File ID: 2026-01712 12/1/2026

[Contract] Fuel Site Maintenance, Repairs and Testing Services [Published for 10-Day Review 11/18/2026]

File ID: 2026-01712

Location: Citywide

Recommendation: Pass a **Motion:** 1) awarding Kaiser Commercial Petroleum a five-year contract for fuel site maintenance, repairs, and testing services in an amount not-to-exceed $3,000,000 for the five-year term; and 2) authorizing the City Manager or designee to execute the contract specified above, provided that sufficient funds are available in the budget adopted for the applicable fiscal year.

Contact: Alison Kerstetter, Fleet Manager, (916) 808-1163, akerstetter@cityofsacramento.org; Stacey Chatman, Program Specialist, (916) 808-6711, schatman@cityofsacramento.org; Department of Public Works

Presenter: None

Attachments:
1-Description/Analysis
2-Agreement

Description/Analysis
Issue Detail: The Department of Public Works , Fleet Management Division, is responsible for managing the City's municipal fleet assets, which includes providing continuous fueling operations for all municipal equipment across multiple City-owned fueling facilities.

To maintain continuous fueling services and protect public health and safety, the City's fueling infrastructure includes Underground Storage Tanks (USTs), Aboveground Storage Tanks (ASTs), fuel dispensers, and monitoring systems, and must strictly comply with stringent local, state, and federal environmental regulations. These regulatory requirements are mandated by agencies such as the California Environmental Protection Agency (CalEPA), the State Water Resources Control Board (SWRCB), the Sacramento Metropolitan Air Quality Management District (SMAQMD), and the Sacramento County Environmental Management Department (EMD).

Maintaining full regulatory compliance requires specialized, ongoing fuel site maintenance, emergency equipment repairs, and mandatory environmental testing (including secondary containment testing, spill bucket testing, and vapor recovery certification).

Because the City does not possess the specialized diagnostic equipment, state-certified technicians, or dedicated staffing required to perform these certified compliance services in-house, procuring a qualified, licensed contractor is necessary.

Approving the proposed agreement with Kaiser Commercial Petroleum will ensure that the City's fueling facilities remain fully operational, compliant with all environmental laws, and equipped to prevent environmental contamination or service disruptions to critical City fleet operations.

Policy Considerations: The recommendations in this report are in accordance with City Code as follows: Section 3.04.020 and Section 15.A of the Non-Professional Services Policy, contracts that result in a cumulative agreement total of $250,000 or more require City Council approval.

Sacramento City Code Section 4.04.020 and Council Rules of Procedure, Chapter 7, Section E.2.d, require a 10-day posting period for labor agreements and all agreements greater than $1 million. This item was published on November 18, 2026, for 10-day review in compliance with the City Code.

Economic Impacts: None

Environmental Considerations: California Environmental Quality Act (CEQA): This action is an administrative fiscal activity that does not constitute a 'project' as defined by CEQA Guidelines section 15378(b)(5) and is therefore not subject to CEQA pursuant to section 15060(c)(3). No environmental review is necessary because the recommendations in this report involve the purchase of services and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

Sustainability: Maintaining safe, fully compliant fueling infrastructure directly supports the City’s environmental stewardship, climate action and fleet sustainability goals:

Preventing Soil and Groundwater Contamination: Routine site maintenance, leak detection monitoring, secondary containment testing, and spill bucket inspections ensure the early detection and prevention of fuel leaks, safeguarding local soil, groundwater, and stormwater systems from petroleum contamination.

Reducing Air Emissions and VOCs: Mandatory testing and maintenance of vapor recovery systems ensure that Volatile Organic Compounds (VOCs) and toxic air contaminants are captured during fuel delivery and dispensing operations. This minimizes harmful atmospheric emissions, supporting

regional air quality goals established by the Sacramento Metropolitan Air Quality Management District (SMAQMD) and the City's Climate Action & Adaptation Plan (CAAP).

Supporting Clean and Alternative Fuels: The contract supports maintenance across all City fueling infrastructure, including facilities dispensing alternative clean fuels (such as Renewable Diesel and Compressed Natural Gas). Ensuring reliable alternative fuel dispensing infrastructure aligns directly with City Council Resolution No. 2017-0478 (Fleet Sustainability Policy) and the City's target to reduce fossil fuel consumption across municipal fleet operations.

Commission/Committee Action: None

Rationale for Recommendation: On October 15, 2026, Fleet Management, in accordance with City Code Chapter 3.56, issued Invitation for Bid No. B27153311004 for fuel site maintenance, repairs, and testing services. One bid was received and Kaiser Commercial Petroleum was not only the sole bid, but a responsive and responsible bidder.

Kaiser Commercial Petroleum has provided these services to the City since at least 2011, offering continuity and demonstrated knowledge of the City’s fueling infrastructure.

Financial Considerations: Sufficient funds are available in the Department of Public Works, Fleet Management FY2026/27 operating budget (Fleet Fund, Fund 6501) to purchase fuel site maintenance, repairs, and testing services through June 30, 2027. Purchases made after June 30, 2027, are subject to funding availability in the adopted budget of the applicable fiscal year.

In determining the recommended contract amounts, staff reviewed the expenditure history for these services and considered future needs. Expenditures with Kaiser Commercial Petroleum are estimated to be $300,000 per year.

Local Business Enterprise (LBE): Kaiser Commercial Petroleum is an LBE.

CONTRACT #: PRC004805
CONTRACT NAME: Fuel Site Testing, Maintenance and Repair
AGREEMENT TERM: 12/14/26-12/13/31
AUTHORIZED RENEWALS: None
DEPARTMENT/DIVISION: Public Works / Fleet Management

PROJECT: None
NOT-TO-EXCEED AMOUNT: $3,000,000
SOLICITATION: B27153311004
LBE (Y/N): Y
COUNCIL FILE ID: 2026-01712

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

Kaiser Commercial Petroleum
331 N. Hewitt Road, Linden, CA 95236
209-887-2639 / kcp001@verizon.net

("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 December 14, 2026.

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 3.64. 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 3.64 and include these requirements in all subcontracts covered by Sacramento City Code chapter 3.64.

Contractor's violation of Sacramento City Code chapter 3.64 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:

Stacey Chatman, Program Specialist
5730 24th St, Sacramento, CA 95822
916-808-1163 / schatman@cityofsacramento.org

The CONTRACTOR Representative for this Agreement is:

Greg Kaiser, Owner
331 N. Hewitt Road, Linden, CA 95236
209-887-2639 / kcp001@verizon.net

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 the 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.

Attachment 1 to Exhibit A

Scope of Services

CONTRACTOR shall provide fuel site testing, maintenance and repair in accordance with the City's Fuel Site Testing, Maintenance and Repair Invitation for Bid, B27153311004. CONTRACTOR understands and agrees that work will be assigned to CONTRACTOR on an individual job or task basis through Fleet Management's issuance of a notice to proceed. The jobs/tasks may involve varying levels of effort throughout the term of the Agreement. The need for services may not be continuous during the term. It is understood and agreed by CONTRACTOR that no services at all may be required by the City under this Agreement, in which case, CONTRACTOR shall not receive any compensation. If services are performed under this Agreement, total payment for said services shall not exceed that amount stated in Exhibit B for the five-year term. The City will contact CONTRACTOR regarding a specific job/task. CONTRACTOR shall not commence work on any job or task prior to receipt of a notice to proceed from Fleet Management. CONTRACTOR shall perform, comply with and be subject to all provisions of this Agreement regarding any work performed pursuant to such notices to proceed.

Technical Specifications

1. The intent of these specifications is to describe service, test, training, and repair of Aboveground (AST) and Underground (UST) fuel storage facilities and dispensing equipment operated by the City of Sacramento.
2. Any individual performing the work of a service technician must meet all the following requirements: Possess or be employed by a person who possesses a current Designated Operators certificate, Class "A" General Engineering Contractor License, C-10 Electrical Contractor License, C-34 Pipeline Contractor License, C-36 Plumbing Contractor License, or a C-61 (D40) Limited Specialty Service Station Equipment and Maintenance Contractors State License Board, as applicable. Individuals who possess a tank testing license issued by the State Water Resources Control Board satisfy the licensing requirement of this paragraph.
3. Be trained and certified by the manufacturer of the following equipment: The City of Sacramento has the following monitoring systems at six (6) UST sites: seven (7) Veeder Root TLS 350; one (1) Ronan X765-A2; one (3) Above Ground Storage Tank (AST) Veeder Root. The City of Sacramento utilizes the following fuel dispensing equipment: Tokheim, Gas Boy, Dresser Wayne, OPW.
4. For service technicians conducting secondary containment testing, training and certification may be obtained through the developer of the testing equipment or test method being used or through the manufacturer of the secondary containment system being tested, as applicable.
5. For service technicians performing repairs on monitoring equipment, training, and certification shall be obtained from the manufacturer of the monitoring equipment.
6. In the event no training or certification exists that would satisfy the criteria listed under Testing and Repair, the County of Sacramento shall be contacted and may approve comparable alternate training or certification.
7. Renew all training and certifications issued by the manufacturer, through completion of a manufacturer's refresher course, at the time interval recommended by the manufacturer, or
8. Service technicians shall possess or work under the direct and personal supervision of an individual physically present at the work site who possesses a current certificate from the

International Code Council (ICC), indicating he or she has passed the California UST Service Technician exam.

9. Local agency inspectors conducting underground storage tank inspections must meet the following requirements: Individuals shall possess a current inspector certificate issued by the International Code Council (ICC), indicating he or she has passed the ICC California UST Inspector exam. These individuals shall renew the California inspector certificate every 24 months, by either passing the ICC Inspector exam or satisfying equivalent criteria as approved by the Division of Water Quality Underground Storage Tank Program Manager.
10. All testing due dates shall be followed and be the responsibility of the vendor.
11. According to state law, periodic testing of secondary containment systems shall be conducted using a test procedure that demonstrates that the system performs as it did at installation. These tests shall be conducted every three (3) years.
12. Shall be tested annually according to state law and tested at the same time site monitoring system is certified.
13. Shall be performed on an annual basis. A pretest is to be performed prior to notifying SMAQMD to insure passing of facility. Facility tests shall include the following minimum requirements if applicable: (1) Static Pressure (Leak Decay) Test, (2) Air to Liquid (NL) Test, (3) Dynamic Back Pressure Test, (4) Liquid Removal Test for Balanced Systems
14. Shall be performed on an annual basis. Prior test notification and results shall be given to the County of Sacramento Environmental Management Department. Test shall be performed when Monitoring System Certification and Spill Bucket testing is performed.
15. Must be certified by the State of California and possess an International Code Council Certification number.
16. Shall perform monthly visual inspections of City of Sacramento facilities, monitoring systems and facility records and report findings on a monthly inspection report.
17. Shall perform initial/annual and new hire training of facilities employees on the operation of the UST system and their role and responsibility about the monitoring equipment and responding to spills and alarms. Documentation of training shall be provided.
18. Shall perform follow up deficiency inspection services based on system monitoring problems or other related problems identified in monthly inspections on an "as- needed" basis.
19. Vendor shall provide with the bid the following International Code Council Certification numbers and manufacturers certifications of all employees who will be working at City fuel sites: (1) California UST Systems Operator Certification, (2) California UST Service Technician License, (3) California UST Inspector Certification, (4) Training and Certification from monitoring system and dispenser manufacturer, (5) General Engineering A Contractor's License.
20. All repairs shall be provided 24 hours a day, 7 days a week (including holidays). All response times shall be less than six (6) hours from initial call. Failure to comply with the response times stated may be cause for termination of the agreement.
21. The City of Sacramento desires comprehensive management of ASTs, USTs and dispensing equipment in the City as regulated under Title 23 of the California Code of Regulations and Sacramento Metropolitan Air Quality Management District (SMAQMD), Rule 449. Vendor shall be required to provide all required testing, repair work, maintenance works UST and AST record keeping along with all regulatory interface on behalf of the City of Sacramento. Copies for each inspection shall be maintained on site with a designated site administrator.

22. Support all City fuel sites as noted in B27153311004. Other storage and dispensing sites exist and will be supported· by the contractor. Site locations, size, and types are subject to change.
23. Hourly rate for 10 hours of nonperiodic services, maintenance and repairs, emergency and non-emergency, including mileage charges. Hourly rate shall be the same 24 hours a day including holidays. Vendor may be required to maintain or perform emergency services/repairs after normal business hours or on holidays.
24. The provisions of this contract shall, in no way, prohibit the City from purchasing the same products and/or services listed herein from another supplier.
25. The bidder certifies that it has not, within a three-year period preceding this certification, had one or more City contracts or transactions terminated for cause or default.

Largest Site Locations

Location	Storage Tank	Monitoring System
North Area Corp Yard (NACY)-928 Del Paso Road	AST	Veeder Root
Meadowview City Service Center - 2812 Meadowview Rd.	UST	Veeder Root
Kinney Police Facility - 3550 Marysville Blvd.	UST	Veeder Root
South Area Corp Yard (SACY) - 5730 24th Street	UST	Veeder Root
Rooney Police Facility- 5303 Franklin Blvd.	UST	Veeder Root
Sutter's Landing - 28th and A Street	AST	Veeder Root
Richards Facility - 300 Richards Blvd.	AST	Veeder Root
Sacramento Marina - 2710 Ramp Way	UST	Veeder Root
Land Park - 18th Street, North of 15th Ave.	AST	No Tank Monitor
Sac City Library - 828 I Street	UST	Ronan

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 $ **3,000,000.** 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 3.60.040 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 3.60.040. 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 3.60.050, 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 3.60.040 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.

Attachment 1 to Exhibit B

COMPENSATION

The specified contract amount is full payment for all services, staffing, materials, and project risks—including reasonably unforeseen difficulties prior to acceptance. The City will only pay for work completed within the Scope of Work and will not exceed the fixed prices or total contract amount without a signed amendment.

Billable Rates

For work authorized by the City in accordance with the terms of this Agreement, CONTRACTOR shall be paid at the rates listed below.

Description	Unit Cost
Supply and install unleaded and diesel fuel filters for annual change	$208.00
Diesel fuel dispenser annual screen cleaning	$90.00
Supply and install replacement product hose breakaway, Husky models 2276 & 3360, 5 each, no exceptions	$420.00
Supply and install replacement diesel product hose, Goodyear FSB1-096-MXM	$369.00
Supply and install replacement unleaded product hose Goodyear 532365440-00500 5' Balance Hose w/Premier	$340.00
Supply and install replacement product hose retractor	$505.00
Supply and install replacement unleaded nozzle	$360.00
Supply and install replacement diesel nozzle	$320.00
Supply and install replacement unleaded nozzle face seal	$280.00
Annual monitoring certification	$650.00
Product Line Test (if applicable)	$200.00
Annual spill bucket test (Fill and Vapor)	$100.00
Annual leak detector test	$100.00
SB989 Testing (Every 3 Years)	$900.00
Vapor recovery testing (Rule 449) as per unleaded AST and UST facilities	$850.00
UST systems operator monthly inspection (includes annual training per employee)	$300.00
Hourly labor rate for any additional work (nonperiodic maintenance) required by the City not specified above. Nonperiodic maintenance is defined in Technical Specifications of the scope of work	$180.00

Estimate and Invoice Requirements

The quoted labor rate will be used to perform all repairs, and all parts used for repairs shall be priced in accordance with the billable rates. The hourly labor rates and any applicable discounts shall be reflected on all invoices and estimates.

Prices shall include all costs, but not limited to, overhead, all necessary labor, transportation, freight, delivery and/or shipping/handling fees, fuel/fuel surcharges, mileage, storage, self-imposed fees and any other costs necessary to provide the item(s) requested.

Before Repairs:

- Contractor shall provide a written cost estimate and schedule to the City for the requested or recommended repairs.
- Approval from an authorized representative of the City must be given prior to work being performed and shall be based on the estimated cost provided.
- If additional work is required, approval from the City must be obtained prior to work being completed.
- The City will not be responsible for the costs associated with any unauthorized repairs.

Invoicing:

- Any items sold to the City of Sacramento must be taxed at the current tax rate for the City of Sacramento. If not known please refer to https://www.cdtfa.ca.gov/taxes-and-fees/rates.aspx.
- To ensure prompt payment, the Contractor shall submit invoices for services rendered or goods delivered to the City in accordance with the terms of the contract, including all exhibits and attachments.
- The City shall not be obligated to pay any invoice submitted by the Contractor more than sixty (60) days after the date the services were rendered or goods delivered, or more than sixty (60) days after the termination of the agreement, whichever occurs first.
- To facilitate full and timely payment, the Contractor must submit invoices to fleet@cityofsacramento.org

Contract Price Adjustments

1. **Initial Period**:
    - No price adjustments will be considered during the first year of this contract.
2. **Post First-Year Period**:
    - After the initial term, prices may be adjusted based on manufacturer price changes.
    - Adjustments will follow the current published manufacturer's price listing.
    - A minimum 45-day advance notice is required for adjustment requests.
    - Approved increases will not exceed 3% of the previous year's cost.
    - Discounts from commercial or fleet retail pricing will remain unchanged.
    - Any price declines will be immediately extended to the City.
3. **Approval Process**:
    - Requests for price increases or labor rate adjustments require the City's review and written approval in a contract amendment.
    - Contractors must price protect the contracted price during the review period.
    - If price protection cannot be honored, the Contractor's goods or services will be unavailable for ordering until the price increases are approved.
4. **Contractor's Efforts**:
    - The Contractor will strive to obtain the lowest possible prices from suppliers.
    - If material prices increase after contract execution, the Contractor agrees to pay the additional cost.
5. **Price Increases**:
    - If material costs rise significantly, causing the total contract price to increase by more than the specified percentage, the Contractor must notify the City in writing.
    - The City may terminate the contract by providing written notice.
    - The City may enforce, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract
    - Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to the City during the term of this Contract not otherwise specified and provided for within this Contract.
6. **Labor Rate Adjustment**:
    - Labor rates may be adjusted based on the Consumer Price Index (CPI) for All Urban Consumers (CPI-U).
    - The CPI-U increase will be applied to the base labor rates outlined in Schedule A.

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.

   If the CONTRACTOR maintains broader coverage and/or higher limits than the minimums shown below, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

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. If a general aggregate limit applies, either the general aggregate limit shall apply separately (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

   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 CONTRACTOR may use Umbrella or Excess Policies to meet the required liability limits. This form of insurance will be acceptable provided that any umbrella or excess policies provide all of the insurance coverages required and meet the other requirements for the primary policies as set forth in this Agreement. Umbrella and/or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided in the underlying primary policy.

Umbrella or excess policies shall contain, or be endorsed to provide that the City, its officials, employees, and volunteers shall be covered as additional insureds, as well as a provision that it will apply on a primary basis for the benefit of the City. 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. No insurance or self-insurance maintained by the City that applies to a loss covered herein, whether Primary or Excess, and which also applies to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's Primary and Excess liability policies are exhausted.

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 and non-contributory 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. **Waiver of Subrogation.** CONTRACTOR hereby grants to City a waiver of any right to subrogation which any insurer may acquire against the City by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from an insurer.

8. **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.

9. **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.

10. **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.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/10/2026

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	CONTACT NAME:	
The Liberty Company Insurance Brokers	PHONE (A/C, No, Ext): (800) 228-3380	FAX (A/C, No):
6020 W. Oaks Blvd	E-MAIL ADDRESS:	
Suite 200		
Rocklin CA 95765		

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Kaiser Commercial Petroleum	INSURER A : Beazley Excess & Surplus Insurance	17520
P. O. Box 1058	INSURER B : California Automobile Insurance Company	38342
	INSURER C : State Compensation Ins Fund (CA)	35076
	INSURER D :	
	INSURER E :	
Linden CA 95236	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** CL26111098074 **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	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:	Y	Y	D39CFA260201	06/08/2026	06/08/2027	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 100,000 $ 25,000 $ 2,000,000 $ 4,000,000 $ 4,000,000
B	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [X] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY	Y	Y	BA040000070535	10/27/2026	10/27/2027	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	1839765-2026	08/01/2026	08/01/2027	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
A	Pollution Liability	Y		D39CFA260201	06/08/2026	06/08/2027	Aggregate	2,000,000

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

Certificate holder(s) is/are included as an Additional Insured under the commercial General Liability policy per endorsements CG 20 10 07 04 and CG 20 37 07 04, under the pollution policy per endorsements E17348 and E17347 and under the commercial Auto Policy per endorsement MCA20480711 as required by written contract. Primary and Non-Contributory wording applies per endorsements CG 20 01 04 13 and MCA CABE 08 23. Waiver of Subrogation applies per endorsements CG 24 04 10 93, MCA04440913, and 2572. All other terms, conditions & exclusions of the policies apply.

CERTIFICATE HOLDER

City of Sacramento
c/o EXIGIS Risk Management Ser
P.O. Box 947
Murrieta, CA 92564

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



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Effective Date: 05-Nov-2026	PolicyNumber: D39CFA260201

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

In consideration of a premium change of , this endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

All other terms and conditions of this Policy remain unchanged.

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s):	**Location(s) of Covered Operations**
The City of Sacramento, its officials, employees, and volunteers	All project locations where this endorsement is required by contract.
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:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Effective Date:05-Nov-2026	PolicyNumber: D39CFA260201

ADDITIONAL INSURED – OWNERS, LESSORS OR CONTRACTORS – COMPLETED OPERATIONS

In consideration of a premium change of , this endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

All other terms and conditions of this Policy remain unchanged.

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	**Location And Description Of Completed Operations**
The City of Sacramento, its officials, employees, and volunteers	All project locations where this endorsement is required by contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

Effective date of this Endorsement: 05-Nov-2026
This Endorsement is attached to and forms a part of Policy Number: D39CFA260201
Beazley Excess and Surplus Insurance, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION AND PROFESSIONAL LIABILITY

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

SCHEDULE

Name of Additional Insured Person(s) Or Organization(s):	**Location(s) of Covered Operations**
The City of Sacramento, its officials, employees, and volunteers	All project locations where this endorsement is required by contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. 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 Damages and Claims Expenses caused, in whole or in part, by:

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
This insurance does not apply to **Damages** or **Claims Expenses** occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

All other terms and conditions of this Policy remain unchanged.



Authorized Representative

Effective date of this Endorsement: 05-Nov-2026
This Endorsement is attached to and forms a part of Policy Number: D39CFA260201
Beazley Excess and Surplus Insurance, Inc. referred to in this endorsement as either the "Insurer" or the "Underwriters"

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION AND PROFESSIONAL LIABILITY

In consideration of the premium charged for the Policy, it is hereby understood and agreed that:

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
The City of Sacramento, its officials, employees, and volunteers	All project locations where this endorsement is required by contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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 **Damages** and **Claims Expenses** caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured.

All other terms and conditions of this Policy remain unchanged.

_____
Authorized Representative

Effective Date: 08-Jun-2026	Policy Number: D39CFA260201

PRIMARY/NON-CONTRIBUTORY – OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

All other terms and conditions of this Policy remain unchanged.

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

SCHEDULE:

Specific Entity to Schedule if required – As required by written contract.

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Effective Date: 08-Jun-2026	Policy Number: D39CFA260201

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

All other terms and conditions of this Policy remain unchanged.

SCHEDULE

Name of Person or Organization:

As required by written contract.

All Person(s) Or Organization(s) where this endorsement is required by contract.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section **IV** – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

> We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

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

The following is added to the **Section II - Liability Coverage,** Paragraph **A.1. Who Is An Insured** Provision:

Any person or organization that you are required to include as additional insured on the Coverage Form in a written contract or agreement that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period is an "insured" for Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Mercury Business Auto Broadening Endorsement

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

I. NEWLY ACQUIRED OR FORMED ENTITY (BROAD FORM NAMED INSURED)

II. EMPLOYEES AS INSUREDS

III. SUPPLEMENTARY PAYMENTS

IV. ADDITIONAL TRANSPORTATION EXPENSE

V. ACCIDENTAL AIRBAG DEPLOYMENT COVERAGE

VI. GLASS REPAIR – DEDUCTIBLE WAIVER

VII. TWO OR MORE DEDUCTIBLES

VIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

IX. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS

X. PRIMARY AND NONCONTRIBUTORY IF REQUIRED BY CONTRACT

XI. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH

XII. PERSONAL EFFECTS COVERAGE

XIII. LOSS OF USE EXPENSES

XIV. DEVICES DESIGNED FOR USE WITH AUDIO, VISUAL OR DATA ELECTRONIC EQUIPMENT

XV. PHYSICAL DAMAGE DEDUCTIBLE – VEHICLE TRACKING SYSTEM

XVI. CHAINS, TARPS, AND BINDERS COVERAGE

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BUSINESS AUTO COVERAGE FORM

I. NEWLY ACQUIRED OR FORMED ENTITY (Broad Form Named Insured)

SECTION II – COVERED AUTOS LIABILITY COVERAGE, A. Coverage, 1. Who Is An Insured, the following is added:

Any business entity newly acquired or formed by you during the policy period provided you own 50% or more of the business entity and the business entity is not separately insured for Business Auto Coverage. Coverage is extended up to a maximum of 180 days following acquisition or formation of the business entity. Coverage under this provision is afforded only until the end of the policy period. Coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

II. EMPLOYEES AS INSUREDS

SECTION II – COVERED AUTOS LIABILITY COVERAGE, A. COVERAGE, 1. Who Is An Insured, the following is added:

Any "employee" of yours is an "insured" while using a "covered auto" you do not "own", lease, hire, rent, or borrow, which is used in connection with your business.

III. SUPPLEMENTARY PAYMENTS

SECTION II – COVERED AUTOS LIABILITY COVERAGE, A. Coverage, 3. Coverage Extensions, a. Supplementary Payments, Subparagraphs **(2)** and **(4)** are replaced by the following:

(2) Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We are not obligated to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

IV. ADDITIONAL TRANSPORTATION EXPENSE

SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Coverage Extensions, a. Transportation Expenses, is amended by:

Replacing $20 per day with $50 per day, and the $600 maximum with $1,000 maximum. If your business shown in the "Declarations" is other than an auto dealership, we will also pay up to $1,000 for reasonable and necessary costs incurred by you to return a stolen "covered auto" from the place where it is recovered to its usual garaging location.

V. ACCIDENTAL AIRBAG DEPLOYMENT COVERAGE

SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 3.a., is amended to add the following:

This exclusion does not apply to the accidental discharge of an airbag.

VI. GLASS REPAIR – DEDUCTIBLE WAIVER

SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

No deductible applies to glass damage if the glass is repaired rather than replaced.

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VII. TWO OR MORE DEDUCTIBLES

SECTION III -PHYSICAL DAMAGE COVERAGE, D. Deductible, the following is added:

If two or more "company" policies or coverage forms apply to the same accident:

1. If the applicable Business Auto deductible is the smallest, it will be waived; or

2. If the applicable Business Auto deductible is not the smallest, it will be reduced by the amount of the smallest deductible; or

3. If the loss involves two or more Business Auto coverage forms or policies the smallest deductible will be waived.

For the purpose of this endorsement "company" means the company providing this insurance and any of the affiliated members of the Mercury Insurance Group of companies.

VIII. AMENDED DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The requirement in **SECTION IV, BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties In The Event Of Accident, Claim, Suit, Or Loss, a.**, In the event of "accident", you must notify us of an "accident" applies only when the "accident" is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership;

(3) A member, if you are a limited liability company; or

(4) An executive officer or insurance manager, if you are a corporation.

IX. UNINTENTIONAL ERROR, OMISSION, OR FAILURE TO DISCLOSE HAZARDS

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation, or Fraud, the following is added:

Any unintentional omission of or error in information given by you, or unintentional failure to disclose all exposures or hazards existing as of the effective date or at any time during the policy period shall not invalidate or adversely affect the coverage for such exposure or hazard or prejudice your rights under this insurance. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after its discovery. This provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

X. PRIMARY AND NONCONTRIBUTORY IF REQUIRED BY CONTRACT

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance, the following is added and supersedes any provision to the contrary:

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured under your policy provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

XI. BODILY INJURY REDEFINED TO INCLUDE RESULTANT MENTAL ANGUISH

SECTION V – DEFINITIONS, D. "Bodily Injury" is amended by adding the following:

"Bodily injury" also includes mental anguish but only when the mental anguish arises from other bodily injury, sickness, or disease.

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XII. PERSONAL EFFECTS COVERAGE

SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Coverage Extensions, the following is added:

Personal Effects

We will pay up to $500 for "loss" to personal effects which:

(1) Are owned by you or a driver listed in the "Declarations"; and

(2) Are in or on a "covered auto" at the time of "loss".

This coverage applies only in the event of a total theft of a "covered auto". No additional deductible applies to the coverage. Tapes, records, discs or other similar devices used with audio, visual or data electronic equipment are not considered personal effects.

XIII. LOSS OF USE EXPENSES

If you pay the premium for Hired Auto Physical Damage, we will pay expenses for which you become legally responsible to pay for loss of use of an "auto" due to "loss" or "accident" covered by Hired Auto Physical Damage. However, the most we will pay for any expenses for loss of use is $20 per day, to a maximum of $600. The insurance provided by this provision is excess over any other collectible insurance.

XIV. DEVICES DESIGNED FOR USE WITH AUDIO, VISUAL OR DATA ELECTRONIC EQUIPMENT

SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4.a., is replaced by the following:

a. Under Comprehensive Coverage we will pay up to $200 for "loss" to tapes, records, discs or other similar audio, visual, data electronic devices designed for use with audio, visual or data electronic equipment. We will pay only if the tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment:

(1) Are your property or that of a driver listed in the "Declarations"; and

(2) Are in a "covererd auto" at the time of "loss".

This coverage applies only in the event of a total theft of a "covered auto". No additional deductible applies to this coverage.

XV. PHYSICAL DAMAGE DEDUCTIBLE – VEHICLE TRACKING SYSTEM

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible, is amended by adding the following:

Any Comprehensive Deductible shown in the "Declarations" will be reduced by 50% for any "loss" caused by theft if the "covered auto" is equipped with a vehicle tracking device such as a radio tracking device or a global position device and that device was the method of recovery of that "covered auto" by the "insured" or law enforcement.

XVI. CHAINS, TARPS, AND BINDERS COVERAGE

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limits Of Insurance, the following is added:

The most we will pay for the "loss" to chains, tarpaulins, binders, and cargo securing devices will be $500.

The chains, tarpaulins, binders, or cargo securing devices must be in or on the "covered auto" at the time of "loss".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

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

SECTION IV – BUSINESSS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights Of Recovery Against Others To Us, the following is added:

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of the operations contemplated by such contract. The waiver applies only to the person or organization designated in such contract.

STATE COMPENSATION INSURANCE FUND

Endorsement Agreement

Waiver of Subrogation
Blanket Basis

1839765-2026
Renewal
NF
7-01-46-04

Home Office
San Francisco
All Effective Dates are
at 12:01 AM Pacific
Standard Time or the
Time Indicated at
Pacific Standard Time

Effective August 1, 2026 at 12:01 AM
and Expiring August 1, 2027 at 12:01 AM

KAISER COMMERCIAL PETROLEUM
PO BOX 1058
LINDEN, CA 95236

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the schedule.

This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

The additional premium for this endorsement shall be 2.00% of the total policy premium.

Schedule

Person or Organization	Job Description
Any person or organization for whom the named Insured has agreed by written contract to furnish this waiver	Blanket Waiver of Subrogation

Nothing in this endorsement shall be held to vary, alter, waive or extend any of the terms, conditions, agreements, or limitations of this policy other than as above stated. Nothing elsewhere in this policy shall be held to vary, alter, waive or limit the terms, conditions, agreements or limitations in this endorsement.

Countersigned and Issued at San Francisco July 23, 2026

2572 Authorized Representative President and CEO SF - END

Rev. 2/2025 OLD DP 217

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: Greg Kaiser
Greg Kaiser (Nov 16, 2026 16:00:27 PST)

Title: Owner

Additional Signature (if required):

Title:

CITY OF SACRAMENTO

A Municipal Corporation

APPROVED AS TO FORM:

Signature: Paul Gale

Title: Sr. Dep City Atty

Reviewed By:

Signature:

Title:

Approved By:

Signature:

Title:

Additional Signature (if required):

Title: