal position on the roadway which requires the use of auxiliary equipment due to the size or location of the vehicle. This will usually be limited to operations requiring a Class B, C, or D tow truck(s).
- U. Vessel- a ship or large boat- vessel propelled on water by oars, sails, or engine.
- V. Utility Trailer - As defined in Section 667 of the California Vehicle Code, a trailer or semitrailer used solely for the transportation of the user's personal property, not in commerce, or designed and used for transportation of livestock, and does not exceed a gross weight of 10,000 pounds or a manufacturer's gross vehicle weight rating (GVWR) of 10,000 pounds.

2. RATES, CHARGES AND FEES

- A. Towing and Storage Rates - Effective January 1, 2024, the maximum rates charged, and the fee paid to the City in connection with any event pursuant to this Agreement, are as follows:

1. For class A and B tows, the Contractor will charge the vehicle owners no more than the rate of \$235.00 per tow, on public safety response calls with a one hour minimum. Charges in excess of one hour will be charged in no more than one (1) minute increments.
2. The total fees charged for after-hours release shall be no more than one-half (1/2) the current hourly rate of \$235.00 per hour and shall only be allowed if there is no person on duty at the storage facility for release and a call back is required outside normal business hours.

Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.

3. Storage fees for passenger vehicles, vans, and light trucks shall be no more than \$60.00 per day. Operators will store vehicles inside if specifically requested to do so by the Police Department or the owner of the vehicle.
4. Fees listed above, plus lien processing fees described in the California Vehicle Code, proposed/actual non-skilled contract labor, special equipment (For class C and D tows only) and rental/skilled labor markup are the only fees allowed. Additive fees for postage, cleanup, lockout, use of dolly, etc. are not authorized.
5. For Class C or D operations, the contractor shall submit his/her proposed rates for towing, storage, and special operations. Fees shall be reasonable and consistent with industry standards for similar operations. Charges in excess of one hour shall be

charged in one (1) minute increments. For Class C and D vehicles which are unclaimed or unsold at lien, the contractor may submit an invoice with a copy of the junk slip showing delivery to a salvage yard. In this case, the Department will pay a set fee as bid in the bid proposal that will include the cost of disposal, tow in/out and storage for the applicable class of vehicle. This fee is intended to reimburse the contractor for expenses resulting from dismantlement, special handling, and disposal of the salvaged vehicle. -

1. Fees - The Chief of Code and Housing Enforcement shall determine the reasonableness of the fees for these types of operations, based upon the average of the proposed fees submitted and a comparison to industry standards for similar operations. The formula for determining the reasonableness of rates for special operations consists of averaging the rates submitted by qualified proposers for Class C, and Class D. Fifteen percent (15%) will be added to the average of each of the rates. Rates submitted that exceed the one-hundred and fifteen percent value (115%), in any of the tests, will be considered to be excessive or unreasonable, and the proposal for those rates will be rejected. Those offerors whose pricing is determined to be "unreasonable" in accordance with the above-listed procedure, shall be offered the opportunity to submit "Best and Final" pricing. Proposers will be allowed once to resubmit disapproved rates for special operations. Disallowed rates submitted for special operations shall not disqualify the contractor from conducting Class A towing/storage for the City.
 2. Mark Up Rate - The Contractor shall submit a markup rate (percentage of the cost to the operator) for retail equipment and specialized labor not otherwise listed on the application. If the contractor performs a service for which the required rate was not submitted to, and approved by the City, the contractor shall only be entitled to charge for the actual cost of that service. Example: contract labor rate not submitted; the contractor may only charge for the actual rate paid for the labor.
 3. Schedule of Rates - The approved schedule of rates charged by the Contractor shall be available in the tow truck and carried by all drivers at all times and shall be presented upon request to the person(s) for whom the tow services were provided, or his or her agent, any Sacramento Police Officer or Code Enforcement Officer, and any citizen within Sacramento. An adequate supply of these copies will be maintained at all times. These handouts will be the same as those listed in Scope of Work, Section 4(H).
 4. Rate Requirements - Represent the maximum a contractor may charge on a City call. A contractor is not precluded from charging less when deemed appropriate by the contractor. These requirements shall not be construed as requiring a charge when a contractor would not normally charge for such a service. No contractor, or his/her employee or agent, shall refer to any rate as the minimum required by the City.
 5. Rotation Tow Lists - Nothing shall prohibit a class B, C, or D operator from maintaining a place on a lighter class rotation tow list, provided the tow truck meets the equipment specifications for that class of operation.
- B. Storage - Storage shall commence at the time the vehicle arrives at the storage facility. Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.
- C. Contractor Billing and Rates - The contractor shall bill the registered owner of the vehicle towed by the contractor in accordance with the Tow Services Contract. No vehicle towing or storage charges shall be charged until the vehicle is hooked up to the tow truck AND in transit.

- D. How Tow Rates are Charged - The contractor shall base towing charges upon the class of vehicle being towed regardless of the class of the truck used, except when vehicle recovery operations require a larger class truck.
- E. Services Performed - The contractor shall charge for services pursuant to the agreed-upon rate schedule. Whenever services are requested, which are not covered by the Tow Services Contract, the contractor shall advise the City or the requesting party of the estimated cost of the service before it is performed.
- F. Overcharging - Overcharging for any tow services shall be the cause of suspension. The suspension will remain in effect until the Contractor has presented proof to the Chief of Code and Housing Enforcement that reimbursement(s) have been made to the aggrieved customer(s). In addition, the contractor shall be assessed a penalty of \$100 for each instance of an overcharge. Three (3) violations of this section within any twelve (12) continuous months shall result in up to a thirty (30) day suspension from the tow lists.
- G. Invalid Tow - In the case of an invalid tow or similar instance where Community Development Department or the Sacramento Police Department elects to pay for the towing and storage of a vehicle, the contractor will bill the Department and not require pre-payment by the vehicle owner before releasing the vehicle. The maximum chargeable fee will be the current contracted tow fee, 5 days of storage, and Lien Processing fee.
- H. Required Vehicle Hold - In case of a required litigation hold or similar instance where the Sacramento Community Development Department or Sacramento Police Department is required to hold the vehicle, pending litigation or court order, If the Department elects to pay for the towing and storage of a vehicle, the Contractor will bill the Department and not require pre-payment by the vehicle owner before releasing the vehicle if needed. The maximum chargeable fee will be the current contracted tow fee, 5 days of storage, and Lien Processing fee. If the City releases the vehicle to the tow company to follow their normal lien or destruction process the maximum chargeable fee no matter how long the vehicle was stored will be the normal tow fee and five days of storage. Invoices for payment must be received and submitted to the City of Sacramento within 30 days of service to receive payment from the City. The City shall be notified and approve any delays in invoicing. The CITY may refuse payment of invoices submitted past the allowable time period.
- I. After Hours Release of Vehicles - Rates specified in Scope of Work, Section 2(A)(2).
- J. Contract Administration Fee - There is no contract administration fee.

3. SPECIAL OPERATIONS

- A. Evidence Impound Tow - The CITY has only one (1) Contractor for evidence-impound tows and no other rotation tow Contractor should maintain custody over vehicles that constitute evidence, at any time. If an officer impounds a vehicle for evidence and a rotational tow is dispatched, it is the responsibility of the Contractor to ensure compliance with section 22655.5 of the California Vehicle code.

If it is determined that a vehicle is to be retrieved for any evidence purpose, the evidence impound tow company will respond immediately to pick up the vehicle, 24 hours a day/7 day a week, from any rotation tow company covered by this agreement.

Nothing shall prohibit the original tow company from allowing the immediate pick-up of any vehicle that has been changed to evidence impound. All associated tow fees incurred at the original tow company will remain with that company. The evidence impound tow company shall not be responsible for advance payment of any fees to the original rotation tow company.

Once the evidence impound is concluded, the vehicle shall be released to the original tow company and their fees resume from that date forward. It is the originating tow companies' discretion to accept delivery of the vehicle after the evidence impound is concluded. If delivery is declined, all tow fees associated with the original tow are forfeited and the vehicle remains with the evidence impound tow company.

- B. Vehicle Survey- The Sacramento Community Development Department will notify the contractor of the date the Vehicle Survey will be held. The contractor will be notified of the date and time frame of such activity via email or by telephone.

4. FACILITY REQUIREMENTS

Primary Business Office and Storage Yard Locations - The contractor must maintain its primary storage yard within 20-mile radius of Sacramento City Limits. Nothing in this section will prohibit a contractor from operating a secondary storage facility approved by Community Development Department outside of the 20-mile radius of Sacramento city limits providing the contractor provides transportation, at no cost, to any secondary facilities for vehicle releases. Vehicles are to be towed to a primary location. Only overflow vehicles which are unlikely to be claimed by their owners are to be towed to a secondary location. As space opens up at the primary yard, all vehicles that are likely to be released will be moved to that location from any secondary storage yards, priority will be given to all theft recovery vehicles. The contractor may not impose any additional fees or charges for storage at a secondary location.

- (1) Code Compliance - In addition to the provisions herein, the primary location shall comply with all Sacramento City Codes - Title 17.228.107 Towing Service/Vehicle Storage Yard and Title 17.612.020 Paving Requirements.

Compliance must be shown through completion and passing of an onsite inspection arranged through Sacramento City Code Enforcement. Primary storage yards and secondary facilities located outside of CITY limits shall meet the same standards as those subject to the City of Sacramento Code and possess' permits, licenses and certificates as required by the municipality where the facility is located. Any secondary storage yards must be inspected and on file with the Tow Administrator.

- (2) Address Change Notification - The contractor must notify the City of any change in his/her primary or secondary storage location or business office at least thirty (30) days in advance of the actual change in location. If the contractor fails to provide proper written notice, he or she will be suspended from the Tow Services Contract until the new location is approved by the Community Development Department. All new locations are subject to all facility requirements contained in this contract. Facility inspections may be conducted at any time for contract compliance.
- (3) Proof of Occupancy - The contractor shall provide the City with a copy of any lease, including any modifications or extensions, for contractor's primary and secondary storage locations(s) or business office(s), if applicable. In the event the property is owned outright, provide a copy of the most recent property tax bill. If the Contractor fails to provide a copy of any lease, modification, or extension, then he/she will be suspended from the Tow Services Contract until a copy is received by the City.

B. Physical Characteristics - The primary office shall be large enough to accommodate necessary personnel and administrative records. Contractor shall provide a public, permanent restroom facility, either unisex or separate, and a public indoor or covered outdoor waiting area to seat at least four (4) people. Restroom facilities shall be maintained in a functional, clean, and orderly fashion.

C. Public Safety - All adequate measures shall be taken to protect the safety of the public.

D. Access - The public shall have direct, unabated access to the inside of the office waiting area.

E. Capacity - The capacity of the primary location storage must total not less than thirty (25) accessible parking spaces for use in connection with this contract, measuring a minimum of eighteen (18) feet by ten (10) feet for each space, as described in City Code 18.08.050 (4,500 total square feet of storage).

F. Business Hours - Normal business hours shall not be less than 8:00 a.m. to 5:00 p.m., Monday through Friday, except for the following City recognized holidays: New Year's Day, Martin Luther

King, Jr. Day, George Washington's Birthday, Cesar Chavez's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, day after Thanksgiving, and Christmas Day.

G. Signage - Contractor must meet the following signage requirements at all times

(1) The contractor shall display in plain view at all cashier stations, a sign as described in Section 3070 of the Civil Code:

- a. Disclosing all towing and storage fees and other charges in force.
- b. Disclosing the following information: "Any person being charged for a Lien Processing Fee is entitled to copies of the supporting documentation showing the lien processing completed as of that date."

(2) An operator's place of business shall have a sign that clearly identifies it to the public as a towing service. The sign shall have letters that are clearly visible to the public from the street. The size of the lettering shall be comparable to the sign and lettering of neighboring businesses. The sign shall be visible at night.

(3) The Contractor shall display in plain view and have available for handout upon request to any owner or operator of a towed or stored vehicle the Vehicle Owner Rights under VC Section 22651.07 Towing Fees and Access Notice

H. Signage Handouts - Contractor shall have an adequate supply at all times of all required postings in English on 8.5" x 11" sheets of paper that is readily available to the public. These handouts will contain:

(1) The contractor's name, address and contact phone number on the top or a listing of all tow rotation companies on the backside with full contact information, and;

(2) All required postings of rates, fees, business hours and lien processes as stated in Scope of Work, Sections 4(F) and 4(G). This supply of handouts shall be placed out and available for the public to take with them at any time.

I. Office/Storage Requirements Not Met - Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.

5. CONTRACTOR'S PERFORMANCE

A. The Contractor shall comply with all Federal, State and local laws applicable to towing, storage and disposition of vehicles.

B. Assignment to a Tow District – For class B, C, and D (heavy duty) tows- the assignment will be Citywide.

Depending upon the City's needs, it is possible that heavy duty tow districts will be assigned by north and south regions for Code Enforcement.

During the term of the Heavy-Duty Tow Services Contract, the CITY shall continually evaluate the number of Contractors assigned to and the number of calls emanating from each district. The CITY may reassign any Contractor(s) to another

district if the CITY determines that the reassignment is in the best interest of the CITY.

- North – District #1: Area north of US-50, west of Capital City Fwy/I-80 Bus E and north of the north bank of the American River.
- South – District #2: Area south of US-50, east of Capital City Fwy/I-80 Bus E and south of the south bank of the American River.

(1) The Contractor may be assigned, by the Code and Housing Enforcement Chief, to one (1) tow district only, depending on the number of qualified applicants received, and shall provide tow service within that district on a 24-hour, 7-days-per-week basis.

(2) Two tow rotation lists will be maintained, one by the Code Enforcement Department, and one by Sacramento Police Department. Inclusion in the tow rotation lists mandates that the Contractor shall meet all requirements set forth in the Scope of Work, Section 5. Contractors are prohibited from maintaining multiple 'spots or turns' on the same tow rotation list.

C. Response Time - The Contractor shall respond to all requests for service from the City of Sacramento within thirty (30) minutes from the time it receives the call from the Police or Code Enforcement Dispatcher. During peak hours between 0630-0930 hrs and 1530-1830 hrs, the Contractor shall respond to all Class C & D requests for service from City of Sacramento within 45 minutes.

In the event the Contractor fails to furnish a tow unit within the specified time period, the City of Sacramento may cancel the tow request and request a tow unit from another Contractor. When the tow is canceled, the Contractor shall forfeit his/her turn in that rotation. If the Contractor does not answer a call from the City of Sacramento for dispatch to a tow, the Contractor shall forfeit his/her turn in that rotation.

D. Inability to Dispatch Tow - If the Contractor is unable to dispatch a tow unit immediately upon receiving a call for service, the Contractor shall immediately inform the City of Sacramento, and the Contractor shall forfeit that turn of the rotation.

E. Passing on Vehicles - The Contractor shall tow and store all vehicles which the City of Sacramento requests that the Contractor remove from any location, private or public, provided the Contractor has the necessary equipment and the vehicle can be safely transported.

F. Safekeeping of Vehicles and Personal Property - The Contractor shall be responsible for the security of vehicles and property at the place of storage. As a minimum, a fenced or enclosed area shall be provided. The Contractor is responsible for the reasonable care, custody, and control of any property contained in towed or stored vehicles and shall take any and all precautions necessary with the safekeeping of all items associated with each tow.

Personal effects in the vehicle at the time of the tow shall be immediately released to the registered owner or authorized agent during normal business hours when he/she presents proper identification.

Contractor shall take any and all precautions necessary to maintain all towed vehicles in 'like' condition as they were received.

G. Subcontracting -The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with Community Development

Department or Police Department.

- H. Towing of Assigned Vehicle - The Contractor shall not tow a vehicle which has been assigned to another Contractor by the City of Sacramento, except as expressly requested by an Officer, a City Dispatcher, or the Tow Hearing Officer. Responding to a call and towing or attempting to tow a vehicle to which the Contractor was not assigned shall result in up to a thirty (30) day suspension from both tow rotation lists on first offense and termination on second offense within any twelve (12) continuous months.
- I. Accident Assistance - The Contractor shall tow any vehicle or vehicles which have been assigned to another Contractor to the closest safe distance from the accident as directed by a Sacramento Police Department officer and shall not charge either the owner of the vehicle or vehicles or City for this service. The originally assigned Contractor will then assume the responsibility of towing the vehicle upon arrival at the scene.
- J. Vehicle Inspection Assistance - The Contractor shall provide assistance, including, but not limited to, moving, or lifting towed vehicles, without additional charges. Theft recovery vehicles are to be stored in a secure facility and be easily accessible until cleared by the Auto Theft detail.
- K. Inspection of Towed Vehicle VIN and License Plates - **Contractor shall inspect every tow on-scene prior to hooking up or within twenty-four (24) hours of each tow dispatch call to verify that the license plates and VIN (Vehicle Identification Number) on every vehicle or trailer matches the information documented by the Officer on the SPD-188 form.** If any variation or discrepancy exists, the Contractor will immediately notify the Officer on-scene, Police Department Dispatch, or the Community Development Department.
- L. Holds Placed on Towed Vehicles - Contractor shall release any vehicle where a proper Sacramento Police Department release has been obtained or where directed by the California Vehicle Code.

If a 'verbal' advisement from the towing Officer is given to 'hold' the car and no valid tow authority authorizes this 'verbal hold', the contractor shall immediately release such vehicle once a proper release is obtained from the Sacramento Police Department, or Sacramento Community Development Department or as directed by the California Vehicle Code. Failure to meet the above requirements shall result in up to a thirty (30) day suspension from both tow rotation lists and full financial responsibility for the tow and all storage fees for each violation.

- M. Vehicle Release - Prior to releasing a vehicle to the registered owner or his/her agent, a release must be obtained from the Sacramento Police Department for vehicles towed and/or stored pursuant to the following California Vehicle Code sections:
- 10751 Altered or Removed Vehicle Identification Number
 - 14602.6 Revoked/Suspended License
 - 14602.8(a) DUI Impound
 - 14602.8(b) DUI Impound
 - 22523(a) Abandoned on Highway
 - 22523(b) Abandoned on Private Property
 - 22669 (a) Parked-abandoned on street, highway, or public property.
 - 22651(a) Vehicle Left Standing on Bridge
 - 22651 (b) Vehicle Left standing on a Highway
 - 22651(d) Blocking Driveway

- 22651 (e) Blocking Fire Hydrant
- 22651 (f) Vehicle Left on a Highway
- 22651(h)(1) Driver Arrested
- 22651(h)(2) Notice of Suspension Issued
- 22651 (i) Five or More Parking Citations
- 226510) No License Plates
- 22651 (k) Parked in Excess of 72 Hours
- 22651(l) Vehicle in Violation of Local Ordinances re: Construction
- 22651(m) Vehicle in Violation of Local Ordinances Permitting Removal
- 22651 (n) No Parking - Tow-Away Zones
- 22651(o) Registration Expired 6 Months
- 22651(p) Unlicensed Driver
- 22651(q) Vehicle Parked on Highway in Common Interest development where posted
- 22651 (r) Illegally Parked - Blocking Movement
- 22651.5 Removal of Vehicles with Activated Audible Alarms
- 22653(a) Removal from Private Property (stolen)
- 22653(b) Removal from Private Property - Left at scene of accident
- 22653(c) Driver Arrested - Private Property
- 22660 Removal from private property (by ordinance)
- 22655 Hit-and-Run or Pursuit/Evading
- 22655.3 Removal of Vehicle Evading the Police
- 22655.5 Removal of Vehicle Involved in a Public Offense
- 22656 Removal of Vehicle from a Railroad Right-of-Way
- 22669(d) Parked - Major Components Missing
- 23109.2 Seizure of Vehicle Used in Speed Contest

Failure to meet the above requirements shall result in up to a thirty (30) day suspension from the tow rotation and full financial responsibility for the tow and all storage fees for each violation.

- N. Lien Sales - Shall be the sole responsibility of the Contractor, and all such sales shall be conducted in accordance with applicable state law.

6. ABANDONED VEHICLES

- A. Abandoned Vehicles - Vehicles towed under California Vehicle Code 22669 shall occur during regular business hours (Monday-Friday 0700-1700 hours), unless the vehicle in question poses a hazard.

7. CONTRACTOR'S RECORDS

- A. Contractor's Records - The Contractor shall maintain records of tow services furnished for all public agencies as well as all private persons or entities while participating in the Tow Services Contract, including those described below, at a minimum. Such records shall be retained for a period of three (3) years and shall be open to inspection during business hours immediately upon request by representatives of the CITY. Failure to make records, including

insurance policies and complete financial and payroll data, available immediately upon request shall be grounds for immediate suspension or termination of the Tow Services Contract. At a minimum, records shall contain:

(1) Tow Services - The Contractor shall record the following information for every tow:

- Original or copy of the SPD-188 tow form.
- Name, address, and phone number of person, if available, whose vehicle was towed.
- VIN and license number, make, year, and model of each vehicle towed.
- Location from which the vehicle was towed.
- Name or employee number of driver assigned to said tow.
- Location to which vehicle was towed (if different from Contractor's primary storage facility.) and any and all subsequent location transfers or moves including dates and time of those moves.
- Reason for tow, whether impound, accident, stolen recovery, abandoned, etc., if available.
- Name of party to whom the vehicle was released.
- Method and date of payment.
- All fees and charges for said tow, showing specifically towing, storage, lien fees, etc.
- Any items of personal property released from any vehicle, including the date, time, and name of person receiving the items.
- Disposition of towed vehicles that are unclaimed.
- All proceeds from the sale of towed vehicles that are unclaimed.
- All documentation of purported claims relating to damage, theft, vandalism, other acts of negligence or damage from natural disasters related to each involved vehicle, trailer or conveyance.
 - Date and Time (by means of a computer or time stamp)
 - Date and time the request for tow is received.
 - Date and time a tow unit departs the tow facility (or residence of driver if after business hours).
 - Date and time the tow unit arrives at the Contractor's storage facility.
 - Date and time any contents are released.
 - Date and time of release of the vehicle.

(2) Lien Sale Data - The Contractor shall record the following information for every tow:

- Date the lien processing begins.
- Date the notice of lien sale is mailed.
- Date and time of lien sale.
- Location of lien sale.
- Identification of purchaser.
- Monies received as a result of the lien sale.
- Amount of excess monies forwarded to the state.

(3) Personnel Records - All employees, drivers, both current and former shall have a secured personnel file at the primary business office that shall contain at a minimum, records related to their employment, training, benefits status, discipline, FMLA and leave requests, vacation requests and sick time records. Any additional personnel

documentation needed to comply with this contract shall also be contained within these records.

- A. DOJ Report Request - The Contractor shall comply with the California Vehicle Code in the immediate reporting of the removal and storage of any vehicles towed at the request of the CITY. Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with a copy of all reports which the Contractor is required to furnish the Department of Justice pursuant to the Vehicle Code.
- B. Vehicle Status Report - Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with all reports showing the status of all vehicles towed by the Code Enforcement Division. The report shall provide descriptions and identification of the vehicles, location of the vehicles, date of impounds, accrued charges, and date of release from impound.
- C. Property Receipts - The Contractor shall furnish a receipt to the vehicle owner for any property removed from any vehicle towed or stored. A copy of the receipt shall be placed in the vehicle involved, and the original receipt maintained with the Contractor's records.

8. TRUCK DRIVERS AND EQUIPMENT SPECIFICATIONS

- A. Truck/Driver Availability - The Contractor must have in operation at all times a sufficient number of qualified drivers and at least two (2) Class A tow vehicles with a minimum of 10,000 GVWR meeting the tow truck specifications and having the equipment specified for a Class A tow truck, as set forth in Attachment E. This requirement can be met with either two (2) recovery/wheel lift trucks, or one (1) each recovery/wheel lift truck and one (1) flatbed carrier truck. The Contractor shall maintain and provide a current list of all Sacramento City qualified tow vehicles.
- B. Tow Vehicle Permit - The Contractor shall use only tow vehicles that have been inspected by the City of Sacramento and have received a valid and current Tow Vehicle Permit. Additionally, each tow vehicle shall be certified by a state-licensed inspection facility or have received a certificate issued by the California Highway Patrol when responding to tow requests pursuant to this Tow Services Contract.
- C. CHP Requirements - Each tow vehicle used for services under the Tow Services Contract shall comply with the provisions of the California Vehicle Code. Each tow truck will be equipped as provided in Attachment E, CHP Tow Truck inspection Guide – CHP 234B, at all times and must have the Contractor's company name clearly painted or in decal form on both sides of the tow truck. Each tow vehicle must pass an annual CHP vehicle inspection. See Attachment D, CHP Safety Net Driver/Vehicle Inspection Report – CHP 407F.
- D. Tow Truck Driver - The Contractor shall ensure that tow truck drivers responding to calls initiated by Community Development and Sacramento PD are qualified and competent employees of his/her company. The Contractor shall ensure that the tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of the various types of vehicles serviced through the tow rotation. Tow truck drivers shall be at least 18 years of age, hold a current and valid Sacramento City Tow Driver Permit and possess the following minimum class driver's license. CHP Certification is required.
 - Class A Tow Truck – A valid Class C license, or a valid Class A license with valid medical certificate on file.

- Class B Tow Truck – A valid Class C license for non-regulated vehicles, or a valid Class A license with valid medical certificate, on file, for regulated vehicles pursuant to Section 34500 CVC.
 - Class C Tow Truck – A valid Class A license with valid medical certificate.
 - Class D Tow Truck – A valid Class A license with valid medical certificate.
 - The Class A (1) license must be endorsed to allow operation of special vehicle configurations and/or special cargos.
- E. Current List of Drivers - The Contractor shall maintain and provide a current list of his/her drivers to the Community Development Department upon implementation of this contract. The Contractor shall notify the Community Development Department upon any change in driver status, including the addition of any new driver(s), or the deletion of any driver(s). An updated list shall be provided to the Community Development Department within (7) seven calendar days of any change in driver status. Contractors, shall at a minimum, maintain the following information for each driver:
- Full Name
 - Date of Birth
 - California driver's license number with expiration date
 - Copy of valid medical certificate
 - Tow drivers permit number with expiration date
 - Job title/description
 - Current home address
 - Current home phone number
 - Type(s) of truck(s) driver has been trained and instructed to operate.
- F. Equipment Changes - The Contractor shall in writing or through electronic mail, immediately notify the Sacramento Community Development Department Tow Administration Office of any changes in or additions to tow trucks and other equipment, including deletions of trucks and equipment.
- G. Employer Pull Notice Program – Pursuant to California Vehicle Code Section 1808.1, all tow truck drivers and contractors shall be enrolled in the Department of Motor Vehicles (DMV) Employer Pull Notice Program. Upon the addition of new drivers, the Contractor will be granted a maximum of 30 days to enroll drivers in the Pull Notice Program. Pull Notices shall be kept on file, signed, and dated by the Contractor. The CITY may require the Contractor to provide copies of Pull Notice Reports. All drivers will maintain a valid City of Sacramento Tow Vehicle Driver Permit.

The Department of Motor Vehicles Employer Pull Notice Program can be viewed at:
<https://www.dmv.ca.gov/portal/vehicle-industry-services/motor-carrier-services-mcs/employer-pull-notice-epn-program/>

9. PROFESSIONAL DEMEANOR AND CONDUCT

- A. Professional Demeanor and Conduct - At all times while participating in the Tow Services Contract, Contractor and Contractor's tow truck drivers and all other employees shall conduct themselves in a courteous, honest and professional manner in all their dealings with the public and the CITY, its employees, and agents. The CITY may at any time conduct random customer service inquiries with citizens whose vehicles have been towed by any CITY Contractor. Negative responses shall result in further follow-up by the Tow Hearing Officer and possible administrative action against the offending Contractor.

As a tow operator for the City of Sacramento you will abide by the California Tow Truck Association Code of Ethics.

- To show my faith in the worthiness of my profession by upholding high standards, honor, and a high degree of integrity.
- To provide the general public with the best possible service and to promote a sense of personal obligation to each individual.
- To comply with all federal, state, county, CITY laws and regulations.
- To aid my fellow industry man in time of need and not to do anything which may conceivably injure the reputation of my competitors.
- To seek success and to demand fair remuneration that is justly due but accept no profit at the price of my own self-respect lost because of unfair advantage taken or questionable acts on my part.
- To provide the public with adequate equipment, which is kept as clean and neat as possible, and to train my drivers to be polite and courteous during public contact.
- To employ truth and accuracy in advertising and soliciting and to honor any commitments made in the course of business.

B. Misconduct - The Contractor and its employees shall refrain from any acts of misconduct, including but not limited to any of the following:

- (1) Rude or discourteous behavior directed towards City of Sacramento personnel or citizens for whom service is provided. "Rude or discourteous behavior" shall mean any act that would insult, aggravate, disturb or frustrate a person of reasonable sensibilities, which act(s) shall include, but is not limited to, using profanity or inappropriate language, manifesting an uncooperative and/or angry demeanor, performing acts of vandalism, failing to respond to questions in a courteous and professional manner, intentionally misrepresenting rates or tow procedures or attempting to manipulate rates or tow procedures to the detriment of citizens or the City of Sacramento. A violation of this subsection shall result in up to a thirty (30) day suspension from the tow list on the first and second offense and termination of this contract on the third offense within a continuous twelve (12) month period. For the purpose of this Tow Contract a member of the public shall include any private or business party outside of the City of Sacramento, whether individual or as part of a group. See Scope of Work, Section 9.
- (2) Any act of sexual harassment or sexual impropriety.
- (3) Unsafe driving practices.
- (4) Any objective symptoms of alcohol and/or drug use/abuse while performing any related tow service for the City of Sacramento. See Attachment F – Drug Free Workplace.
- (5) Sub-standard service, customer service, selective service, or refusal to provide service which the tow company is capable of performing.

10. ADMINISTRATIVE MATTERS

A. Transfer of Business - The Contractor will notify the Chief of Code and Housing Enforcement immediately upon transfer of ownership of all or part of the company in writing. The Tow Services Contract is not transferable to the new owner. The new owner must apply to and be approved by the Sacramento Community Development Department for participation in the Tow Services Contract.

B. Optional Semi-Annual Contract Review - The purpose of this section is to provide a process

for an optional semi-annual review of the terms and conditions of the Contract by the Chief of Code and Housing Enforcement and an organization representing a majority of the Contractors in the City of Sacramento in the event that legitimate and substantial changes occur in conditions or law affecting the majority of the Contractors in the City of Sacramento. Examples of such conditions may include, but are not limited to, substantial increases/decreases in business expenses, changes in the law affecting the Department or the operators, or recommended changes in the terms and conditions of the rotational Tow Contract as a result of service delivery experience in the City of Sacramento.

A request for a semi-annual review of the terms and conditions of the Contract shall be communicated to the Tow Program Administration Office of the Sacramento Community Development Department in writing by a majority of the Contractors under this Contract, and not merely at the request of a single Contractor. The Chief of Police may also request a semi-annual review if he/she feels it is in the best interests of the citizens of the motoring public, the Sacramento tow industry, and/or the Department.

- C. Period of Performance - The period of performance associated with the contract shall be: July 1, 2024 through June 30, 2030.
- D. Option Period - It is the City of Sacramento's sole discretion to exercise an option period. Option periods will be exercised upon successful completion of the contract in accordance with its Non-Professional Services Agreement, Scope of Work, and its contract clauses and provisions.
- D. Termination - This Tow Services Contract may be terminated at any time by either party with or without cause. Although the CITY may elect to impose discipline for violations of the Contract which are less severe than termination or may grant an appeal to discipline imposed, the Contract may be terminated without cause. The Contractor agrees that the disciplinary procedures and options contained herein do not affect the CITY's ability to terminate the Contract at the discretion of the Community Development Department without cause. Nothing in the Contract shall be construed to create any property rights, interests or licenses held by the Contractor.

11. CONTRACT VIOLATIONS AND/OR COMPLAINTS

When the Contractor or his or her employees have violated any of the terms of the Contract or any law upon completion of any investigation pursuant to this section, the Community Development Department shall inform the Contractor, in writing, of any disciplinary action to be taken.

Unless otherwise noted herein, violations may result in any of the following actions:

- First violation – written warning notice
- Second Violation – fifteen (15) day suspension
- Third Violation – termination of contract

- A. In addition to the violations/disciplinary actions detailed above, following are further violations:

- (1) Within any calendar month, failure to respond to a minimum of 95% of requests for tow service within the time set forth in Section 5(C), Contractor's Performance, refusing/failing to tow any qualifying vehicle assigned, or passing on/unavailability to respond will constitute a violation. Tow request completions will be reviewed quarterly.

- (2) Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation list on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.
 - (3) Subcontracting for any tow service or violating the financial interest section of the RFQ, shall result in immediate termination of this Tow Services Contract.
 - (4) Contractor's failure to satisfy a court order/judgment mandating reimbursement to a vehicle or property owner for the damage or loss which occurred while the vehicle was in the Contractor's custody will result in a suspension from tow rotation list. The suspension will remain in effect until the Contractor has presented proof of the reimbursement to the Police Department.
- B. If it is determined that a Contractor is to be served with a notice of termination from the Tow Services Contract, the Tow Administrator will provide written notification detailing the offense(s).

The Contractor may request an appeal hearing within seven (7) calendar days by submitting a request in writing to the Community Development Department. Nothing set forth in this paragraph shall permit the Contractor to appeal any termination of the Tow Services Contract effected by the Community Development Department. Failure of the Contractor to request an appeal of the decision of the Community Development Department within the seven (7) days required pursuant to this section shall constitute a waiver of the Contractor's right to an administrative appeal of the decision. If a hearing is requested, it shall be held as soon as practicable while still allowing the Contractor a meaningful time period to prepare a defense. The hearing shall be conducted by the Tow Review Committee. The hearing shall be informal, and the rules of evidence shall not apply. The Contractor shall be entitled to present all relevant facts to the Tow Review Committee in support of his/her position. The Contractor shall be notified in writing of the decision by the Tow Review Committee within ten (10) calendar days of the date of the hearing. The decision of the Tow Review Committee is final and binding and shall be subject to no further administrative appeal.

In the event the CITY serves a Contractor with Notice of Termination from the Tow Services Contract, and the Contractor seeks an appeal hearing, the disciplinary action will be delayed pending the administrative appeal process. In the event CDD elects to modify the discipline imposed on the Contractor, the Contractor agrees he or she shall not be entitled to recover any costs, compensation, damages, losses, and/or expenses of any type or description from or file a claim against the CITY, its officers, employees, and appointees, including but not limited to members of the Tow Review Committee, arising out of or related to, in any manner, a complaint filed against, or discipline imposed upon the Contractor.

12. INSURANCE REQUIREMENTS

The failure to maintain adequate insurance coverage for any reason at any time shall result in immediate suspension from the Tow Services Contract and the tow rotation list until proof of insurance is received by the CITY.

Insurance Requirements - During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in Section 12. Full compensation for all premiums that the Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums.

It is understood and agreed by the Contractor that its liability to the CITY shall not in any way

be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy. A Garage Liability policy with limits of \$1,000,000 may be substituted for the commercial general liability policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.
- (3) Garage Keepers Liability- Policy in the amount of at least \$250,000.
- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers' Compensation waiver of subrogation in favor of the CITY is not required for all work performed by the Contractor.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of Contractor, and premises owned, leased or used by Contractor. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 12 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) The Contractor shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in the Administrative Information Section, 1(G). Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to Contractor and/or cancel the Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

The Contractor shall not authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with the Sacramento Community Development Department.

In the case of an exception, Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

Heavy Duty Tow Pricing Schedule

*In your pricing, please include Storage, tow in/tow out and Disposal fee combined.

*Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	\$ 1,295.00
Boats on trailer	\$ 1,595.00
Utility Trailer	\$ 1,495.00
Travel Trailers:	
10 ft (or lower) - 20 ft	\$ 1,095.00
21ft-30 ft	\$ 1,695.00
31 ft-40 ft (or above)	\$ 1,995.00
Motorhomes:	
10 ft (or lower) - 20 ft	\$ 1,495.00
21ft-30 ft	\$ 1,995.00
31 ft-40 ft (or above)	\$ 2,495.00
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	\$ 400.00
Class C Storage	\$ 70.00
Class D	\$ 445.00
Class D Storage	\$ 70.00

Applicant Name: Chimas Tow

CHIMTOW-02

SHPRIDDLE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/27/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER WorldClass Insurance Services 8757 Auburn Folsom Rd. #3067 Granite Bay, CA 95746	CONTACT Steve Priddle	
	PHONE (A/C, No, Ext): (916) 789-1523	FAX (A/C, No): (916) 789-1506
	E-MAIL ADDRESS: service@worldclassins.com	
INSURED Chimas Tow 8016 19th Ave Sacramento, CA 95826	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Trisura Specialty Insurance Company	NAIC # 16188
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	175 TTS CA 100050-00	11/1/2023	11/1/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000 \$ \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		175 TTS CA 100050-00	11/1/2023	11/1/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ UM/UIM \$ 60,000 \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in RI) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	On Hook/Cargo		175 TTS CA 100050-00	11/1/2023	11/1/2024	W/\$1,000 Ded 150,000 250,000
A	On Hook/Cargo		175 TTS CA 100050-00	11/1/2023	11/1/2024	Scheduled Units 400,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Garagekeepers Legal Liability: 10431 Franklin Blvd, Elk Grove, CA 95757: \$250,000; 8000-8015-8021 19th Ave, Sacramento, CA 95826: \$250,000; 8016-8010 19th Ave, Sacramento, CA 95826 \$250,000; 7500 San Joaquin, Sacramento, CA 95820: \$250,000 (\$500/\$2,500 Ded)

City of Sacramento, Its Officials, Agents, Employees, Volunteers is listed as ADDITIONAL INSURED

CERTIFICATE HOLDER

CANCELLATION

City of Sacramento Its Officials, Agents, Employees, Volunteers Risk Management Division 915 I Street, Fourth Floor Sacramento, CA 95814-2604	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: *Iranpreet Chima*
Iranpreet Chima (Jun 17, 2024 18:33 PDT)

Title: Owner

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: *Maxwell Nelson*
Maxwell Nelson (Jun 18, 2024 11:55 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: *Monica Duncan*
Monica Duncan (Jun 18, 2024 12:47 PDT)

Title: Administrative Analyst

Approved By:

Signature: *Michael A. Jasso*
Michael Jasso (Jun 19, 2024 08:36 PDT)

Title: Assistant City Manager

Additional Signature (if required): *Thomas S. Pace*

Title: Director of Community Development

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 6/10/2025
Supplemental Contract No.: 1

The City of Sacramento ("City") and Chima's Tow ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002876, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

No change in the Scope of Services. The Community Development Department shall extend the time of performance by one additional year. The new contract expiration date is 06/30/2026. In addition, Attachment 1 Exhibit B of the original contract has been updated with the attached Pricing Schedule to be effective July 1, 2025.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased by \$250,001**, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$249,999</u>
Increase by this supplemental contract:	<u>\$250,001</u>
New not-to exceed amount including all supplemental contracts:	<u>\$500,000</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

Heavy Duty Tow Pricing Schedule

*In your pricing, please include Storage, tow in/tow out and Disposal fee combined.

*Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	1295-00
Boats on trailer	1595-00
Utility Trailer	1495-00
Travel Trailers:	
10 ft (or lower) - 20 ft	1195-00
20ft-30 ft	1265-00
31 ft-40 ft (or above)	2195-00
Motorhomes:	
10 ft (or lower) - 20 ft	1625-00
20ft-30 ft	2195-00
31 ft-40 ft (or above)	2745-00
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	400-00
Class C Storage	70-00
Class D	445-00
Class D Storage	70-00

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature:

Title:

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature:

Title:

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title:

CONTRACT #: PRC002877
CONTRACT NAME: Heavy Duty Towing Services
CONTRACT PROJECT #:
DEPARTMENT: Community Development and PD
DIVISION: Neighborhood Code Compliance
CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

*Five Star Towing and Transport, Inc.
4600 Power Inn Road, Sacramento, CA 95826
916-952-0181/fivestartowingtransport@gmail.com*

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning July 1, 2024.
2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Invitation to Bid, Request for Qualifications, or Request for Proposals, and any Addenda
Exhibit A – Scope of Work
Exhibit B – Payment
Exhibit C – Insurance
Exhibit D – General Conditions
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.60. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.60 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.60.

Contractor's violation of Sacramento City Code chapter 3.60 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Monica Duncan/Administrative Analyst
300 Richards Boulevard, Sacramento, CA 95811
916-808-8025/mduncan@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*Sonu Singh/President
4600 Power Inn Road, Sacramento, CA 95826
916-952-0181/fivestartowingtransport@gmail.com*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

2. Scope of Services. Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.

3. Time of Performance. The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$ 249,999. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payment terms are NET 30 days, unless the Contractor offers a prompt payment discount that was accepted by the City or as otherwise stated in this Contract. Any prompt payment discounts will be computed from the date of acceptance by the City, or from the date an invoice is received, whichever occurs later.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to:
A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by CONTRACTOR must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order
 - (7) Contractor's remit address

- (8) Itemized description of items billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

7. **Accounting Records of Contractor.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

9. **Public Works Requirements.** *[To be completed by the City Representative:]*

The services provided under this Contract include ***[check one if applicable]:***

_____ Construction work in an amount exceeding \$25,000;

- _____ Land Surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project; or
- _____ Alteration, demolition, repair, or maintenance work in an amount exceeding \$15,000.

If any of the lines is checked above, this Contract includes "Public Work" under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of the California Labor Code, which require, among other things, that Contractor and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations ("DIR") in accordance with California Labor Code section 1773. Contractor and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the Contractor and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the Contractor and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR's website at <http://www.dir.ca.gov/Public-Works/Contractors.html>. The above summary is provided solely for informational purposes and does not in any way affect the Contractor's and subcontractors' obligation to comply in all respects with all other applicable laws and regulations. The Contractor shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR registration number(s). The Contractor's current DIR registration number and the

current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.190, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.180 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

 No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a

vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

☒ **X** Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

☐ No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

☐ No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

A. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.

B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.

C. Coverage shall state that Contractor's insurance applies separately to each insured

against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

7. **Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

8. **Verification of Coverage.**

- A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.
- B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

- C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

- D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

9. **Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of City Information.** During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or

communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. Contractor Information.

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption
13. **Term; Suspension; Termination.**
- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
 - B. City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of

such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. The City shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

14. **Default by Contractor.** In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

15. **Guarantee and Warranty.** Contractor assumes design responsibility and warrants the articles to be free from design defect and suitable for the purposes intended by City. If it is determined by the City that the Goods and Services do not meet the minimum requirements of this Contract, the Contractor shall correct the same at Contractor's sole expense.

- A. The Contractor agrees that the Goods and Services furnished under this Contract will be covered by the industry standard or better warranty.
- B. Contractor further warrants that the Goods and Services furnished under this Contract will be covered by the most favorable commercial warranties the Contractor gives to any customer for the Goods and Services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City at law or equity, or by any other clause of this Contract.
- C. Any additional warranties provided by law, including the warranty of merchantability and warranty of fitness for a particular purpose will remain in full force and effect and inure to the City's benefit. City reserves all rights and remedies provided by law for breach of any applicable warranty related to the Goods and Services.
- D. City's inspections, approval, acceptance, or payment for all or part of any Goods and

Services will in no way affect City's warranty rights.

16. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled; or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

17. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

18. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself,

its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
 - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

27. Debarment Certification

- A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:
- (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;
 - (2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;
 - (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or
 - (4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.
 - (5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.
- B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.
- C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.
- D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

SCOPE OF WORK

EXHIBIT A

NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

The CITY Representative for this Agreement is:

Monica Duncan, Administrative Analyst
Community Development Department
codetowcontracts@cityofsacramento.org
916-808-8056

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

1. DESCRIPTION OF TERMS

- A. Abandoned Vehicle – Vehicle left upon a highway or upon public or private property per CVC 22523 and towed under authority CVC 22669.
- B. Base Services - Any service or tow which is performed when the vehicle operator or agent is present, and the vehicle is not stored at the direction of an officer.
- C. Chief of Code and Housing Enforcement – For the purpose of this contract, the Chief of Code and Housing Enforcement of the City of Sacramento Community Development Department shall refer to him/her or a designee.
- D. Certificate of Secretary - A document that authorizes someone to sign legal contracts on behalf of a corporation. This Certificate is normally signed by the corporate secretary.
- E. CITY - City of Sacramento Police Department and Community Development Department.
- F. Contractor - The company with which a contract is established to provide the services described in the RFQ.

- G. Load Salvage Operations - Any operation involving the recovery of a load which has been spilled, or the off-loading and reloading of a load from an overturned vehicle performed in order to upright the vehicle. This will usually be limited to operations involving Class B, C, and D tow trucks.
- H. Portal to Portal - Service shall start at the time of departure from the place of business or point of dispatch, whichever is closer to the location of the call, and shall end at the estimated time of return to the place of business or the completion of the call, if another call is pending, whichever is shorter. Return to place of business includes a reasonable and verifiable amount of time required to place the tow truck back into service when unusual circumstances require additional time that are not part of normal operating procedures. Examples:
- 4X4 recovery in the mud: reasonable to charge for cleaning mud from truck and equipment;
 - Reasonable to charge for cleaning burn debris from carrier bed;
 - Car towed leaves mud track on bed of carrier: not reasonable to charge for cleaning of carrier bed.

For this Contract, "Portal to Portal" shall also mean "Portal to End of Service."

- I. Possession - Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.
- J. Applicant - A firm which proposes to provide towing services as described in the RFQ.
- K. Public Safety Response - A response which results in storage of a vehicle at the direction of an officer. This does not include storage at the request of the vehicle operator, registered owner, or agent.
- L. Response Time - The period of time from a Contractor's notification by the City of Sacramento's designated employee to the arrival of the tow truck at the location requested.
- M. Retail Rate - The customary rate charged by an operator to individual retail customers. This is the competitive rate a company has posted in the office and quotes over the phone.
- N. Operations - Those towing/recovery procedures which require Class C or D tow trucks and/or unique equipment. Examples of unique equipment include, but are not limited to: forklifts, low beds, air bags, special dollies and trailers, fuel pump off systems, helicopters, etc.
- O. Suspension - The temporary removal of a Contractor from both rotation lists for a specific period during the term of the Tow Services Contract. See Non-professional Services Agreement.
- P. Termination - The permanent removal of a Contractor from the rotation lists for the remainder of the term of the Tow Services Contract. See Non-Professional Services Agreement.
- Q. Tow Review Committee - A committee of three (3) people to be appointed by the Chief of Code and Housing Enforcement to hear appeals of discipline imposed pursuant to this contract. The committee shall consist of one member of the Sacramento Community Development Department, one member of the public who is not affiliated with any tow company, and one contractor from the Tow Services Contract who is not in the same tow district as the subject of discipline.

- R. Vehicle Survey – The marking for tow and/or abatement of vehicles from city streets and/or private property in a specific geographical location. Vehicle surveys may be conducted during both regular business hours and/or weekends.
- S. Tow Truck - As defined in Section 615 of the California Vehicle Code, a vehicle which includes slide back carriers and wheel lift vehicles. A "trailer for hire" shall not be approved for listing as a Class A tow truck
- T. Vehicle Recovery Operation - An operation involving the process of up-righting an overturned vehicle or returning a vehicle to a normal position on the roadway which requires the use of auxiliary equipment due to the size or location of the vehicle. This will usually be limited to operations requiring a Class B, C, or D tow truck(s).
- U. Vessel- a ship or large boat- vessel propelled on water by oars, sails, or engine.
- V. Utility Trailer - As defined in Section 667 of the California Vehicle Code, a trailer or semitrailer used solely for the transportation of the user's personal property, not in commerce, or designed and used for transportation of livestock, and does not exceed a gross weight of 10,000 pounds or a manufacturer's gross vehicle weight rating (GVWR) of 10,000 pounds.

2. RATES, CHARGES AND FEES

- A. Towing and Storage Rates - Effective January 1, 2024, the maximum rates charged, and the fee paid to the City in connection with any event pursuant to this Agreement, are as follows:

1. For class A and B tows, the Contractor will charge the vehicle owners no more than the rate of \$235.00 per tow, on public safety response calls with a one hour minimum. Charges in excess of one hour will be charged in no more than one (1) minute increments.
2. The total fees charged for after-hours release shall be no more than one-half (1/2) the current hourly rate of \$235.00 per hour and shall only be allowed if there is no person on duty at the storage facility for release and a call back is required outside normal business hours.

Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.

3. Storage fees for passenger vehicles, vans, and light trucks shall be no more than \$60.00 per day. Operators will store vehicles inside if specifically requested to do so by the Police Department or the owner of the vehicle.
4. Fees listed above, plus lien processing fees described in the California Vehicle Code, proposed/actual non-skilled contract labor, special equipment (For class C and D tows only) and rental/skilled labor markup are the only fees allowed. Additive fees for postage, cleanup, lockout, use of dolly, etc. are not authorized.
5. For Class C or D operations, the contractor shall submit his/her proposed rates for towing, storage, and special operations. Fees shall be reasonable and consistent with industry standards for similar operations. Charges in excess of one hour shall be

charged in one (1) minute increments. For Class C and D vehicles which are unclaimed or unsold at lien, the contractor may submit an invoice with a copy of the junk slip showing delivery to a salvage yard. In this case, the Department will pay a set fee as bid in the bid proposal that will include the cost of disposal, tow in/out and storage for the applicable class of vehicle. This fee is intended to reimburse the contractor for expenses resulting from dismantlement, special handling, and disposal of the salvaged vehicle. -

1. Fees - The Chief of Code and Housing Enforcement shall determine the reasonableness of the fees for these types of operations, based upon the average of the proposed fees submitted and a comparison to industry standards for similar operations. The formula for determining the reasonableness of rates for special operations consists of averaging the rates submitted by qualified proposers for Class C, and Class D. Fifteen percent (15%) will be added to the average of each of the rates. Rates submitted that exceed the one-hundred and fifteen percent value (115%), in any of the tests, will be considered to be excessive or unreasonable, and the proposal for those rates will be rejected. Those offerors whose pricing is determined to be "unreasonable" in accordance with the above-listed procedure, shall be offered the opportunity to submit "Best and Final" pricing. Proposers will be allowed once to resubmit disapproved rates for special operations. Disallowed rates submitted for special operations shall not disqualify the contractor from conducting Class A towing/storage for the City.
 2. Mark Up Rate - The Contractor shall submit a markup rate (percentage of the cost to the operator) for retail equipment and specialized labor not otherwise listed on the application. If the contractor performs a service for which the required rate was not submitted to, and approved by the City, the contractor shall only be entitled to charge for the actual cost of that service. Example: contract labor rate not submitted; the contractor may only charge for the actual rate paid for the labor.
 3. Schedule of Rates - The approved schedule of rates charged by the Contractor shall be available in the tow truck and carried by all drivers at all times and shall be presented upon request to the person(s) for whom the tow services were provided, or his or her agent, any Sacramento Police Officer or Code Enforcement Officer, and any citizen within Sacramento. An adequate supply of these copies will be maintained at all times. These handouts will be the same as those listed in Scope of Work, Section 4(H).
 4. Rate Requirements - Represent the maximum a contractor may charge on a City call. A contractor is not precluded from charging less when deemed appropriate by the contractor. These requirements shall not be construed as requiring a charge when a contractor would not normally charge for such a service. No contractor, or his/her employee or agent, shall refer to any rate as the minimum required by the City.
 5. Rotation Tow Lists - Nothing shall prohibit a class B, C, or D operator from maintaining a place on a lighter class rotation tow list, provided the tow truck meets the equipment specifications for that class of operation.
- B. Storage - Storage shall commence at the time the vehicle arrives at the storage facility. Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.
- C. Contractor Billing and Rates - The contractor shall bill the registered owner of the vehicle towed by the contractor in accordance with the Tow Services Contract. No vehicle towing or storage charges shall be charged until the vehicle is hooked up to the tow truck AND in transit.

3. SPECIAL OPERATIONS

- A. Evidence Impound Tow – The CITY has only one (1) Contractor for evidence-impound tows and no other rotation tow Contractor should maintain custody over vehicles that constitute evidence, at any time. If an officer impounds a vehicle for evidence and a rotational tow is dispatched, it is the responsibility of the Contractor to ensure compliance with section 22655.5 of the California Vehicle code.

If it is determined that a vehicle is to be retrieved for any evidence purpose, the evidence impound tow company will respond immediately to pick up the vehicle, 24 hours a day/7 day a week, from any rotation tow company covered by this agreement.

Nothing shall prohibit the original tow company from allowing the immediate pick-up of any vehicle that has been changed to evidence impound. All associated tow fees incurred at the original tow company will remain with that company. The evidence impound tow company shall not be responsible for advance payment of any fees to the original rotation tow company.

Once the evidence impound is concluded, the vehicle shall be released to the original tow company and their fees resume from that date forward. It is the originating tow companies' discretion to accept delivery of the vehicle after the evidence impound is concluded. If delivery is declined, all tow fees associated with the original tow are forfeited and the vehicle remains with the evidence impound tow company.

- B. Vehicle Survey– The Sacramento Community Development Department will notify the contractor of the date the Vehicle Survey will be held. The contractor will be notified of the date and time frame of such activity via email or by telephone.

4. FACILITY REQUIREMENTS

Primary Business Office and Storage Yard Locations - The contractor must maintain its primary storage yard within 20-mile radius of Sacramento City Limits. Nothing in this section will prohibit a contractor from operating a secondary storage facility approved by Community Development Department outside of the 20-mile radius of Sacramento city limits providing the contractor provides transportation, at no cost, to any secondary facilities for vehicle releases. Vehicles are to be towed to a primary location. Only overflow vehicles which are unlikely to be claimed by their owners are to be towed to a secondary location. As space opens up at the primary yard, all vehicles that are likely to be released will be moved to that location from any secondary storage yards, priority will be given to all theft recovery vehicles. The contractor may not impose any additional fees or charges for storage at a secondary location.

- (1) Code Compliance - In addition to the provisions herein, the primary location shall comply with all Sacramento City Codes - Title 17.228.107 Towing Service/Vehicle Storage Yard and Title 17.612.020 Paving Requirements.

Compliance must be shown through completion and passing of an onsite inspection arranged through Sacramento City Code Enforcement. Primary storage yards and secondary facilities located outside of CITY limits shall meet the same standards as those subject to the City of Sacramento Code and possess' permits, licenses and certificates as required by the municipality where the facility is located. Any secondary storage yards must be inspected and on file with the Tow Administrator.

- (2) Address Change Notification - The contractor must notify the City of any change in his/her primary or secondary storage location or business office at least thirty (30) days in advance of the actual change in location. If the contractor fails to provide proper written notice, he or she will be suspended from the Tow Services Contract until the new location is approved by the Community Development Department. All new locations are subject to all facility requirements contained in this contract. Facility inspections may be conducted at any time for contract compliance.
- (3) Proof of Occupancy - The contractor shall provide the City with a copy of any lease, including any modifications or extensions, for contractor's primary and secondary storage locations(s) or business office(s), if applicable. In the event the property is owned outright, provide a copy of the most recent property tax bill. If the Contractor fails to provide a copy of any lease, modification, or extension, then he/she will be suspended from the Tow Services Contract until a copy is received by the City.

B. Physical Characteristics - The primary office shall be large enough to accommodate necessary personnel and administrative records. Contractor shall provide a public, permanent restroom facility, either unisex or separate, and a public indoor or covered outdoor waiting area to seat at least four (4) people. Restroom facilities shall be maintained in a functional, clean, and orderly fashion.

C. Public Safety - All adequate measures shall be taken to protect the safety of the public.

D. Access - The public shall have direct, unabated access to the inside of the office waiting area.

E. Capacity - The capacity of the primary location storage must total not less than thirty (25) accessible parking spaces for use in connection with this contract, measuring a minimum of eighteen (18) feet by ten (10) feet for each space, as described in City Code 18.08.050 (4,500 total square feet of storage).

F. Business Hours - Normal business hours shall not be less than 8:00 a.m. to 5:00 p.m., Monday through Friday, except for the following City recognized holidays: New Year's Day, Martin Luther

King, Jr. Day, George Washington's Birthday, Cesar Chavez's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, day after Thanksgiving, and Christmas Day.

G. Signage - Contractor must meet the following signage requirements at all times

(1) The contractor shall display in plain view at all cashier stations, a sign as described in Section 3070 of the Civil Code:

- a. Disclosing all towing and storage fees and other charges in force.
- b. Disclosing the following information: "Any person being charged for a Lien Processing Fee is entitled to copies of the supporting documentation showing the lien processing completed as of that date."

(2) An operator's place of business shall have a sign that clearly identifies it to the public as a towing service. The sign shall have letters that are clearly visible to the public from the street. The size of the lettering shall be comparable to the sign and lettering of neighboring businesses. The sign shall be visible at night.

(3) The Contractor shall display in plain view and have available for handout upon request to any owner or operator of a towed or stored vehicle the Vehicle Owner Rights under VC Section 22651.07 Towing Fees and Access Notice

H. Signage Handouts - Contractor shall have an adequate supply at all times of all required postings in English on 8.5" x 11" sheets of paper that is readily available to the public. These handouts will contain:

- (1) The contractor's name, address and contact phone number on the top or a listing of all tow rotation companies on the backside with full contact information, and;
- (2) All required postings of rates, fees, business hours and lien processes as stated in Scope of Work, Sections 4(F) and 4(G). This supply of handouts shall be placed out and available for the public to take with them at any time.

I. Office/Storage Requirements Not Met - Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.

5. CONTRACTOR'S PERFORMANCE

A. The Contractor shall comply with all Federal, State and local laws applicable to towing, storage and disposition of vehicles.

B. Assignment to a Tow District - For class B, C, and D (heavy duty) tows- the assignment will be Citywide.

Depending upon the City's needs, it is possible that heavy duty tow districts will be assigned by north and south regions for Code Enforcement.

During the term of the Heavy-Duty Tow Services Contract, the CITY shall continually evaluate the number of Contractors assigned to and the number of calls emanating from each district. The CITY may reassign any Contractor(s) to another

district if the CITY determines that the reassignment is in the best interest of the CITY.

- North – District #1: Area north of US-50, west of Capital City Fwy/I-80 Bus E and north of the north bank of the American River.
- South – District #2: Area south of US-50, east of Capital City Fwy/I-80 Bus E and south of the south bank of the American River.

(1) The Contractor may be assigned, by the Code and Housing Enforcement Chief, to one (1) tow district only, depending on the number of qualified applicants received, and shall provide tow service within that district on a 24-hour, 7-days-per-week basis.

(2) Two tow rotation lists will be maintained, one by the Code Enforcement Department, and one by Sacramento Police Department. Inclusion in the tow rotation lists mandates that the Contractor shall meet all requirements set forth in the Scope of Work, Section 5. Contractors are prohibited from maintaining multiple 'spots or turns' on the same tow rotation list.

C. Response Time - The Contractor shall respond to all requests for service from the City of Sacramento within thirty (30) minutes from the time it receives the call from the Police or Code Enforcement Dispatcher. During peak hours between 0630-0930 hrs and 1530-1830 hrs, the Contractor shall respond to all Class C & D requests for service from City of Sacramento within 45 minutes.

In the event the Contractor fails to furnish a tow unit within the specified time period, the City of Sacramento may cancel the tow request and request a tow unit from another Contractor. When the tow is canceled, the Contractor shall forfeit his/her turn in that rotation. If the Contractor does not answer a call from the City of Sacramento for dispatch to a tow, the Contractor shall forfeit his/her turn in that rotation.

D. Inability to Dispatch Tow - If the Contractor is unable to dispatch a tow unit immediately upon receiving a call for service, the Contractor shall immediately inform the City of Sacramento, and the Contractor shall forfeit that turn of the rotation.

E. Passing on Vehicles - The Contractor shall tow and store all vehicles which the City of Sacramento requests that the Contractor remove from any location, private or public, provided the Contractor has the necessary equipment and the vehicle can be safely transported.

F. Safekeeping of Vehicles and Personal Property - The Contractor shall be responsible for the security of vehicles and property at the place of storage. As a minimum, a fenced or enclosed area shall be provided. The Contractor is responsible for the reasonable care, custody, and control of any property contained in towed or stored vehicles and shall take any and all precautions necessary with the safekeeping of all items associated with each tow.

Personal effects in the vehicle at the time of the tow shall be immediately released to the registered owner or authorized agent during normal business hours when he/she presents proper identification.

Contractor shall take any and all precautions necessary to maintain all towed vehicles in 'like' condition as they were received.

G. Subcontracting - The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with Community Development

Department or Police Department.

- H. Towing of Assigned Vehicle - The Contractor shall not tow a vehicle which has been assigned to another Contractor by the City of Sacramento, except as expressly requested by an Officer, a City Dispatcher, or the Tow Hearing Officer. Responding to a call and towing or attempting to tow a vehicle to which the Contractor was not assigned shall result in up to a thirty (30) day suspension from both tow rotation lists on first offense and termination on second offense within any twelve (12) continuous months.
- I. Accident Assistance - The Contractor shall tow any vehicle or vehicles which have been assigned to another Contractor to the closest safe distance from the accident as directed by a Sacramento Police Department officer and shall not charge either the owner of the vehicle or vehicles or City for this service. The originally assigned Contractor will then assume the responsibility of towing the vehicle upon arrival at the scene.
- J. Vehicle Inspection Assistance - The Contractor shall provide assistance, including, but not limited to, moving, or lifting towed vehicles, without additional charges. Theft recovery vehicles are to be stored in a secure facility and be easily accessible until cleared by the Auto Theft detail.
- K. Inspection of Towed Vehicle VIN and License Plates - **Contractor shall inspect every tow on-scene prior to hooking up or within twenty-four (24) hours of each tow dispatch call to verify that the license plates and VIN (Vehicle Identification Number) on every vehicle or trailer matches the information documented by the Officer on the SPD-188 form.** If any variation or discrepancy exists, the Contractor will immediately notify the Officer on-scene, Police Department Dispatch, or the Community Development Department.
- L. Holds Placed on Towed Vehicles - Contractor shall release any vehicle where a proper Sacramento Police Department release has been obtained or where directed by the California Vehicle Code.

If a 'verbal' advisement from the towing Officer is given to 'hold' the car and no valid tow authority authorizes this 'verbal hold', the contractor shall immediately release such vehicle once a proper release is obtained from the Sacramento Police Department, or Sacramento Community Development Department or as directed by the California Vehicle Code. Failure to meet the above requirements shall result in up to a thirty (30) day suspension from both tow rotation lists and full financial responsibility for the tow and all storage fees for each violation.

- M. Vehicle Release - Prior to releasing a vehicle to the registered owner or his/her agent, a release must be obtained from the Sacramento Police Department for vehicles towed and/or stored pursuant to the following California Vehicle Code sections:

- 10751 Altered or Removed Vehicle Identification Number
- 14602.6 Revoked/Suspended License
- 14602.8(a) DUI Impound
- 14602.8(b) DUI Impound
- 22523(a) Abandoned on Highway
- 22523(b) Abandoned on Private Property
- 22669 (a) Parked-abandoned on street, highway, or public property.
- 22651(a) Vehicle Left Standing on Bridge
- 22651 (b) Vehicle Left standing on a Highway
- 22651(d) Blocking Driveway

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- 22651 (e) Blocking Fire Hydrant
- 22651 (f) Vehicle Left on a Highway
- 22651(h)(1) Driver Arrested
- 22651(h)(2) Notice of Suspension Issued
- 22651 (i) Five or More Parking Citations
- 22651(j) No License Plates
- 22651 (k) Parked in Excess of 72 Hours
- 22651(l) Vehicle in Violation of Local Ordinances re: Construction
- 22651(m) Vehicle in Violation of Local Ordinances Permitting Removal
- 22651 (n) No Parking - Tow-Away Zones
- 22651(o) Registration Expired 6 Months
- 22651(p) Unlicensed Driver
- 22651(q) Vehicle Parked on Highway in Common Interest development where posted
- 22651 (r) Illegally Parked - Blocking Movement
- 22651.5 Removal of Vehicles with Activated Audible Alarms
- 22653(a) Removal from Private Property (stolen)
- 22653(b) Removal from Private Property - Left at scene of accident
- 22653(c) Driver Arrested - Private Property
- 22660 Removal from private property (by ordinance)
- 22655 Hit-and-Run or Pursuit/Evading
- 22655.3 Removal of Vehicle Evading the Police
- 22655.5 Removal of Vehicle Involved in a Public Offense
- 22656 Removal of Vehicle from a Railroad Right-of-Way
- 22669(d) Parked - Major Components Missing
- 23109.2 Seizure of Vehicle Used in Speed Contest

Failure to meet the above requirements shall result in up to a thirty (30) day suspension from the tow rotation and full financial responsibility for the tow and all storage fees for each violation.

- N. Lien Sales - Shall be the sole responsibility of the Contractor, and all such sales shall be conducted in accordance with applicable state law.

6. ABANDONED VEHICLES

- A. Abandoned Vehicles - Vehicles towed under California Vehicle Code 22669 shall occur during regular business hours (Monday-Friday 0700-1700 hours), unless the vehicle in question poses a hazard.

7. CONTRACTOR'S RECORDS

- A. Contractor's Records - The Contractor shall maintain records of tow services furnished for all public agencies as well as all private persons or entities while participating in the Tow Services Contract, including those described below, at a minimum. Such records shall be retained for a period of three (3) years and shall be open to inspection during business hours immediately upon request by representatives of the CITY. Failure to make records, including

insurance policies and complete financial and payroll data, available immediately upon request shall be grounds for immediate suspension or termination of the Tow Services Contract. At a minimum, records shall contain:

(1) Tow Services - The Contractor shall record the following information for every tow:

- Original or copy of the SPD-188 tow form.
- Name, address, and phone number of person, if available, whose vehicle was towed.
- VIN and license number, make, year, and model of each vehicle towed.
- Location from which the vehicle was towed.
- Name or employee number of driver assigned to said tow.
- Location to which vehicle was towed (if different from Contractor's primary storage facility.) and any and all subsequent location transfers or moves including dates and time of those moves.
- Reason for tow, whether impound, accident, stolen recovery, abandoned, etc., if available.
- Name of party to whom the vehicle was released.
- Method and date of payment.
- All fees and charges for said tow, showing specifically towing, storage, lien fees, etc.
- Any items of personal property released from any vehicle, including the date, time, and name of person receiving the items.
- Disposition of towed vehicles that are unclaimed.
- All proceeds from the sale of towed vehicles that are unclaimed.
- All documentation of purported claims relating to damage, theft, vandalism, other acts of negligence or damage from natural disasters related to each involved vehicle, trailer or conveyance.
 - Date and Time (by means of a computer or time stamp)
 - Date and time the request for tow is received.
 - Date and time a tow unit departs the tow facility (or residence of driver if after business hours).
 - Date and time the tow unit arrives at the Contractor's storage facility.
 - Date and time any contents are released.
 - Date and time of release of the vehicle.

(2) Lien Sale Data - The Contractor shall record the following information for every tow:

- Date the lien processing begins.
- Date the notice of lien sale is mailed.
- Date and time of lien sale.
- Location of lien sale.
- Identification of purchaser.
- Monies received as a result of the lien sale.
- Amount of excess monies forwarded to the state.

(3) Personnel Records - All employees, drivers, both current and former shall have a secured personnel file at the primary business office that shall contain at a minimum, records related to their employment, training, benefits status, discipline, FMLA and leave requests, vacation requests and sick time records. Any additional personnel

documentation needed to comply with this contract shall also be contained within these records.

- A. DOJ Report Request - The Contractor shall comply with the California Vehicle Code in the immediate reporting of the removal and storage of any vehicles towed at the request of the CITY. Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with a copy of all reports which the Contractor is required to furnish the Department of Justice pursuant to the Vehicle Code.
- B. Vehicle Status Report - Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with all reports showing the status of all vehicles towed by the Code Enforcement Division. The report shall provide descriptions and identification of the vehicles, location of the vehicles, date of impounds, accrued charges, and date of release from impound.
- C. Property Receipts - The Contractor shall furnish a receipt to the vehicle owner for any property removed from any vehicle towed or stored. A copy of the receipt shall be placed in the vehicle involved, and the original receipt maintained with the Contractor's records.

8. TRUCK DRIVERS AND EQUIPMENT SPECIFICATIONS

- A. Truck/Driver Availability - The Contractor must have in operation at all times a sufficient number of qualified drivers and at least two (2) Class A tow vehicles with a minimum of 10,000 GVWR meeting the tow truck specifications and having the equipment specified for a Class A tow truck, as set forth in Attachment E. This requirement can be met with either two (2) recovery/wheel lift trucks, or one (1) each recovery/wheel lift truck and one (1) flatbed carrier truck. The Contractor shall maintain and provide a current list of all Sacramento City qualified tow vehicles.
- B. Tow Vehicle Permit - The Contractor shall use only tow vehicles that have been inspected by the City of Sacramento and have received a valid and current Tow Vehicle Permit. Additionally, each tow vehicle shall be certified by a state-licensed inspection facility or have received a certificate issued by the California Highway Patrol when responding to tow requests pursuant to this Tow Services Contract.
- C. CHP Requirements - Each tow vehicle used for services under the Tow Services Contract shall comply with the provisions of the California Vehicle Code. Each tow truck will be equipped as provided in Attachment E, CHP Tow Truck inspection Guide – CHP 234B, at all times and must have the Contractor's company name clearly painted or in decal form on both sides of the tow truck. Each tow vehicle must pass an annual CHP vehicle inspection. See Attachment D, CHP Safety Net Driver/Vehicle Inspection Report – CHP 407F.
- D. Tow Truck Driver - The Contractor shall ensure that tow truck drivers responding to calls initiated by Community Development and Sacramento PD are qualified and competent employees of his/her company. The Contractor shall ensure that the tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of the various types of vehicles serviced through the tow rotation. Tow truck drivers shall be at least 18 years of age, hold a current and valid Sacramento City Tow Driver Permit and possess the following minimum class driver's license. CHP Certification is required.
 - Class A Tow Truck – A valid Class C license, or a valid Class A license with valid medical certificate on file.

- Class B Tow Truck – A valid Class C license for non-regulated vehicles, or a valid Class A license with valid medical certificate, on file, for regulated vehicles pursuant to Section 34500 CVC.
 - Class C Tow Truck – A valid Class A license with valid medical certificate.
 - Class D Tow Truck – A valid Class A license with valid medical certificate.
 - The Class A (1) license must be endorsed to allow operation of special vehicle configurations and/or special cargos.
- E. Current List of Drivers - The Contractor shall maintain and provide a current list of his/her drivers to the Community Development Department upon implementation of this contract. The Contractor shall notify the Community Development Department upon any change in driver status, including the addition of any new driver(s), or the deletion of any driver(s). An updated list shall be provided to the Community Development Department within (7) seven calendar days of any change in driver status. Contractors, shall at a minimum, maintain the following information for each driver:
- Full Name
 - Date of Birth
 - California driver's license number with expiration date
 - Copy of valid medical certificate
 - Tow drivers permit number with expiration date
 - Job title/description
 - Current home address
 - Current home phone number
 - Type(s) of truck(s) driver has been trained and instructed to operate.
- F. Equipment Changes - The Contractor shall in writing or through electronic mail, immediately notify the Sacramento Community Development Department Tow Administration Office of any changes in or additions to tow trucks and other equipment, including deletions of trucks and equipment.
- G. Employer Pull Notice Program – Pursuant to California Vehicle Code Section 1808.1, all tow truck drivers and contractors shall be enrolled in the Department of Motor Vehicles (DMV) Employer Pull Notice Program. Upon the addition of new drivers, the Contractor will be granted a maximum of 30 days to enroll drivers in the Pull Notice Program. Pull Notices shall be kept on file, signed, and dated by the Contractor. The CITY may require the Contractor to provide copies of Pull Notice Reports. All drivers will maintain a valid City of Sacramento Tow Vehicle Driver Permit.

The Department of Motor Vehicles Employer Pull Notice Program can be viewed at:
<https://www.dmv.ca.gov/portal/vehicle-industry-services/motor-carrier-services-mcs/employer-pull-notice-epn-program/>

9. PROFESSIONAL DEMEANOR AND CONDUCT

- A. Professional Demeanor and Conduct - At all times while participating in the Tow Services Contract, Contractor and Contractor's tow truck drivers and all other employees shall conduct themselves in a courteous, honest and professional manner in all their dealings with the public and the CITY, its employees, and agents. The CITY may at any time conduct random customer service inquiries with citizens whose vehicles have been towed by any CITY Contractor. Negative responses shall result in further follow-up by the Tow Hearing Officer and possible administrative action against the offending Contractor.

As a tow operator for the City of Sacramento you will abide by the California Tow Truck Association Code of Ethics.

- To show my faith in the worthiness of my profession by upholding high standards, honor, and a high degree of integrity.
- To provide the general public with the best possible service and to promote a sense of personal obligation to each individual.
- To comply with all federal, state, county, CITY laws and regulations.
- To aid my fellow industry man in time of need and not to do anything which may conceivably injure the reputation of my competitors.
- To seek success and to demand fair remuneration that is justly due but accept no profit at the price of my own self-respect lost because of unfair advantage taken or questionable acts on my part.
- To provide the public with adequate equipment, which is kept as clean and neat as possible, and to train my drivers to be polite and courteous during public contact.
- To employ truth and accuracy in advertising and soliciting and to honor any commitments made in the course of business.

B. Misconduct - The Contractor and its employees shall refrain from any acts of misconduct, including but not limited to any of the following:

- (1) Rude or discourteous behavior directed towards City of Sacramento personnel or citizens for whom service is provided. "Rude or discourteous behavior" shall mean any act that would insult, aggravate, disturb or frustrate a person of reasonable sensibilities, which act(s) shall include, but is not limited to, using profanity or inappropriate language, manifesting an uncooperative and/or angry demeanor, performing acts of vandalism, failing to respond to questions in a courteous and professional manner, intentionally misrepresenting rates or tow procedures or attempting to manipulate rates or tow procedures to the detriment of citizens or the City of Sacramento. A violation of this subsection shall result in up to a thirty (30) day suspension from the tow list on the first and second offense and termination of this contract on the third offense within a continuous twelve (12) month period. For the purpose of this Tow Contract a member of the public shall include any private or business party outside of the City of Sacramento, whether individual or as part of a group. See Scope of Work, Section 9.
- (2) Any act of sexual harassment or sexual impropriety.
- (3) Unsafe driving practices.
- (4) Any objective symptoms of alcohol and/or drug use/abuse while performing any related tow service for the City of Sacramento. See Attachment F – Drug Free Workplace.
- (5) Sub-standard service, customer service, selective service, or refusal to provide service which the tow company is capable of performing.

10. ADMINISTRATIVE MATTERS

A. Transfer of Business - The Contractor will notify the Chief of Code and Housing Enforcement immediately upon transfer of ownership of all or part of the company in writing. The Tow Services Contract is not transferable to the new owner. The new owner must apply to and be approved by the Sacramento Community Development Department for participation in the Tow Services Contract.

B. Optional Semi-Annual Contract Review - The purpose of this section is to provide a process

for an optional semi-annual review of the terms and conditions of the Contract by the Chief of Code and Housing Enforcement and an organization representing a majority of the Contractors in the City of Sacramento in the event that legitimate and substantial changes occur in conditions or law affecting the majority of the Contractors in the City of Sacramento. Examples of such conditions may include, but are not limited to, substantial increases/decreases in business expenses, changes in the law affecting the Department or the operators, or recommended changes in the terms and conditions of the rotational Tow Contract as a result of service delivery experience in the City of Sacramento.

A request for a semi-annual review of the terms and conditions of the Contract shall be communicated to the Tow Program Administration Office of the Sacramento Community Development Department in writing by a majority of the Contractors under this Contract, and not merely at the request of a single Contractor. The Chief of Police may also request a semi-annual review if he/she feels it is in the best interests of the citizens of the motoring public, the Sacramento tow industry, and/or the Department.

- C. Period of Performance - The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term.
- D. Option Period - It is the City of Sacramento's sole discretion to exercise an option period. Option periods will be exercised upon successful completion of the contract in accordance with its Non-Professional Services Agreement, Scope of Work, and its contract clauses and provisions.
- D. Termination - This Tow Services Contract may be terminated at any time by either party with or without cause. Although the CITY may elect to impose discipline for violations of the Contract which are less severe than termination or may grant an appeal to discipline imposed, the Contract may be terminated without cause. The Contractor agrees that the disciplinary procedures and options contained herein do not affect the CITY's ability to terminate the Contract at the discretion of the Community Development Department without cause. Nothing in the Contract shall be construed to create any property rights, interests or licenses held by the Contractor.

11. CONTRACT VIOLATIONS AND/OR COMPLAINTS

When the Contractor or his or her employees have violated any of the terms of the Contract or any law upon completion of any investigation pursuant to this section, the Community Development Department shall inform the Contractor, in writing, of any disciplinary action to be taken.

Unless otherwise noted herein, violations may result in any of the following actions:

- First violation – written warning notice
- Second Violation – fifteen (15) day suspension
- Third Violation – termination of contract

A. In addition to the violations/disciplinary actions detailed above, following are further violations:

- (1) Within any calendar month, failure to respond to a minimum of 95% of requests for tow service within the time set forth in Section 5(C), Contractor's Performance, refusing/failing to tow any qualifying vehicle assigned, or passing on/unavailability to respond will constitute a violation. Tow request completions will be reviewed quarterly.

- (2) Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation list on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.
 - (3) Subcontracting for any tow service or violating the financial interest section of the RFQ, shall result in immediate termination of this Tow Services Contract.
 - (4) Contractor's failure to satisfy a court order/judgment mandating reimbursement to a vehicle or property owner for the damage or loss which occurred while the vehicle was in the Contractor's custody will result in a suspension from tow rotation list. The suspension will remain in effect until the Contractor has presented proof of the reimbursement to the Police Department.
- B. If it is determined that a Contractor is to be served with a notice of termination from the Tow Services Contract, the Tow Administrator will provide written notification detailing the offense(s).

The Contractor may request an appeal hearing within seven (7) calendar days by submitting a request in writing to the Community Development Department. Nothing set forth in this paragraph shall permit the Contractor to appeal any termination of the Tow Services Contract effected by the Community Development Department. Failure of the Contractor to request an appeal of the decision of the Community Development Department within the seven (7) days required pursuant to this section shall constitute a waiver of the Contractor's right to an administrative appeal of the decision. If a hearing is requested, it shall be held as soon as practicable while still allowing the Contractor a meaningful time period to prepare a defense. The hearing shall be conducted by the Tow Review Committee. The hearing shall be informal, and the rules of evidence shall not apply. The Contractor shall be entitled to present all relevant facts to the Tow Review Committee in support of his/her position. The Contractor shall be notified in writing of the decision by the Tow Review Committee within ten (10) calendar days of the date of the hearing. The decision of the Tow Review Committee is final and binding and shall be subject to no further administrative appeal.

In the event the CITY serves a Contractor with Notice of Termination from the Tow Services Contract, and the Contractor seeks an appeal hearing, the disciplinary action will be delayed pending the administrative appeal process. In the event CDD elects to modify the discipline imposed on the Contractor, the Contractor agrees he or she shall not be entitled to recover any costs, compensation, damages, losses, and/or expenses of any type or description from or file a claim against the CITY, its officers, employees, and appointees, including but not limited to members of the Tow Review Committee, arising out of or related to, in any manner, a complaint filed against, or discipline imposed upon the Contractor.

12. INSURANCE REQUIREMENTS

The failure to maintain adequate insurance coverage for any reason at any time shall result in immediate suspension from the Tow Services Contract and the tow rotation list until proof of insurance is received by the CITY.

Insurance Requirements - During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in Section 12. Full compensation for all premiums that the Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums.

It is understood and agreed by the Contractor that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy. A Garage Liability policy with limits of \$1,000,000 may be substituted for the commercial general liability policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.
- (3) Garage Keepers Liability- Policy in the amount of at least \$250,000.
- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers' Compensation waiver of subrogation in favor of the CITY is not required for all work performed by the Contractor.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of Contractor, and premises owned, leased or used by Contractor. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 12 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) The Contractor shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in the Administrative Information Section, 1(G). Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to Contractor and/or cancel the Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with the Sacramento Community Development Department.

In the case of an exception, Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

Attachment 1 to Exhibit B

Heavy Duty Tow Pricing Schedule

***In your pricing, please include Storage, tow in/tow out and Disposal fee combined.**

***Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.**

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	\$1750.00
Boats on trailer	\$1750.00
Utility Trailer	\$1750.00
Travel Trailers:	
10 ft (or lower) - 20 ft	\$1750.00
21ft-30 ft	\$2500.00
31 ft-40 ft (or above)	\$3000.00
Motorhomes:	
10 ft (or lower) - 20 ft	\$2000.00
21ft-30 ft	\$2500.00
31 ft-40 ft (or above)	\$3000.00
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	\$400.00 per hr
Class C Storage	\$100.00 per day
Class D	\$450.00 per hr
Class D Storage	\$100.00 per day

ACORDTM**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

5/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services, LLC Lic # OG11911 10940 White Rock Rd 2nd Fl Rancho Cordova, CA 95670	CONTACT NAME: Aislinn McKenney PHONE (A/C, No, Ext): 916 883-0616 FAX (A/C, No): 610 537-2346 E-MAIL ADDRESS: aislinn.mckenney@usi.com														
INSURED Five Star Towing & Transport, Inc. 8979 Elk Grove Florin Road Elk Grove, CA 95624	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : American Guarantee and Liability Ins Co</td> <td>26247</td> </tr> <tr> <td>INSURER B : Zurich American Insurance Company of IL</td> <td>27855</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : American Guarantee and Liability Ins Co	26247	INSURER B : Zurich American Insurance Company of IL	27855	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER F :															

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**


THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> BI/PD Ded: \$1,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	PRA164312701	05/26/2024	05/26/2025	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY	X	PRA164312701	05/26/2024	05/26/2025	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B	Garagekeepers/ On-Hook Liability		PRA164312701	05/26/2024	05/26/2025	\$300,000 Lmt/\$1,000 Ded /\$5,000 Max Ded
A	Cargo		PRA164312701	05/26/2024	05/26/2025	\$100,000 Lmt/\$1,000 Ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Sacramento, its officials, employees and volunteers are named as Additional Insured as it relates to general liability per form CG20260413 and auto liability per form CA20481013.

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento, Community Development Department 300 Richards Blvd, 3rd Floor Sacramento, CA 95811	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

CITY OF SACRAMENTO, COMMUNITY
DEVELOPMENT DEPARTMENT
300 RICHARDS BLVD, 3RD FLOOR
SACRAMENTO, CA USA 95811

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: FIVE STAR TOWING & TRANSPORT, INC.

Endorsement Effective Date: 05/26/2024

SCHEDULE

Name Of Person(s) Or Organization(s):

CITY OF SACRAMENTO, COMMUNITY
DEVELOPMENT DEPARTMENT
300 RICHARDS BLVD, 3RD FLOOR
SACRAMENTO, CA USA 95811

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph A.1. of Section II — Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph D.2. of Section I — Covered Autos Coverages of the Auto Dealers Coverage Form.

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 04/16/2025
Supplemental Contract No.: 1

The City of Sacramento ("City") and Five Star Towing and Transport, Inc. ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002877, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

There is no change to the scope of services. The Community Development Department shall extend the time of performance by one additional year. The new contract expiration date is 6/30/2026.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased by \$0**, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$249,999</u>
Increase by this supplemental contract:	<u>\$0</u>
New not-to exceed amount including all supplemental contracts:	<u>\$249,999</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: Sonu Singh
Sonu Singh (Apr 22, 2025 13:47 PDT)

Title: President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: Maxwell Nelson
Maxwell Nelson (Apr 22, 2025 14:41 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: Monica Duncan
Monica Duncan (Apr 22, 2025 15:46 PDT)

Title: Administrative Analyst

Approved By:

Signature: Thomas S. Pace

Title: Director of Community Development

Additional Signature (if required):

Title:

CONTRACT #: PRC002878
CONTRACT NAME: Heavy Duty Towing Services
CONTRACT PROJECT #:
DEPARTMENT: Community Development and PD
DIVISION: Neighborhood Code Compliance
CITY OF SACRAMENTO

NONPROFESSIONAL SERVICES AGREEMENT

THIS CONTRACT is made at Sacramento, California, by and between the **CITY OF SACRAMENTO**, a charter city and municipal corporation ("CITY"), and

North Valley Fleet Services, Inc.
3115 Coke Street, West Sacramento, CA 95691
916-374-8850/miker@nvisuzutrucks.com

("Contractor"), as of the Effective Date, as defined below.

The City and Contractor agree as follows:

1. **Effective Date.** This Contract shall be effective beginning July 1, 2024.
2. **Contract Documents.** This Contract includes each of the following documents, which are attached or incorporated by this reference (referred to collectively as the "Contract Documents"):

Invitation to Bid, Request for Qualifications, or Request for Proposals, and any Addenda
Exhibit A – Scope of Work
Exhibit B – Payment
Exhibit C – Insurance
Exhibit D – General Conditions
Purchase Orders

If there is a conflict between the terms and conditions of any document prepared or provided by the Contractor and made a part of this Contract and the other terms or conditions of the Contract, the other terms and conditions of the Contract control.

3. **Services.** Subject to the terms and conditions set forth in this Contract, Contractor shall provide to City the non-professional services described in Exhibit A ("Services").

Contractor will not be compensated for non-professional services outside the scope of Exhibit A ("Additional Services") unless, before providing Additional Services: (a) Contractor notifies City and City agrees that the Additional Services are outside the scope of Exhibit A; (b) Contractor estimates the additional compensation required for these Additional Services; and (c) City, after notice, approves in writing a Supplemental Contract specifying the Additional Services and the amount of additional compensation to be paid Contractor.

City will have no obligations whatsoever under this Contract or any Supplemental Contract, unless and until this Contract or any Supplemental Contract is approved by the City as required by the Sacramento City Code. As used in this Contract, the term "Services" includes both Services and Additional Services as applicable.

4. **Payment.** City shall pay Contractor at the times and in the manner set forth in Exhibit B. Contractor shall submit all invoices to City in the manner specified in Exhibit B.
5. **Facilities and Equipment.** Except as set forth below, Contractor shall, at its sole cost and expense, furnish all facilities and equipment required for Contractor to perform this Contract. City shall furnish to Contractor only the facilities and equipment listed below, if any.
6. **Insurance.** Contractor shall, at its sole cost and expense, maintain the insurance coverage described in the attached Exhibit C.
7. **General Conditions.** Contractor shall comply with the terms and conditions set forth in the attached Exhibit D.
8. **Non-Discrimination in Employee Benefits.** This Contract may be subject to Sacramento City Code chapter 3.54, Non- Discrimination in Employee Benefits by City Contractors. A summary of the requirements, entitled "Requirements of the Non-Discrimination in Employee Benefits Code (Equal Benefits Ordinance)," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.54. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor's violation of Sacramento City Code chapter 3.54 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

9. **Living Wage.** This Contract may be subject to Sacramento City Code chapter 3.58, Living Wage. A summary of the requirements, entitled "Living Wage Requirements", can be viewed at: <https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>. The Living Wage Ordinance is applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period. Contractor acknowledges and represents that Contractor has read and understands the requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.58. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance.

Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.58 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.58.

Contractor's violation of Sacramento City Code chapter 3.58 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

In addition, for Services that constitute "Public Works" under California Labor Code Section 1720 et seq., if both prevailing wage and living wage requirements apply, Contractor shall pay the higher of the two rates.

10. **Considering Criminal Conviction Information in the Employment Application Process.** This Contract may be subject to the requirements of Sacramento City Code chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements, entitled "Ban-The-Box Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

The Ban-The-Box Requirements are applicable to certain contracts with the City in an amount of \$250,000 or more (either initial value or total value after amendment) or if the total value of all Contractor's contracts with the City is \$250,000 or more over a 12-month period.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.62. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.62 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.62.

Contractor's violation of Sacramento City Code chapter 3.62 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

11. **Local Business Enterprise Program.** The Local Business Enterprise Program Participation Requirements ("LBE Participation Requirements") are applicable to this Contract. A summary of the requirements, entitled "LBE Participation Requirements," can be viewed at:

<https://www.cityofsacramento.org/Finance/Procurement/Contract-Ordinances>.

Contractor acknowledges and represents that Contractor has read and understands these requirements and shall fully comply with all applicable requirements of Sacramento City Code chapter 3.60. If requested by City, Contractor shall promptly provide any documents and information required by City to verify Contractor's compliance. Contractor shall require applicable subcontractors to fully comply with all applicable requirements of Sacramento City Code chapter 3.60 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.60.

Contractor's violation of Sacramento City Code chapter 3.60 constitutes a material breach of this Contract, for which the City may terminate the Contract and pursue all available legal and equitable remedies.

12. **Authority.** The person signing this Contract for Contractor represents and warrants that he or she has read, understands, and agrees to all the Contract terms and is fully authorized to sign this Contract on behalf of the Contractor and to bind the Contractor to the performance of the Contract's obligations.

[Signatures Page Following Exhibits]

EXHIBIT A

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Monica Duncan/Administrative Analyst
300 Richards Boulevard, Sacramento, CA 95811
916-808-8025/mduncan@cityofsacramento.org*

The CONTRACTOR Representative for this Agreement is:

*Mike Ram/President
3115 Coke Street, West Sacramento, CA 95691
916-374-8850/miker@nvisuzutrucks.com*

Unless otherwise provided in this Contract, all Contractor questions and correspondence pertaining to this Contract must be addressed to the City Representative. All City questions and correspondence must be addressed to the Contractor Representative.

- 2. Scope of Services.** Contractor shall provide Services to City as set forth in Attachment 1 to this Exhibit A.
- 3. Time of Performance.** The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of \$ 249,999. The payments specified in this Exhibit B shall be the only payments made to Contractor unless the City approves a Supplemental Contract.
2. **Pricing.** Contractor shall be paid as set forth in Exhibit A or Attachment 1 to this Exhibit B and any applicable special provisions included in the request for bids or proposals. If there is a conflict between Exhibit A or Exhibit B and the Special Provisions, Exhibit A or Exhibit B controls.
3. **Contractor's Reimbursable Expenses.** "Reimbursable Expenses" are limited to actual expenditures of Contractor for expenses that are necessary for the proper satisfaction of the Contract and are only payable if specifically authorized in advance in writing by the City.
4. **Miscellaneous Charges.** No additional charges will be allowed unless specified in the Contract, including charges for transportation, fuel, containers, packing, or disposal.
5. **Payments to Contractor.** Contractor is responsible for supplying all documentation necessary to verify invoices to the City's satisfaction.
 - A. Payment terms are NET 30 days, unless the Contractor offers a prompt payment discount that was accepted by the City or as otherwise stated in this Contract. Any prompt payment discounts will be computed from the date of acceptance by the City, or from the date an invoice is received, whichever occurs later.
 - B. Invoices must be submitted to either of the addresses specified below.
 - (1) Email. Submit email invoices and any attachments to:
apinvoices@cityofsacramento.org
 - (2) Postal Mail. If emailing is not an option, mail to:
A/P Processing Center
City of Sacramento
915 I Street, Floor 4
Sacramento, CA 95814-2608
 - C. All invoices submitted by CONTRACTOR must contain the following information:
 - (1) Job/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) Contractor's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order
 - (7) Contractor's remit address

- (8) Itemized description of items billed under Invoice
- (9) Itemized description of all authorized Reimbursable Expenses
- (10) Itemized description of all applicable taxes (sales, use, excise, etc.)
- (11) Amount of Invoice (itemize all authorized Reimbursable Expenses)
- (12) Total Billed to Date under Contract (if applicable)

D. Items must be separated into Goods, Services, and Reimbursable Expenses. All applicable sales, use, excise, or similar taxes, including federal excise tax, must be itemized separately on the invoice. Invoices that do not conform to the format outlined above will be returned to Contractor for correction. City is not responsible for delays in payment to Contractor resulting from Contractor's failure to comply with the invoice format described above.

E. For Goods only, a bill of lading number and weight of shipment will be shown for shipments on the Government Bill of Lading.

F. Unless otherwise specified in this Contract, partial payments will not be made by the City and payment will not be due until the completion of the Goods order. No payment precludes the City's right to inspect. Requests for payment status should be addressed to the City Representative for this Contract.

6. **Additional Services.** Additional Services shall be provided only when a Supplemental Contract authorizing the Additional Services is approved in writing by the City in accordance with the City's contract amendment procedures. The City reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform the Additional Services.

7. **Accounting Records of Contractor.** During performance of this Contract and for a period of three years after completion of performance, Contractor shall maintain all accounting and financial records related to this Contract, in accordance with generally accepted accounting practices, including records of Contractor's costs for performance under this Contract and records of Contractor's Reimbursable Expenses. Contractor shall keep and make records available for inspection and audit by representatives of the City upon reasonable written notice.

8. **Tax Payments.** Contractor shall pay, when and as due, any and all taxes incurred as a result of Contractor's compensation hereunder, including estimated taxes, and shall provide CITY with proof of the payment upon request. Contractor hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of Contractor's breach of this section.

9. **Public Works Requirements.** *[To be completed by the City Representative:]*

The services provided under this Contract include ***[check one if applicable]:***

_____ Construction work in an amount exceeding \$25,000;

- _____ Land Surveying, material testing, or inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project; or
- _____ Alteration, demolition, repair, or maintenance work in an amount exceeding \$15,000.

If any of the lines is checked above, this Contract includes "Public Work" under the California Labor Code and is subject to the following requirements:

- A. Payment of Prevailing Wages: Contractor and any subcontractor(s) performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of the California Labor Code, which require, among other things, that Contractor and all subcontractors pay not less than the prevailing rate of wages, as determined by the Director of the California Department of Industrial Relations ("DIR") in accordance with California Labor Code section 1773. Contractor and every subcontractor shall maintain payroll records and submit certified payrolls and other labor compliance documentation electronically when and as required by CITY. In addition, Labor Code Section 1771.4 requires the Contractor and any subcontractor performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner. Contractor shall include these requirements in every subcontract.

This Agreement is subject to compliance monitoring and enforcement by the DIR, as specified in California Labor Code section 1771.4. The Contractor and any subcontractor will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code Sections 1726, 1741, 1771.5, and 1775, and City Code Section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the City Representative.

- B. DIR Registration: California Labor Code Section 1725.5 requires the Contractor and all subcontractors performing Public Works services to be currently registered with the DIR, as specified in California Labor Code Section 1725.5. California Labor Code Section 1771.1 provides that a contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal (subject to the requirements of Section 4104 of the California Public Contract Code), or engage in the performance of any contract for Public Work, unless currently registered and qualified to perform Public Work in accordance with California Labor Code Section 1725.5.

Further information can be found on DIR's website at <http://www.dir.ca.gov/Public-Works/Contractors.html>. The above summary is provided solely for informational purposes and does not in any way affect the Contractor's and subcontractors' obligation to comply in all respects with all other applicable laws and regulations. The Contractor shall disseminate these provisions to all subcontractors.

Before the performance of work by Contractor or any subcontractor(s) under this Contract, Contractor shall furnish Contractor's and any subcontractors' current DIR registration number(s). The Contractor's current DIR registration number and the

current DIR registration number of all subcontractors will be listed on the Subcontractor and LBE Participation Verification Form, incorporated herein.

- C. Workers' Compensation Certification. In accordance with California Labor Code Section 1861, by signing this Contract, Contractor acknowledges and represents that Contractor is aware of the provisions of section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that Contractor will comply with the provisions of the Labor Code before commencing performance under this Contract.
- D. Apprentices. If this Contract is for the performance of any Public Work, and the amount of the Contract is \$30,000 or more, the Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.190, Section 1777.5 et seq. of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractors performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code Section 1777.7.
- E. Working Hours. If this Contract is for the performance of any Public Work, Contractor and any subcontractors performing any Public Work under this Contract must comply with and be subject to enforcement under, the provisions of Sacramento City Code Section 3.60.180 and California Labor Code Section 1810 et seq., governing the working hours of employees performing Public Work.
- F. Failure to Comply with Labor Compliance. If all applicable labor compliance requirements are not met, the City will have the right to withhold or reject a payment request and/or invoice, in whole or in part, without in any way relieving Contractor or its subcontractors of any obligations under this Contract.
- G. Subcontractors. The Contractor shall include these provisions A through F in every subcontract or sub-agreement for any subcontractors performing work under this Contract.

EXHIBIT C

INSURANCE

1. **Insurance Requirements.** During the entire term of this Contract, Contractor shall maintain the insurance coverage described in the Insurance Terms below. Full compensation for all premiums that Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified under this Contract. No additional compensation will be provided for Contractor's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the City.

Contractor's liability to the City is not in any way limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Contract.

2. **General Liability Minimum Scope and Limits of Insurance Coverage.** Commercial General Liability Insurance is required providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of the Contractor and subcontractors, products and completed operations of Contractor and subcontractors, and premises owned, leased, or used by Contractor and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of: activities performed by or on behalf of Contractor and subcontractors; products and completed operations of Contractor and subcontractors; and premises owned, leased, or used by Contractor and subcontractors.

3. **Automobile Liability Minimum Scope and Limits of Insurance Coverage.** (*Check the applicable provision.*)

 X Automobile Liability Insurance is required providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.

The City, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

 No automobile liability insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that a motor vehicle will not be used in the performance of any work or services under this agreement. If, however, Contractor does transport items under this Contract, or this Contract is amended to require any employees of Contractor to use a

vehicle to perform services under the Contract, Contractor understands that it must maintain and provide evidence of Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor."

4. **Excess Insurance.** The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage, provided that any umbrella or excess insurance contains, or is endorsed to contain, a provision that it will apply on a primary basis for the benefit of the City, and any insurance or self-insurance maintained by City, its officials, employees, or volunteers will be in excess of Contractor's umbrella or excess coverage and will not contribute to it.

5. **Workers' Compensation Minimum Scope and Limits of Insurance Coverage.** *(Check the applicable provision.)*

 X Workers' Compensation Insurance is required with statutory limits and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the City.

 No work or services will be performed on or at CITY facilities or CITY Property, therefore a Workers' Compensation waiver of subrogation in favor of the CITY is not required.

 No Workers' Compensation insurance is required, and by signing this Contract, Contractor certifies as follows:

"Contractor certifies that its business has no employees, and that it does not employ anyone, and is therefore exempt from the legal requirements to provide Workers' Compensation insurance. If, however, Contractor hires any employee during the term of this Contract, Contractor understands that Workers' Compensation with statutory limits and Employer's Liability Insurance with a limit of not less than one million dollars (\$1,000,000) is required. The Workers' Compensation policy will include a waiver of subrogation in favor of the City."

6. **Other Insurance Provisions.** The policies must contain, or be endorsed to contain, the following provisions:

- A. Contractor's insurance coverage, including excess insurance, shall be primary insurance as respects the City, its officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees or volunteers will be in excess of Contractor's insurance and will not contribute with it.
- B. Any failure to comply with reporting provisions of the policies will not affect coverage provided to the City, its officials, employees or volunteers.
- C. Coverage shall state that Contractor's insurance applies separately to each insured

against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- D. Contractor shall provide the City with 30 days written notice of cancellation or material change in the policy language or terms.

7. **Acceptability of Insurance.** Insurance must be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Exhibit C must be declared to and approved by the City in writing before execution of this Contract.

8. **Verification of Coverage.**

- A. Contractor shall furnish City with certificates and required endorsements evidencing the insurance required. Certificates of insurance must be signed by an authorized representative of the insurance carrier. Copies of policies shall be delivered to the City Representative on demand.

- B. Contractor shall send all insurance certificates and endorsements, including policy renewals, during the term of this Contract directly to:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

- C. Certificate Holder must be listed as:

City of Sacramento
c/o Exigis LLC
PO Box 947
Murrieta, CA 92564

- D. The City may withdraw its offer of Contract or cancel this Contract if the certificates of insurance and endorsements required have not been provided before execution of this Contract. The City may withhold payments to Contractor and/or cancel the Contract if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

9. **Subcontractor Insurance Coverage.** Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in this Exhibit C.

EXHIBIT D

GENERAL CONDITIONS

1. Independent Contractor.

- A. It is understood and agreed that Contractor (including Contractor's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Contractor nor Contractor's assigned personnel will be entitled to any benefits payable to CITY employees. CITY is not required to make any deductions or withholdings from the compensation payable to Contractor under the provisions of this Contract, and Contractor will be issued a Form 1099 for its services hereunder. As an independent contractor, Contractor hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of Contractor's employees or by any third party, including any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Contract or by reason of the nature and/or performance under this Contract.
- B. It is further understood and agreed by the parties that Contractor, in the performance of its obligations, is subject to the City's control and direction as to the designation of tasks to be performed and the results to be accomplished under this Contract, but not as to the means, methods, or sequence used by Contractor for accomplishing the results. To the extent that Contractor obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Contract, this use will be at the Contractor's sole discretion based on the Contractor's determination that the use will promote Contractor's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Contract, the CITY does not require that Contractor use CITY facilities, equipment or support services or work in CITY locations in the performance of this Contract. As used in this Contract, "sole discretion" or "sole judgment" means that the party authorized to exercise its discretion or judgment may do so based on an unfettered assessment of its own interests, without considering how its decision affects the other party, and unconstrained by the implied covenant of good faith and fair dealing.
- C. If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under the direction, supervision, and control of Contractor. Except as otherwise provided in this Contract, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Contractor. It is further understood and agreed that Contractor will issue W-2 or 1099 Forms for income and employment tax purposes for all Contractor's assigned personnel and subcontractors.
- D. The provisions of this section will survive any expiration or termination of this Contract. Nothing in this Contract creates an exclusive relationship between CITY and Contractor. Contractor may represent, perform services for, or be employed by any additional persons or companies so long as Contractor does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** Contractor represents and warrants that Contractor has, and shall maintain at all times during the term of this Contract at its sole cost and expense, all licenses, permits, qualifications, and approvals of any nature that are legally required for Contractor to practice its profession or fulfill the terms of this Contract, including a City Business Operations Tax Certificate and any required certification issued by the California Secretary of State.
3. **Time.** Time is of the essence in the performance of this Contract. Contractor shall devote the necessary time and effort to its performance under this Contract. Neither party will be considered in default of this Contract, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **Contractor Not Agent.** Except as City may specify in writing, Contractor and Contractor's personnel have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor and Contractor's personnel shall have no authority, express or implied, to bind City to any obligations whatsoever.
5. **Conflicts of Interest.** Contractor covenants that neither it, nor any officer or principal of its firm, has or will acquire any interest, directly or indirectly, that would conflict in any manner with the City's interests or that would in any way hinder Contractor's performance under this Contract. Contractor further covenants that in the performance of this Contract, no person having any such interest will be employed by it as an officer, employee, agent or subcontractor, without the City's written consent.

Contractor agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the City's interests during the performance of this Contract. If Contractor is or employs a former officer or employee of the City, Contractor and any former City officer or employee shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any City department, board, commission, or committee.

6. **Hazardous Substances.** "Hazardous Substances" means any substance, material, waste, or other pollutant or contaminant that is or becomes designated, classified, or regulated as hazardous or toxic under any law, regulation, rule, order, decree, or other governmental requirement now in effect or later enacted. If Contractor is shipping Hazardous Substances, Contractor must supply a Safety Data Sheet ("SDS") with the first shipment of Hazardous Substances to each City location receiving the Hazardous Substances. If the content of an SDS is revised, Contractor must provide a revised SDS to each City location receiving Hazardous Substances.
7. **Confidentiality of City Information.** During performance of this Contract, Contractor may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City.

Contractor agrees to protect all City Information and treat it as strictly confidential, and further agrees that Contractor shall not at any time, either directly or indirectly, divulge, disclose or

communicate in any manner any City Information to any third party without the City's prior written consent.

In addition, Contractor must comply with all City policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by Contractor of this section is a material violation of this Contract and shall justify legal and equitable relief.

8. Contractor Information.

- A. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Contractor under this Contract. In this Contract, the term "information" means and includes: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Contractor shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City.
- B. Contractor shall fully defend, indemnify and hold harmless City, its officers and employees, and each of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Contractor under this Contract infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Contractor not later than ten days after City is served with any such claim, action, lawsuit or other proceeding. However, City's failure to provide notice within the ten-day period does not relieve Contractor of its obligations hereunder, which survive any termination or expiration of this Contract.
- C. All proprietary and other information received from Contractor by City, whether received in connection with Contractor's proposal to City or in connection with Contractor's performance, will be disclosed upon receipt of a request for disclosure, in accordance with the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor will then have five days from the date it receives notice to petition the court for a protective order to prevent the disclosure of the information. The Contractor shall have sole responsibility for defense of the actual "trade secret" designation of such information.
- D. The parties understand and agree that any failure by Contractor to respond to the notice provided by City and seek a protective order, in accordance with the provisions of subsection C, above, constitutes a complete waiver by Contractor of any rights regarding the information designated "trade secret" by Contractor, and the information will be disclosed by City in accordance with the Public Records Act.

9. **Notification of Material Changes in Business.** Contractor agrees that if it experiences any material changes in its business, including a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, name change, or loss of key personnel, it will immediately notify the City of the changes. Contractor also agrees to immediately notify the City of any condition that may jeopardize the scheduled delivery or fulfillment of Contractor's obligations to the City under this Contract.
10. **Standard of Performance.** Contractor shall perform in the manner and according to the standards currently observed by a competent practitioner of Contractor's profession in California and in compliance with all requirements of this Contract. All products that Contractor delivers to City under this Contract must be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Contractor's profession.

Contractor shall assign only competent personnel to perform on its behalf under this Contract. Contractor must notify the City in writing of any changes in Contractor's staff assigned to perform under this Contract, before any performance by the new staff member. If the City, in its sole discretion, determines that any person assigned by the Contractor to perform under this Contract is not performing in accordance with the standards required herein, City shall provide notice to Contractor. Contractor shall immediately remove the assigned person upon receipt of the notice.

11. **Performance or Different Terms and Conditions.** The City's subsequent performance will not be construed as either acceptance of additional or different terms and conditions or a counteroffer by the Contractor, nor will the City's subsequent performance be viewed as acceptance of any provision of the Uniform Commercial Code, as adopted by any State, that is contrary to the terms and conditions contained herein. Contractor's performance shall conform to the applicable requirements of the Sacramento City Charter, Sacramento City Code, and all applicable State and Federal laws, and all the requirements of this Contract. The California Commercial Code will apply except as otherwise provided in the Contract.
12. **Emergency/Declared Disaster Requirements.** If an emergency is declared by the City Manager, or if any portion of the City is declared a disaster area by the county, state or federal government, this Contract may be subjected to increased usage. The Contractor shall serve the City during a declared emergency or disaster, subject to the same terms and conditions that apply during non-emergency / non-disaster conditions. The pricing set forth in this Contract will apply, without mark-up, regardless of the circumstances. If the Contractor is unable to fulfill the terms of the Contract because of a disruption in its chain of supply or service, then the Contractor shall provide proof of the disruption. Acceptable forms of proof will include a letter or notice from the Contractor's source stating the reason for the disruption
13. **Term; Suspension; Termination.**
- A. This Contract is effective on the Effective Date and continues in effect until both parties have fully performed their respective obligations under this Contract, unless sooner terminated as provided herein.
 - B. City shall have the right at any time to suspend Contractor's performance hereunder, in whole or in part, by giving a written notice of suspension to Contractor. Upon receipt of

such notice, Contractor shall immediately suspend its activities under this Contract, as specified in the notice.

- C. The City shall have the right to terminate this Contract at any time by giving a written notice of termination to Contractor. Upon receipt of such notice, Contractor shall immediately cease performance under this Contract as specified in the notice. If the City terminates this Contract:

- (1) Contractor shall, not later than five days after receipt of the notice, deliver all information prepared under this Contract to the City.
- (2) The City shall pay Contractor the reasonable value of Goods or Services provided by Contractor before termination; provided, however, City shall not in any manner be liable for lost profits that might have been made by Contractor had the Contract not been terminated or had Contractor completed performance required by this Contract. Contractor shall furnish to the City any financial information requested by the City to determine the reasonable value of the Goods or Services provided by Contractor. The foregoing is cumulative and does not affect any right or remedy that City may have in law or equity.

14. **Default by Contractor.** In case of default by the Contractor, the City reserves the right to procure the Goods or Services from other sources and deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in this Contract and the actual cost to the City to procure from an alternate source. Prices paid by the City will be considered the prevailing market price at the time such purchase is made.

15. **Guarantee and Warranty.** Contractor assumes design responsibility and warrants the articles to be free from design defect and suitable for the purposes intended by City. If it is determined by the City that the Goods and Services do not meet the minimum requirements of this Contract, the Contractor shall correct the same at Contractor's sole expense.

- A. The Contractor agrees that the Goods and Services furnished under this Contract will be covered by the industry standard or better warranty.
- B. Contractor further warrants that the Goods and Services furnished under this Contract will be covered by the most favorable commercial warranties the Contractor gives to any customer for the Goods and Services and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to the City at law or equity, or by any other clause of this Contract.
- C. Any additional warranties provided by law, including the warranty of merchantability and warranty of fitness for a particular purpose will remain in full force and effect and inure to the City's benefit. City reserves all rights and remedies provided by law for breach of any applicable warranty related to the Goods and Services.
- D. City's inspections, approval, acceptance, or payment for all or part of any Goods and

Services will in no way affect City's warranty rights.

16. Indemnity.

- A. Indemnity: Contractor shall defend, hold harmless, and indemnify City, its officers, and employees, and each and every one of them, from and against all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, and expenses of every type and description, whether arising on or off the site of the work or services performed under this Contract, including any fees and costs reasonably incurred by City's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including Liabilities for personal injury or death, damage to personal, real, or intellectual property, damage to the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Contract by Contractor, any subcontractor (including lower-tier subcontractors) or agent of Contractor, their respective officers and employees, and anyone else for whose acts of omissions any of them may be liable, whether or not the Liabilities (i) are caused in part by a party indemnified hereunder, or (ii) are litigated, settled, or reduced to judgment; provided that the foregoing indemnity does not apply to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage, or expense, to the extent arising from the active negligence or willful misconduct of, or defects in design furnished by, City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the supervision and control of Contractor or any subcontractor (including lower-tier subcontractors) or agent of Contractor.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by City of any of the insurance policies or coverages described in this Contract will not affect or limit any of City's rights under this Section, nor will the limits of any insurance limit the liability of Contractor hereunder. This Section will not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of section 8.B., above.
- C. Survival. The provisions of this section will survive any expiration or termination of this Contract.

17. Funding Availability.

- A. This Contract is subject to the budget and fiscal provisions of the Charter and the Sacramento City Code.
- B. The City's payment obligation under this Contract will not exceed the amount of funds appropriated and approved for this Contract by the Sacramento City Council.
- C. This Section shall govern over any other contrary provision of the Contract.

18. Equal Employment Opportunity. During the performance of this Contract, Contractor, for itself,

its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: Contractor shall comply with all state, local, and federal anti-discrimination laws and regulations, including the Executive Order 11246 entitled "Equal Opportunity in Federal Employment," as amended by Executive Order 11375, 12086, and 13672, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), referred to collectively as the "Regulations."
- B. Nondiscrimination: Contractor, with regards to the work performed by it after award and before completion of the work under this Contract, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by Contractor for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligation under this Contract and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: Contractor shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the City to be pertinent to ascertain compliance with the Regulations, orders and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the City, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by Contractor with the nondiscrimination provisions of this Contract, the City shall impose any sanctions it determines are appropriate including:
 - (1) Withholding of payments to Contractor under this Contract until Contractor complies;
 - (2) Cancellation, termination, or suspension of this Contract, in whole or in part.
- F. Incorporation of Provisions: Contractor shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. The City may direct Contractor to take specific actions to enforce these provisions, including sanctions for noncompliance; provided, however, that if Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request that the City join such litigation to protect the City's interests.

19. **Entire Agreement.** This Contract, including all Exhibits and documents referenced herein, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had before the execution of this Contract. No alteration to the terms of this Contract shall be valid unless approved in writing by Contractor, and by City, in accordance with applicable provisions of the Sacramento City Code.
20. **Modification of Contract.** The Contractor shall take no direction from any City employee that changes the executed terms and conditions of the Contract, including Exhibit A, or any change that impacts the cost, price, or schedule, before receiving a written, signed modification to the Contract.
21. **Severability.** If a court with jurisdiction rules that any portion of this Contract or its application to any person or circumstance is invalid or unenforceable, the remainder of this Contract will not be affected thereby and will remain valid and enforceable as written, to the greatest extent permitted by law.
22. **Waiver.** Neither the City's acceptance of, or payment for, any Goods or Services, nor any waiver by either party of any default, breach or condition precedent, will be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. No waiver will be effective unless it is in writing and signed by the waiving party.
23. **Governing Law.** This Contract shall be governed, construed and enforced in accordance with the laws of the State of California, except that the rule of interpretation in California Civil Code section 1654 will not apply. Venue of any litigation arising out of this Contract will lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
24. **Assignment Prohibited.** The expertise and experience of Contractor are material considerations for this Contract. City has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on Contractor under this Agreement. In recognition of this interest, Contractor shall not assign any right or obligation pursuant to this Contract without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
25. **Binding Effect.** This Contract is binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 24, above.
26. **Compliance with Laws.** The Contractor shall be responsible for strict compliance with all applicable laws, regulations, court orders and other legal requirements applicable to the work to be accomplished under the Contract, including the California Occupational Safety and Health Act and all applicable safety orders issued by the Division of Occupational Safety and Health, Department of Industrial Relations, State of California, and all applicable requirements of Underwriters Laboratories and the Federal Communication Commission.

27. Debarment Certification

- A. Pursuant to 2 CFR, Part 200, and applicable Executive Orders, the City is restricted in its ability to contract with certain parties that are debarred, suspended, or otherwise excluded or ineligible for participating in Federal assistance programs or activities. By signing this Agreement, CONTRACTOR warrants and certifies under penalty of perjury under the laws of the State of California that Contractor, including any owner, partner, director, officer, or principal of the CONTRACTOR, or any person in a position with management responsibility or responsibility for the administration of federal funds:
- (1) Is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency;
 - (2) Has not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against it for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract (federal, state, or local); violation of federal or state antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or other criminal felony;
 - (3) Is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) above; or
 - (4) Has not, within a three-year period preceding this certification, had one or more public contracts (federal, state, or local) or transactions terminated for cause or default.
 - (5) Has not been notified, within a three-year period preceding this certification, been notified of any delinquent Federal taxes in an amount that exceeds \$3,500 for which the liability remains unsatisfied. Federal taxes are considered delinquent if the tax liability has been finally determined and the taxpayer is delinquent in making payment, as defined in Section 52.209-5 of the Federal Acquisition Regulations.
- B. CONTRACTOR further warrants and certifies that it shall not knowingly enter into any transaction with any subcontractor, material supplier, or vendor who is debarred, suspended, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department/agency. Any exceptions to the warranties and certifications in this Section must be disclosed to the City.
- C. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining Contractor's responsibility. Disclosures must indicate to whom exceptions apply, the initiating agency, and dates of action.
- D. City will review the Federal Government's System for Award Management Exclusions maintained by the General Services Administration for eligibility, prior to the execution of this Agreement. The CONTRACTOR shall provide immediate written notice to the City if, at any time prior to execution, the CONTRACTOR learns this certification is erroneous or has become erroneous by reason of changed circumstances. If it is later determined that the Contractor's warranties and certification in this Section were erroneous, the City may terminate this Agreement for default.

SCOPE OF WORK

EXHIBIT A

NONPROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

The CITY Representative for this Agreement is:

Monica Duncan, Administrative Analyst
Community Development Department
codetowcontracts@cityofsacramento.org
916-808-8056

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

1. DESCRIPTION OF TERMS

- A. Abandoned Vehicle – Vehicle left upon a highway or upon public or private property per CVC 22523 and towed under authority CVC 22669.
- B. Base Services - Any service or tow which is performed when the vehicle operator or agent is present, and the vehicle is not stored at the direction of an officer.
- C. Chief of Code and Housing Enforcement – For the purpose of this contract, the Chief of Code and Housing Enforcement of the City of Sacramento Community Development Department shall refer to him/her or a designee.
- D. Certificate of Secretary - A document that authorizes someone to sign legal contracts on behalf of a corporation. This Certificate is normally signed by the corporate secretary.
- E. CITY - City of Sacramento Police Department and Community Development Department.
- F. Contractor - The company with which a contract is established to provide the services described in the RFQ.

G. Load Salvage Operations - Any operation involving the recovery of a load which has been spilled, or the off-loading and reloading of a load from an overturned vehicle performed in order to upright the vehicle. This will usually be limited to operations involving Class B, C, and D tow trucks.

H. Portal to Portal - Service shall start at the time of departure from the place of business or point of dispatch, whichever is closer to the location of the call, and shall end at the estimated time of return to the place of business or the completion of the call, if another call is pending, whichever is shorter. Return to place of business includes a reasonable and verifiable amount of time required to place the tow truck back into service when unusual circumstances require additional time that are not part of normal operating procedures. Examples:

- 4X4 recovery in the mud: reasonable to charge for cleaning mud from truck and equipment;
- Reasonable to charge for cleaning burn debris from carrier bed;
- Car towed leaves mud track on bed of carrier: not reasonable to charge for cleaning of carrier bed.

For this Contract, "Portal to Portal" shall also mean "Portal to End of Service."

I. Possession - Possession is deemed to arise when the vehicle is removed and is in transit, or when vehicle recovery operations or load salvage operations have begun.

J. Applicant - A firm which proposes to provide towing services as described in the RFQ.

K. Public Safety Response - A response which results in storage of a vehicle at the direction of an officer. This does not include storage at the request of the vehicle operator, registered owner, or agent.

L. Response Time - The period of time from a Contractor's notification by the City of Sacramento's designated employee to the arrival of the tow truck at the location requested.

M. Retail Rate - The customary rate charged by an operator to individual retail customers. This is the competitive rate a company has posted in the office and quotes over the phone.

N. Operations - Those towing/recovery procedures which require Class C or D tow trucks and/or unique equipment. Examples of unique equipment include, but are not limited to: forklifts, low beds, air bags, special dollies and trailers, fuel pump off systems, helicopters, etc.

O. Suspension - The temporary removal of a Contractor from both rotation lists for a specific period during the term of the Tow Services Contract. See Non-professional Services Agreement.

P. Termination - The permanent removal of a Contractor from the rotation lists for the remainder of the term of the Tow Services Contract. See Non-Professional Services Agreement.

Q. Tow Review Committee - A committee of three (3) people to be appointed by the Chief of Code and Housing Enforcement to hear appeals of discipline imposed pursuant to this contract. The committee shall consist of one member of the Sacramento Community Development Department, one member of the public who is not affiliated with any tow company, and one contractor from the Tow Services Contract who is not in the same tow district as the subject of discipline.

- R. Vehicle Survey – The marking for tow and/or abatement of vehicles from city streets and/or private property in a specific geographical location. Vehicle surveys may be conducted during both regular business hours and/or weekends.
- S. Tow Truck - As defined in Section 615 of the California Vehicle Code, a vehicle which includes slide back carriers and wheel lift vehicles. A "trailer for hire" shall not be approved for listing as a Class A tow truck
- T. Vehicle Recovery Operation - An operation involving the process of up-righting an overturned vehicle or returning a vehicle to a normal position on the roadway which requires the use of auxiliary equipment due to the size or location of the vehicle. This will usually be limited to operations requiring a Class B, C, or D tow truck(s).
- U. Vessel- a ship or large boat- vessel propelled on water by oars, sails, or engine.
- V. Utility Trailer - As defined in Section 667 of the California Vehicle Code, a trailer or semitrailer used solely for the transportation of the user's personal property, not in commerce, or designed and used for transportation of livestock, and does not exceed a gross weight of 10,000 pounds or a manufacturer's gross vehicle weight rating (GVWR) of 10,000 pounds.

2. RATES, CHARGES AND FEES

- A. Towing and Storage Rates - Effective January 1, 2024, the maximum rates charged, and the fee paid to the City in connection with any event pursuant to this Agreement, are as follows:

1. For class A and B tows, the Contractor will charge the vehicle owners no more than the rate of \$235.00 per tow, on public safety response calls with a one hour minimum. Charges in excess of one hour will be charged in no more than one (1) minute increments.
2. The total fees charged for after-hours release shall be no more than one-half (1/2) the current hourly rate of \$235.00 per hour and shall only be allowed if there is no person on duty at the storage facility for release and a call back is required outside normal business hours.

Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.

3. Storage fees for passenger vehicles, vans, and light trucks shall be no more than \$60.00 per day. Operators will store vehicles inside if specifically requested to do so by the Police Department or the owner of the vehicle.
4. Fees listed above, plus lien processing fees described in the California Vehicle Code, proposed/actual non-skilled contract labor, special equipment (For class C and D tows only) and rental/skilled labor markup are the only fees allowed. Additive fees for postage, cleanup, lockout, use of dolly, etc. are not authorized.
5. For Class C or D operations, the contractor shall submit his/her proposed rates for towing, storage, and special operations. Fees shall be reasonable and consistent with industry standards for similar operations. Charges in excess of one hour shall be

charged in one (1) minute increments. For Class C and D vehicles which are unclaimed or unsold at lien, the contractor may submit an invoice with a copy of the junk slip showing delivery to a salvage yard. In this case, the Department will pay a set fee as bid in the bid proposal that will include the cost of disposal, tow in/out and storage for the applicable class of vehicle. This fee is intended to reimburse the contractor for expenses resulting from dismantlement, special handling, and disposal of the salvaged vehicle. -

1. Fees - The Chief of Code and Housing Enforcement shall determine the reasonableness of the fees for these types of operations, based upon the average of the proposed fees submitted and a comparison to industry standards for similar operations. The formula for determining the reasonableness of rates for special operations consists of averaging the rates submitted by qualified proposers for Class C, and Class D. Fifteen percent (15%) will be added to the average of each of the rates. Rates submitted that exceed the one-hundred and fifteen percent value (115%), in any of the tests, will be considered to be excessive or unreasonable, and the proposal for those rates will be rejected. Those offerors whose pricing is determined to be "unreasonable" in accordance with the above-listed procedure, shall be offered the opportunity to submit "Best and Final" pricing. Proposers will be allowed once to resubmit disapproved rates for special operations. Disallowed rates submitted for special operations shall not disqualify the contractor from conducting Class A towing/storage for the City.
 2. Mark Up Rate - The Contractor shall submit a markup rate (percentage of the cost to the operator) for retail equipment and specialized labor not otherwise listed on the application. If the contractor performs a service for which the required rate was not submitted to, and approved by the City, the contractor shall only be entitled to charge for the actual cost of that service. Example: contract labor rate not submitted; the contractor may only charge for the actual rate paid for the labor.
 3. Schedule of Rates - The approved schedule of rates charged by the Contractor shall be available in the tow truck and carried by all drivers at all times and shall be presented upon request to the person(s) for whom the tow services were provided, or his or her agent, any Sacramento Police Officer or Code Enforcement Officer, and any citizen within Sacramento. An adequate supply of these copies will be maintained at all times. These handouts will be the same as those listed in Scope of Work, Section 4(H).
 4. Rate Requirements - Represent the maximum a contractor may charge on a City call. A contractor is not precluded from charging less when deemed appropriate by the contractor. These requirements shall not be construed as requiring a charge when a contractor would not normally charge for such a service. No contractor, or his/her employee or agent, shall refer to any rate as the minimum required by the City.
 5. Rotation Tow Lists - Nothing shall prohibit a class B, C, or D operator from maintaining a place on a lighter class rotation tow list, provided the tow truck meets the equipment specifications for that class of operation.
- B. Storage - Storage shall commence at the time the vehicle arrives at the storage facility. Charges shall be based on a daily rate, notwithstanding State law requirements which indicate that no charge exceeding that for one day of storage will be made if, within 24 hours after the vehicle is placed in storage, a request is made for the release of the vehicle. If the request is made more than 24 hours after the vehicle is placed in storage, charges may be imposed on a full calendar basis for each day, or part thereof. The daily rate extends from midnight to midnight.
- C. Contractor Billing and Rates - The contractor shall bill the registered owner of the vehicle towed by the contractor in accordance with the Tow Services Contract. No vehicle towing or storage charges shall be charged until the vehicle is hooked up to the tow truck AND in transit.

3. SPECIAL OPERATIONS

- A. Evidence Impound Tow – The CITY has only one (1) Contractor for evidence-impound tows and no other rotation tow Contractor should maintain custody over vehicles that constitute evidence, at any time. If an officer impounds a vehicle for evidence and a rotational tow is dispatched, it is the responsibility of the Contractor to ensure compliance with section 22655.5 of the California Vehicle code.

If it is determined that a vehicle is to be retrieved for any evidence purpose, the evidence impound tow company will respond immediately to pick up the vehicle, 24 hours a day/7 day a week, from any rotation tow company covered by this agreement.

Nothing shall prohibit the original tow company from allowing the immediate pick-up of any vehicle that has been changed to evidence impound. All associated tow fees incurred at the original tow company will remain with that company. The evidence impound tow company shall not be responsible for advance payment of any fees to the original rotation tow company.

Once the evidence impound is concluded, the vehicle shall be released to the original tow company and their fees resume from that date forward. It is the originating tow companies' discretion to accept delivery of the vehicle after the evidence impound is concluded. If delivery is declined, all tow fees associated with the original tow are forfeited and the vehicle remains with the evidence impound tow company.

- B. Vehicle Survey– The Sacramento Community Development Department will notify the contractor of the date the Vehicle Survey will be held. The contractor will be notified of the date and time frame of such activity via email or by telephone.

4. FACILITY REQUIREMENTS

Primary Business Office and Storage Yard Locations - The contractor must maintain its primary storage yard within 20-mile radius of Sacramento City Limits. Nothing in this section will prohibit a contractor from operating a secondary storage facility approved by Community Development Department outside of the 20-mile radius of Sacramento city limits providing the contractor provides transportation, at no cost, to any secondary facilities for vehicle releases. Vehicles are to be towed to a primary location. Only overflow vehicles which are unlikely to be claimed by their owners are to be towed to a secondary location. As space opens up at the primary yard, all vehicles that are likely to be released will be moved to that location from any secondary storage yards, priority will be given to all theft recovery vehicles. The contractor may not impose any additional fees or charges for storage at a secondary location.

- (1) Code Compliance - In addition to the provisions herein, the primary location shall comply with all Sacramento City Codes - Title 17.228.107 Towing Service/Vehicle Storage Yard and Title 17.612.020 Paving Requirements.

Compliance must be shown through completion and passing of an onsite inspection arranged through Sacramento City Code Enforcement. Primary storage yards and secondary facilities located outside of CITY limits shall meet the same standards as those subject to the City of Sacramento Code and possess' permits, licenses and certificates as required by the municipality where the facility is located. Any secondary storage yards must be inspected and on file with the Tow Administrator.

- (2) Address Change Notification - The contractor must notify the City of any change in his/her primary or secondary storage location or business office at least thirty (30) days in advance of the actual change in location. If the contractor fails to provide proper written notice, he or she will be suspended from the Tow Services Contract until the new location is approved by the Community Development Department. All new locations are subject to all facility requirements contained in this contract. Facility inspections may be conducted at any time for contract compliance.
- (3) Proof of Occupancy - The contractor shall provide the City with a copy of any lease, including any modifications or extensions, for contractor's primary and secondary storage locations(s) or business office(s), if applicable. In the event the property is owned outright, provide a copy of the most recent property tax bill. If the Contractor fails to provide a copy of any lease, modification, or extension, then he/she will be suspended from the Tow Services Contract until a copy is received by the City.

- B. Physical Characteristics - The primary office shall be large enough to accommodate necessary personnel and administrative records. Contractor shall provide a public, permanent restroom facility, either unisex or separate, and a public indoor or covered outdoor waiting area to seat at least four (4) people. Restroom facilities shall be maintained in a functional, clean, and orderly fashion.
- C. Public Safety - All adequate measures shall be taken to protect the safety of the public.
- D. Access - The public shall have direct, unabated access to the inside of the office waiting area.
- E. Capacity - The capacity of the primary location storage must total not less than thirty (25) accessible parking spaces for use in connection with this contract, measuring a minimum of eighteen (18) feet by ten (10) feet for each space, as described in City Code 18.08.050 (4,500 total square feet of storage).
- F. Business Hours - Normal business hours shall not be less than 8:00 a.m. to 5:00 p.m., Monday through Friday, except for the following City recognized holidays: New Year's Day, Martin Luther

King, Jr. Day, George Washington's Birthday, Cesar Chavez's Birthday, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, day after Thanksgiving, and Christmas Day.

G. Signage - Contractor must meet the following signage requirements at all times

(1) The contractor shall display in plain view at all cashier stations, a sign as described in Section 3070 of the Civil Code:

- a. Disclosing all towing and storage fees and other charges in force.
- b. Disclosing the following information: "Any person being charged for a Lien Processing Fee is entitled to copies of the supporting documentation showing the lien processing completed as of that date."

(2) An operator's place of business shall have a sign that clearly identifies it to the public as a towing service. The sign shall have letters that are clearly visible to the public from the street. The size of the lettering shall be comparable to the sign and lettering of neighboring businesses. The sign shall be visible at night.

(3) The Contractor shall display in plain view and have available for handout upon request to any owner or operator of a towed or stored vehicle the Vehicle Owner Rights under VC Section 22651.07 Towing Fees and Access Notice

H. Signage Handouts - Contractor shall have an adequate supply at all times of all required postings in English on 8.5" x 11" sheets of paper that is readily available to the public. These handouts will contain:

- (1) The contractor's name, address and contact phone number on the top or a listing of all tow rotation companies on the backside with full contact information, and;
- (2) All required postings of rates, fees, business hours and lien processes as stated in Scope of Work, Sections 4(F) and 4(G). This supply of handouts shall be placed out and available for the public to take with them at any time.

I. Office/Storage Requirements Not Met - Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.

5. CONTRACTOR'S PERFORMANCE

A. The Contractor shall comply with all Federal, State and local laws applicable to towing, storage and disposition of vehicles.

B. Assignment to a Tow District – For class B, C, and D (heavy duty) tows- the assignment will be Citywide.

Depending upon the City's needs, it is possible that heavy duty tow districts will be assigned by north and south regions for Code Enforcement.

During the term of the Heavy-Duty Tow Services Contract, the CITY shall continually evaluate the number of Contractors assigned to and the number of calls emanating from each district. The CITY may reassign any Contractor(s) to another

district if the CITY determines that the reassignment is in the best interest of the CITY.

- North – District #1: Area north of US-50, west of Capital City Fwy/I-80 Bus E and north of the north bank of the American River.
- South – District #2: Area south of US-50, east of Capital City Fwy/I-80 Bus E and south of the south bank of the American River.

(1) The Contractor may be assigned, by the Code and Housing Enforcement Chief, to one (1) tow district only, depending on the number of qualified applicants received, and shall provide tow service within that district on a 24-hour, 7-days-per-week basis.

(2) Two tow rotation lists will be maintained, one by the Code Enforcement Department, and one by Sacramento Police Department. Inclusion in the tow rotation lists mandates that the Contractor shall meet all requirements set forth in the Scope of Work, Section 5. Contractors are prohibited from maintaining multiple 'spots or turns' on the same tow rotation list.

C. Response Time - The Contractor shall respond to all requests for service from the City of Sacramento within thirty (30) minutes from the time it receives the call from the Police or Code Enforcement Dispatcher. During peak hours between 0630-0930 hrs and 1530-1830 hrs, the Contractor shall respond to all Class C & D requests for service from City of Sacramento within 45 minutes.

In the event the Contractor fails to furnish a tow unit within the specified time period, the City of Sacramento may cancel the tow request and request a tow unit from another Contractor. When the tow is canceled, the Contractor shall forfeit his/her turn in that rotation. If the Contractor does not answer a call from the City of Sacramento for dispatch to a tow, the Contractor shall forfeit his/her turn in that rotation.

D. Inability to Dispatch Tow - If the Contractor is unable to dispatch a tow unit immediately upon receiving a call for service, the Contractor shall immediately inform the City of Sacramento, and the Contractor shall forfeit that turn of the rotation.

E. Passing on Vehicles - The Contractor shall tow and store all vehicles which the City of Sacramento requests that the Contractor remove from any location, private or public, provided the Contractor has the necessary equipment and the vehicle can be safely transported.

F. Safekeeping of Vehicles and Personal Property - The Contractor shall be responsible for the security of vehicles and property at the place of storage. As a minimum, a fenced or enclosed area shall be provided. The Contractor is responsible for the reasonable care, custody, and control of any property contained in towed or stored vehicles and shall take any and all precautions necessary with the safekeeping of all items associated with each tow.

Personal effects in the vehicle at the time of the tow shall be immediately released to the registered owner or authorized agent during normal business hours when he/she presents proper identification.

Contractor shall take any and all precautions necessary to maintain all towed vehicles in 'like' condition as they were received.

G. Subcontracting -The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with Community Development

Department or Police Department.

- H. Towing of Assigned Vehicle - The Contractor shall not tow a vehicle which has been assigned to another Contractor by the City of Sacramento, except as expressly requested by an Officer, a City Dispatcher, or the Tow Hearing Officer. Responding to a call and towing or attempting to tow a vehicle to which the Contractor was not assigned shall result in up to a thirty (30) day suspension from both tow rotation lists on first offense and termination on second offense within any twelve (12) continuous months.
- I. Accident Assistance - The Contractor shall tow any vehicle or vehicles which have been assigned to another Contractor to the closest safe distance from the accident as directed by a Sacramento Police Department officer and shall not charge either the owner of the vehicle or vehicles or City for this service. The originally assigned Contractor will then assume the responsibility of towing the vehicle upon arrival at the scene.
- J. Vehicle Inspection Assistance - The Contractor shall provide assistance, including, but not limited to, moving, or lifting towed vehicles, without additional charges. Theft recovery vehicles are to be stored in a secure facility and be easily accessible until cleared by the Auto Theft detail.
- K. Inspection of Towed Vehicle VIN and License Plates - **Contractor shall inspect every tow on-scene prior to hooking up or within twenty-four (24) hours of each tow dispatch call to verify that the license plates and VIN (Vehicle Identification Number) on every vehicle or trailer matches the information documented by the Officer on the SPD-188 form.** If any variation or discrepancy exists, the Contractor will immediately notify the Officer on-scene, Police Department Dispatch, or the Community Development Department.
- L. Holds Placed on Towed Vehicles - Contractor shall release any vehicle where a proper Sacramento Police Department release has been obtained or where directed by the California Vehicle Code.

If a 'verbal' advisement from the towing Officer is given to 'hold' the car and no valid tow authority authorizes this 'verbal hold', the contractor shall immediately release such vehicle once a proper release is obtained from the Sacramento Police Department, or Sacramento Community Development Department or as directed by the California Vehicle Code. Failure to meet the above requirements shall result in up to a thirty (30) day suspension from both tow rotation lists and full financial responsibility for the tow and all storage fees for each violation.

- M. Vehicle Release - Prior to releasing a vehicle to the registered owner or his/her agent, a release must be obtained from the Sacramento Police Department for vehicles towed and/or stored pursuant to the following California Vehicle Code sections:
- 10751 Altered or Removed Vehicle Identification Number
 - 14602.6 Revoked/Suspended License
 - 14602.8(a) DUI Impound
 - 14602.8(b) DUI Impound
 - 22523(a) Abandoned on Highway
 - 22523(b) Abandoned on Private Property
 - 22669 (a) Parked-abandoned on street, highway, or public property.
 - 22651(a) Vehicle Left Standing on Bridge
 - 22651 (b) Vehicle Left standing on a Highway
 - 22651(d) Blocking Driveway

- 22651 (e) Blocking Fire Hydrant
- 22651 (f) Vehicle Left on a Highway
- 22651(h)(1) Driver Arrested
- 22651(h)(2) Notice of Suspension Issued
- 22651 (i) Five or More Parking Citations
- 226510) No License Plates
- 22651 (k) Parked in Excess of 72 Hours
- 22651(l) Vehicle in Violation of Local Ordinances re: Construction
- 22651(m) Vehicle in Violation of Local Ordinances Permitting Removal
- 22651 (n) No Parking - Tow-Away Zones
- 22651(o) Registration Expired 6 Months
- 22651(p) Unlicensed Driver
- 22651(q) Vehicle Parked on Highway in Common Interest development where posted
- 22651 (r) Illegally Parked - Blocking Movement
- 22651.5 Removal of Vehicles with Activated Audible Alarms
- 22653(a) Removal from Private Property (stolen)
- 22653(b) Removal from Private Property - Left at scene of accident
- 22653(c) Driver Arrested - Private Property
- 22660 Removal from private property (by ordinance)
- 22655 Hit-and-Run or Pursuit/Evading
- 22655.3 Removal of Vehicle Evading the Police
- 22655.5 Removal of Vehicle Involved in a Public Offense
- 22656 Removal of Vehicle from a Railroad Right-of-Way
- 22669(d) Parked - Major Components Missing
- 23109.2 Seizure of Vehicle Used in Speed Contest

Failure to meet the above requirements shall result in up to a thirty (30) day suspension from the tow rotation and full financial responsibility for the tow and all storage fees for each violation.

- N. Lien Sales - Shall be the sole responsibility of the Contractor, and all such sales shall be conducted in accordance with applicable state law.

6. ABANDONED VEHICLES

- A. Abandoned Vehicles - Vehicles towed under California Vehicle Code 22669 shall occur during regular business hours (Monday-Friday 0700-1700 hours), unless the vehicle in question poses a hazard.

7. CONTRACTOR'S RECORDS

- A. Contractor's Records - The Contractor shall maintain records of tow services furnished for all public agencies as well as all private persons or entities while participating in the Tow Services Contract, including those described below, at a minimum. Such records shall be retained for a period of three (3) years and shall be open to inspection during business hours immediately upon request by representatives of the CITY. Failure to make records, including

insurance policies and complete financial and payroll data, available immediately upon request shall be grounds for immediate suspension or termination of the Tow Services Contract. At a minimum, records shall contain:

(1) Tow Services - The Contractor shall record the following information for every tow:

- Original or copy of the SPD-188 tow form.
- Name, address, and phone number of person, if available, whose vehicle was towed.
- VIN and license number, make, year, and model of each vehicle towed.
- Location from which the vehicle was towed.
- Name or employee number of driver assigned to said tow.
- Location to which vehicle was towed (if different from Contractor's primary storage facility.) and any and all subsequent location transfers or moves including dates and time of those moves.
- Reason for tow, whether impound, accident, stolen recovery, abandoned, etc., if available.
- Name of party to whom the vehicle was released.
- Method and date of payment.
- All fees and charges for said tow, showing specifically towing, storage, lien fees, etc.
- Any items of personal property released from any vehicle, including the date, time, and name of person receiving the items.
- Disposition of towed vehicles that are unclaimed.
- All proceeds from the sale of towed vehicles that are unclaimed.
- All documentation of purported claims relating to damage, theft, vandalism, other acts of negligence or damage from natural disasters related to each involved vehicle, trailer or conveyance.
 - Date and Time (by means of a computer or time stamp)
 - Date and time the request for tow is received.
 - Date and time a tow unit departs the tow facility (or residence of driver if after business hours).
 - Date and time the tow unit arrives at the Contractor's storage facility.
 - Date and time any contents are released.
 - Date and time of release of the vehicle.

(2) Lien Sale Data - The Contractor shall record the following information for every tow:

- Date the lien processing begins.
- Date the notice of lien sale is mailed.
- Date and time of lien sale.
- Location of lien sale.
- Identification of purchaser.
- Monies received as a result of the lien sale.
- Amount of excess monies forwarded to the state.

(3) Personnel Records - All employees, drivers, both current and former shall have a secured personnel file at the primary business office that shall contain at a minimum, records related to their employment, training, benefits status, discipline, FMLA and leave requests, vacation requests and sick time records. Any additional personnel

documentation needed to comply with this contract shall also be contained within these records.

- A. DOJ Report Request - The Contractor shall comply with the California Vehicle Code in the immediate reporting of the removal and storage of any vehicles towed at the request of the CITY. Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with a copy of all reports which the Contractor is required to furnish the Department of Justice pursuant to the Vehicle Code.
- B. Vehicle Status Report - Upon request, the Contractor shall immediately furnish the Sacramento Community Development Department with all reports showing the status of all vehicles towed by the Code Enforcement Division. The report shall provide descriptions and identification of the vehicles, location of the vehicles, date of impounds, accrued charges, and date of release from impound.
- C. Property Receipts - The Contractor shall furnish a receipt to the vehicle owner for any property removed from any vehicle towed or stored. A copy of the receipt shall be placed in the vehicle involved, and the original receipt maintained with the Contractor's records.

8. TRUCK DRIVERS AND EQUIPMENT SPECIFICATIONS

- A. Truck/Driver Availability - The Contractor must have in operation at all times a sufficient number of qualified drivers and at least two (2) Class A tow vehicles with a minimum of 10,000 GVWR meeting the tow truck specifications and having the equipment specified for a Class A tow truck, as set forth in Attachment E. This requirement can be met with either two (2) recovery/wheel lift trucks, or one (1) each recovery/wheel lift truck and one (1) flatbed carrier truck. The Contractor shall maintain and provide a current list of all Sacramento City qualified tow vehicles.
- B. Tow Vehicle Permit - The Contractor shall use only tow vehicles that have been inspected by the City of Sacramento and have received a valid and current Tow Vehicle Permit. Additionally, each tow vehicle shall be certified by a state-licensed inspection facility or have received a certificate issued by the California Highway Patrol when responding to tow requests pursuant to this Tow Services Contract.
- C. CHP Requirements - Each tow vehicle used for services under the Tow Services Contract shall comply with the provisions of the California Vehicle Code. Each tow truck will be equipped as provided in Attachment E, CHP Tow Truck inspection Guide – CHP 234B, at all times and must have the Contractor's company name clearly painted or in decal form on both sides of the tow truck. Each tow vehicle must pass an annual CHP vehicle inspection. See Attachment D, CHP Safety Net Driver/Vehicle Inspection Report – CHP 407F.
- D. Tow Truck Driver - The Contractor shall ensure that tow truck drivers responding to calls initiated by Community Development and Sacramento PD are qualified and competent employees of his/her company. The Contractor shall ensure that the tow truck drivers are trained and proficient in the use of the tow truck and related equipment, including, but not limited to, the procedures necessary for the safe towing and recovery of the various types of vehicles serviced through the tow rotation. Tow truck drivers shall be at least 18 years of age, hold a current and valid Sacramento City Tow Driver Permit and possess the following minimum class driver's license. CHP Certification is required.
 - Class A Tow Truck – A valid Class C license, or a valid Class A license with valid medical certificate on file.

- Class B Tow Truck – A valid Class C license for non-regulated vehicles, or a valid Class A license with valid medical certificate, on file, for regulated vehicles pursuant to Section 34500 CVC.
 - Class C Tow Truck – A valid Class A license with valid medical certificate.
 - Class D Tow Truck – A valid Class A license with valid medical certificate.
 - The Class A (1) license must be endorsed to allow operation of special vehicle configurations and/or special cargos.
- E. Current List of Drivers - The Contractor shall maintain and provide a current list of his/her drivers to the Community Development Department upon implementation of this contract. The Contractor shall notify the Community Development Department upon any change in driver status, including the addition of any new driver(s), or the deletion of any driver(s). An updated list shall be provided to the Community Development Department within (7) seven calendar days of any change in driver status. Contractors, shall at a minimum, maintain the following information for each driver:
- Full Name
 - Date of Birth
 - California driver's license number with expiration date
 - Copy of valid medical certificate
 - Tow drivers permit number with expiration date
 - Job title/description
 - Current home address
 - Current home phone number
 - Type(s) of truck(s) driver has been trained and instructed to operate.
- F. Equipment Changes - The Contractor shall in writing or through electronic mail, immediately notify the Sacramento Community Development Department Tow Administration Office of any changes in or additions to tow trucks and other equipment, including deletions of trucks and equipment.
- G. Employer Pull Notice Program – Pursuant to California Vehicle Code Section 1808.1, all tow truck drivers and contractors shall be enrolled in the Department of Motor Vehicles (DMV) Employer Pull Notice Program. Upon the addition of new drivers, the Contractor will be granted a maximum of 30 days to enroll drivers in the Pull Notice Program. Pull Notices shall be kept on file, signed, and dated by the Contractor. The CITY may require the Contractor to provide copies of Pull Notice Reports. All drivers will maintain a valid City of Sacramento Tow Vehicle Driver Permit.

The Department of Motor Vehicles Employer Pull Notice Program can be viewed at:
<https://www.dmv.ca.gov/portal/vehicle-industry-services/motor-carrier-services-mcs/employer-pull-notice-epn-program/>

9. PROFESSIONAL DEMEANOR AND CONDUCT

- A. Professional Demeanor and Conduct - At all times while participating in the Tow Services Contract, Contractor and Contractor's tow truck drivers and all other employees shall conduct themselves in a courteous, honest and professional manner in all their dealings with the public and the CITY, its employees, and agents. The CITY may at any time conduct random customer service inquiries with citizens whose vehicles have been towed by any CITY Contractor. Negative responses shall result in further follow-up by the Tow Hearing Officer and possible administrative action against the offending Contractor.

As a tow operator for the City of Sacramento you will abide by the California Tow Truck Association Code of Ethics.

- To show my faith in the worthiness of my profession by upholding high standards, honor, and a high degree of integrity.
- To provide the general public with the best possible service and to promote a sense of personal obligation to each individual.
- To comply with all federal, state, county, CITY laws and regulations.
- To aid my fellow industry man in time of need and not to do anything which may conceivably injure the reputation of my competitors.
- To seek success and to demand fair remuneration that is justly due but accept no profit at the price of my own self-respect lost because of unfair advantage taken or questionable acts on my part.
- To provide the public with adequate equipment, which is kept as clean and neat as possible, and to train my drivers to be polite and courteous during public contact.
- To employ truth and accuracy in advertising and soliciting and to honor any commitments made in the course of business.

B. Misconduct - The Contractor and its employees shall refrain from any acts of misconduct, including but not limited to any of the following:

- (1) Rude or discourteous behavior directed towards City of Sacramento personnel or citizens for whom service is provided. "Rude or discourteous behavior" shall mean any act that would insult, aggravate, disturb or frustrate a person of reasonable sensibilities, which act(s) shall include, but is not limited to, using profanity or inappropriate language, manifesting an uncooperative and/or angry demeanor, performing acts of vandalism, failing to respond to questions in a courteous and professional manner, intentionally misrepresenting rates or tow procedures or attempting to manipulate rates or tow procedures to the detriment of citizens or the City of Sacramento. A violation of this subsection shall result in up to a thirty (30) day suspension from the tow list on the first and second offense and termination of this contract on the third offense within a continuous twelve (12) month period. For the purpose of this Tow Contract a member of the public shall include any private or business party outside of the City of Sacramento, whether individual or as part of a group. See Scope of Work, Section 9.
- (2) Any act of sexual harassment or sexual impropriety.
- (3) Unsafe driving practices.
- (4) Any objective symptoms of alcohol and/or drug use/abuse while performing any related tow service for the City of Sacramento. See Attachment F – Drug Free Workplace.
- (5) Sub-standard service, customer service, selective service, or refusal to provide service which the tow company is capable of performing.

10. ADMINISTRATIVE MATTERS

A. Transfer of Business - The Contractor will notify the Chief of Code and Housing Enforcement immediately upon transfer of ownership of all or part of the company in writing. The Tow Services Contract is not transferable to the new owner. The new owner must apply to and be approved by the Sacramento Community Development Department for participation in the Tow Services Contract.

B. Optional Semi-Annual Contract Review - The purpose of this section is to provide a process

for an optional semi-annual review of the terms and conditions of the Contract by the Chief of Code and Housing Enforcement and an organization representing a majority of the Contractors in the City of Sacramento in the event that legitimate and substantial changes occur in conditions or law affecting the majority of the Contractors in the City of Sacramento. Examples of such conditions may include, but are not limited to, substantial increases/decreases in business expenses, changes in the law affecting the Department or the operators, or recommended changes in the terms and conditions of the rotational Tow Contract as a result of service delivery experience in the City of Sacramento.

A request for a semi-annual review of the terms and conditions of the Contract shall be communicated to the Tow Program Administration Office of the Sacramento Community Development Department in writing by a majority of the Contractors under this Contract, and not merely at the request of a single Contractor. The Chief of Police may also request a semi-annual review if he/she feels it is in the best interests of the citizens of the motoring public, the Sacramento tow industry, and/or the Department.

- C. Period of Performance - The Services described in this Contract shall be provided for one year. The City may extend this Contract for up to four additional one-year terms, for a maximum five-year term.
- D. Option Period - It is the City of Sacramento's sole discretion to exercise an option period. Option periods will be exercised upon successful completion of the contract in accordance with its Non-Professional Services Agreement, Scope of Work, and its contract clauses and provisions.
- D. Termination - This Tow Services Contract may be terminated at any time by either party with or without cause. Although the CITY may elect to impose discipline for violations of the Contract which are less severe than termination or may grant an appeal to discipline imposed, the Contract may be terminated without cause. The Contractor agrees that the disciplinary procedures and options contained herein do not affect the CITY's ability to terminate the Contract at the discretion of the Community Development Department without cause. Nothing in the Contract shall be construed to create any property rights, interests or licenses held by the Contractor.

11. CONTRACT VIOLATIONS AND/OR COMPLAINTS

When the Contractor or his or her employees have violated any of the terms of the Contract or any law upon completion of any investigation pursuant to this section, the Community Development Department shall inform the Contractor, in writing, of any disciplinary action to be taken.

Unless otherwise noted herein, violations may result in any of the following actions:

- First violation – written warning notice
- Second Violation – fifteen (15) day suspension
- Third Violation – termination of contract

- A. In addition to the violations/disciplinary actions detailed above, following are further violations:
 - (1) Within any calendar month, failure to respond to a minimum of 95% of requests for tow service within the time set forth in Section 5(C), Contractor's Performance, refusing/failing to tow any qualifying vehicle assigned, or passing on/unavailability to respond will constitute a violation. Tow request completions will be reviewed quarterly.

- (2) Inadequate office or storage areas, employees, or equipment not meeting the requirements set forth in this Tow Services Contract shall result in up to a thirty (30) day suspension from the tow rotation list on first and second offense and termination of this contract on third offense within any twelve (12) continuous months.
 - (3) Subcontracting for any tow service or violating the financial interest section of the RFQ, shall result in immediate termination of this Tow Services Contract.
 - (4) Contractor's failure to satisfy a court order/judgment mandating reimbursement to a vehicle or property owner for the damage or loss which occurred while the vehicle was in the Contractor's custody will result in a suspension from tow rotation list. The suspension will remain in effect until the Contractor has presented proof of the reimbursement to the Police Department.
- B. If it is determined that a Contractor is to be served with a notice of termination from the Tow Services Contract, the Tow Administrator will provide written notification detailing the offense(s).

The Contractor may request an appeal hearing within seven (7) calendar days by submitting a request in writing to the Community Development Department. Nothing set forth in this paragraph shall permit the Contractor to appeal any termination of the Tow Services Contract effected by the Community Development Department. Failure of the Contractor to request an appeal of the decision of the Community Development Department within the seven (7) days required pursuant to this section shall constitute a waiver of the Contractor's right to an administrative appeal of the decision. If a hearing is requested, it shall be held as soon as practicable while still allowing the Contractor a meaningful time period to prepare a defense. The hearing shall be conducted by the Tow Review Committee. The hearing shall be informal, and the rules of evidence shall not apply. The Contractor shall be entitled to present all relevant facts to the Tow Review Committee in support of his/her position. The Contractor shall be notified in writing of the decision by the Tow Review Committee within ten (10) calendar days of the date of the hearing. The decision of the Tow Review Committee is final and binding and shall be subject to no further administrative appeal.

In the event the CITY serves a Contractor with Notice of Termination from the Tow Services Contract, and the Contractor seeks an appeal hearing, the disciplinary action will be delayed pending the administrative appeal process. In the event CDD elects to modify the discipline imposed on the Contractor, the Contractor agrees he or she shall not be entitled to recover any costs, compensation, damages, losses, and/or expenses of any type or description from or file a claim against the CITY, its officers, employees, and appointees, including but not limited to members of the Tow Review Committee, arising out of or related to, in any manner, a complaint filed against, or discipline imposed upon the Contractor.

12. INSURANCE REQUIREMENTS

The failure to maintain adequate insurance coverage for any reason at any time shall result in immediate suspension from the Tow Services Contract and the tow rotation list until proof of insurance is received by the CITY.

Insurance Requirements - During the entire term of this Agreement, Contractor shall maintain the insurance coverage described in Section 12. Full compensation for all premiums that the Contractor is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by Contractor under this Agreement. No additional compensation will be provided for Contractor's insurance premiums.

It is understood and agreed by the Contractor that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the Contractor in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy. A Garage Liability policy with limits of \$1,000,000 may be substituted for the commercial general liability policy.
- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the Contractor.
- (3) Garage Keepers Liability- Policy in the amount of at least \$250,000.
- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker's Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers' Compensation waiver of subrogation in favor of the CITY is not required for all work performed by the Contractor.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of Contractor, and premises owned, leased or used by Contractor. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees, and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Contractor's insurance coverage shall be primary insurance as respects CITY, its officials, employees, and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of Contractor's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees, or volunteers.
- (3) Coverage shall state that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 12 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) The Contractor shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in the Administrative Information Section, 1(G). Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.

The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. The CITY may withhold payments to Contractor and/or cancel the Agreement if the insurance is canceled or Contractor otherwise ceases to be insured as required herein.

F. Subcontractors

The Contractor shall **not** authorize another Contractor or other person or company to tow a vehicle which has been assigned by the CITY to the original Contractor. Exceptions must be approved by the Tow Administrator with the Sacramento Community Development Department.

In the case of an exception, Contractor shall require and verify that all subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

Heavy Duty Tow Pricing Schedule

***In your pricing, please include Storage,tow In/tow out and Disposal fee combined.**

***Please note, the City will only pay for the heavy duty types listed on the contracted Pricing Schedule.**

Type of Heavy Duty Vehicle	Price
Boats (on ground, no trailer)	\$2,500.00
Boats on trailer	\$2,800.00
Utility Trailer	\$1,500.00
Travel Trailers:	
10 ft (or lower) - 20 ft	\$1,600.00
21ft-30 ft	\$2,400.00
31 ft-40 ft (or above)	\$3,200.00
Motorhomes:	
10 ft (or lower) - 20 ft	\$1,800.00
21ft-30 ft	\$2,700.00
31 ft-40 ft (or above)	\$3,600.00
*Motorhomes over 45' in length and other oversized vehicles or unusual circumstances determined on a case by case basis contingent on total available contract funds remaining	
Tow Rates and Storage Fees Charged to Vehicle Owner by Class of Vehicle Towed	Price
Class C	\$350.00 / Hr
Class C Storage	\$60.00 / Day
Class D	\$400.00 / Hr
Class D Storage	\$60.00 / Day



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/29/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER G.L. Anderson Ins Svcs Inc an affiliate of Professional Ins Assoc 193 Blue Ravine Rd, Suite 210 Folsom CA 95630	CONTACT NAME: PHONE (A/C, No, Ext): 916-353-5130 E-MAIL ADDRESS: certificates@glandersonins.com FAX (A/C, No): 916-353-5135
INSURED North Valley Fleet Seives, Inc. DBA: Dependable Tow, Inc. 3115 Coke St West Sacramento CA 95691	INSURER(S) AFFORDING COVERAGE INSURER A: Houston Specialty Ins. Co. INSURER B: Imperium Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 1702729429

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	ECAP-HS-GL-000345-00	7/13/2023	7/13/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 \$
B	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	Y	ECAP-IIC-CA-000345-00	7/13/2023	7/13/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION S					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
B B	Garage Keepers/On Hook Cargo Coverage		ECAP-IIC-CA-000345-00 ECAP-IIC-CA-000345-00	7/13/2023 7/13/2023	7/13/2024 7/13/2024	Limit Liability \$600,000 600,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
City of Sacramento/ CDD are named as additional insured as their interests may appear per written contract.

*10 day notice of cancellation applies

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento/ CDD 300 Richards Blvd., 3rd Floor Sacramento CA 95811	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Kelly Anderson</i>
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/7/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Doxsee Foster & Associates Insurance Brokers
600 Hampshire Road, Ste 210
Westlake Village CA 91361

CONTACT NAME: Carlos Bolivar

PHONE (A/C, No, Ext): 805-309-2945

FAX (A/C, No): 805-495-4130

E-MAIL: linda@doxseefoster.com

INSURER(S) AFFORDING COVERAGE

NAIC #

License#: L100460

NORTVAL-06

INSURED
North Valley Fleet Services, Inc.
3115 Coke St
West Sacramento CA 95691

INSURER A: Insurance Company of the West

27647

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

COVERAGES

CERTIFICATE NUMBER: 1679582259

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
							MED EXP (Any one person) \$
							PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COM/PO/AGG \$
	OTHER:						\$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
							\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR						EACH OCCURRENCE \$
	EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTIONS						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WVE 5068916 01	12/7/2023	12/7/2024	X PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N <input type="checkbox"/>	N/A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Verification of workers compensation insurance.

CERTIFICATE HOLDER**CANCELLATION**

City of Sacramento/CDD
300 Richards Blvd, 3rd Floor
Sacramento CA 95811

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: Mike Ram
Mike Ram (Jun 17, 2024 15:28 PDT)

Title: President

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: Maxwell Nelson
Maxwell Nelson (Jun 18, 2024 11:53 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: Monica Duncan
Monica Duncan (Jun 18, 2024 12:47 PDT)

Title: Administrative Analyst

Approved By:

Signature: Michael A. Jasso
Michael Jasso (Jun 19, 2024 08:35 PDT)

Title: Assistant City Manager

Additional Signature (if required): Thomas S. Pace

Title: Director of Community Development

SUPPLEMENTAL CONTRACT

Project Title and Job Number: Heavy Duty Towing Services
Purchase Order #:

Date: 04/16/2025
Supplemental Contract No.: 1

The City of Sacramento ("City") and North Valley Fleet Services, Inc. ("Contractor"), as parties to that certain Non-Professional Services Agreement designated as Contract Number PRC002878, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

There is no change in the scope of services. The Community Development Department shall extend the time of performance by one additional year. The new contract expiration date is 6/30/2026.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased by \$0**, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$249,999</u>
Net change by previous supplemental contracts:	<u>\$0</u>
Not-to-exceed amount prior to this supplemental contract:	<u>\$249,999</u>
Increase by this supplemental contract:	<u>\$0</u>
New not-to exceed amount including all supplemental contracts:	<u>\$249,999</u>

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURES

The parties have signed this Contract, effective as of the day and year first stated above.

CONTRACTOR

Under penalty of perjury, I certify that the information provided here is correct.

Signature: Inderjit Ram
Inderjit Ram (Apr 23, 2025 13:14 PDT)

Title: General Manager

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: Maxwell E. Nelson
Maxwell Nelson (Apr 24, 2025 10:00 PDT)

Title: Deputy City Attorney

Reviewed By:

Signature: Monica Duncan
Monica Duncan (Apr 24, 2025 10:31 PDT)

Title: Administrative Analyst

Approved By:

Signature: Thomas S. Pace

Title: Director of Community Development

Additional Signature (if required):

Title: