File ID: 2026-01864 12/1/2026

[Contract] Aircraft Maintenance and Repair Services- Advanced Helicopter Services [Two-Thirds Vote Required; Published for 10-Day Review 11/18/2026]

File ID: 2026-01864

Location: Citywide

Recommendation: Pass a **Motion** by two-thirds vote authorizing the City Manager or designee to: 1) suspend competitive bidding in the best interest of the City; and 2) execute a five-year agreement with DFC, Inc dba Advanced Helicopter Services for a not-to-exceed amount of $3,500,000 for aircraft maintenance and repair services from December 1, 2026, through November 30, 2031.

Contact: Sameer Sood, Acting Police Captain, Metro Division, (916) 808-4504, ssood@pd.cityofsacramento.org, Police Department

Presenter: None

Attachments:
1-Description/Analysis
2-Non-Professional Services Agreement- Advanced Helicopter Services

Description/Analysis
Issue Detail: The Sacramento Police Department (SPD) requires specialized aircraft maintenance services that comply with regulatory requirements and support operational standards necessary to support a public safety aviation program. The maintenance provider must possess and maintain a valid Federal Aviation Administration (FAA) Repair Station Certificate in accordance with Title 14, Part 145 of the Code of Federal Regulations (14 CFR Part 145). In addition, the provider must be capable of responding to maintenance needs on a 24-hour basis and maintain a repair facility within 50 nautical miles of McClellan Park, where the Department's aircraft are based. These requirements are necessary to ensure timely maintenance, minimize aircraft downtime, and maintain the operational readiness of the Department's aviation fleet.

Entering into a new five-year agreement with DFC, Inc dba Advanced Helicopter Services (Advanced Helicopter), will allow the City to continue receiving uninterrupted maintenance and repair services for the Department's aircraft and related mission-critical systems. The contractor has consistently demonstrated the technical expertise, regulatory compliance, and operational responsiveness

necessary to support the Department's aviation program. Establishing a new agreement with the existing contractor is in the City's best interest, as it ensures the continued safe operation of the aircraft and supports the Department's ability to provide critical airborne public safety services.

Policy Considerations: The recommendations contained in this report are consistent with 1) Sacramento City Code Section 3.56.090, which requires contracts totaling $250,000 or more be approved by the City Council; and 2) City Code section 3.56.230(C), which permits the City Council, by two-thirds vote, to suspend competitive bidding when it determines that doing so serves the City's best interests. This item was published for 10-day review on November 18, 2026, in compliance with the City Code.

Economic Impacts: None.

Environmental Considerations:
California Environmental Quality Act (CEQA): This action is not subject to the California Environmental Quality Act (CEQA) because it does not constitute a "project" as defined in section 15378 of the CEQA Guidelines and is otherwise exempt pursuant to section 15061 (b) (3) (no significant effect on the environment) of the CEQA Guidelines.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: In May 2022, the Sacramento Police Department (SPD) publicly solicited bids (Bid No. B221100114109) for helicopter and fixed-wing aircraft maintenance and repair services. Advanced Helicopter was the sole responsive bidder for helicopter maintenance and repair services. It is in the City's best interest to suspend competitive bidding and continue working with Advanced Helicopter.

The Department currently operates a fleet of three operational helicopters and one fixed-wing aircraft that provide critical airborne public safety services throughout the City of Sacramento. These aircraft support patrol operations, search for missing and at-risk persons, suspect apprehensions, tactical operations, major event security, emergency response, and disaster response. Maintaining a reliable maintenance and repair contract is essential to ensuring the continued airworthiness and operational readiness of the fleet. Without these services, the Department would be required to ground its aircraft, significantly reducing its ability to provide airborne law enforcement support and adversely impacting public safety operations.
In addition to maintaining the aircraft, Advanced Helicopter provides maintenance and technical support for the aircraft's mission-critical systems. These systems include, but are not limited to, the public safety radio system, airborne imaging sensors, searchlight, and flight management computer. Proper maintenance of this equipment is essential to preserving the Department's operational

capabilities, including locating fleeing suspects, searching for missing or endangered people, providing real-time situational awareness during critical incidents, and supporting coordinated public safety responses.

During the proposed five-year contract term, the Department anticipates completing a scheduled major airframe overhaul and either purchasing a second airborne camera system or refurbishing the existing system.

The proposed contract includes a contingency to ensure the Department has sufficient contract capacity to address unscheduled maintenance and repairs, changes in equipment and material costs resulting from inflation or tariffs, and necessary technology improvements to aircraft and mission-critical systems.

Aircraft maintenance requirements can be unpredictable, particularly as aircraft and associated mission equipment age and accumulate operating hours. Unscheduled component failures, required inspections, and repairs may result in costs that cannot be reasonably anticipated during the initial contract development process. Maintaining adequate contract authority will allow the Department to address these needs promptly and minimize aircraft downtime without requiring repeated amendments to the contract.

The aviation industry has also experienced increases in the cost of aircraft parts, components, and specialized services. Inflation, supply-chain conditions, and tariffs affecting imported aircraft parts, avionics, and electronic components may further increase costs during the five-year contract period. The additional spending authority provides flexibility to absorb these potential increases while maintaining the aircraft in accordance with applicable safety and regulatory requirements.

Additionally, aviation and public safety technology continue to evolve. During the contract term, upgrades or improvements to mission-critical systems, including communications, imaging, avionics, and other aircraft-mounted equipment, may become necessary to maintain operational effectiveness, compatibility, or reliability.

Financial Considerations: SPD has identified funding from state Citizens' Option for Public Safety (G11018400, G11018500) program funds. No General Fund resources are required.

Local Business Enterprise (LBE): Not applicable.

CONTRACT #:		PROJECT:	G11018400, G11018500
CONTRACT NAME:	Advanced Helicopter Services	NOT-TO-EXCEED AMOUNT:	$3,500,000
AGREEMENT TERM:	December 1, 2026 – November 30, 2031	SOLICITATION:	Council File ID #
AUTHORIZED RENEWALS:	0	LBE (Y/N):	No
DEPARTMENT/DIVISION:	Police – Air Ops	COUNCIL FILE ID:	2026-01864

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

DFC Inc. dba Advanced Helicopter Services
17986 County Road 94B, Woodland, CA 95695
530-669-7115 Ext 211

("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 1, 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.

   Bell Helicopter 505
   Bell Helicopter OH58
   Cessna 172

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:

Brenda Perez
300 Richards Blvd, 2nd Floor
Sacramento, CA 95811
(916)808-2458; bperez@pdcityofsacramento.org

The CONTRACTOR Representative for this Agreement is:

Adam Burriss / Director of Services
17986 County Road 94B, Woodland, CA 95695
(530)669-7115 Ext 211; adam@advhelic.com

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

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

3. Time of Performance. The Services described in this Contract shall be provided for *five years beginning December 1, 2026 through November 30, 2031 for a maximum five-year term.*. Contractor shall provide the Services in accordance with any schedule in Attachment 1 to this Exhibit A. Contractor shall immediately notify the City if Contractor is unable to perform Services in compliance with this Contract.

EXHIBIT B

PAYMENT

1. **Contractor's Compensation.** The total of all fees paid to the Contractor for the provision of Services as set forth in Exhibit A, including any authorized reimbursable expenses, shall not exceed the total sum of $ 3,500,000**.** 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.

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.

SECTION II – CONTRACT DOCUMENTS

B. TECHNICAL SPECIFICATIONS/PLANS/OTHER REQUIREMENTS

SCOPE OF SERVICE

1. **Time of Performance:** The services described herein shall be provided for five (5) years from the date of the completed contract.

2. **Required Services:** Contractor shall perform any and all inspections, maintenance, and repairs recommended by the manufacturers of aircraft operated by SPD and any other inspections, maintenance, and repairs necessary to ensure the airworthiness of SPD aircraft and functionality of SPD equipment.

3. **License and Permits:** The Contractor shall furnish labor, materials, tools, licenses, and any applicable permits necessary to maintain two (2) Bell OH-58 helicopters, one (1) Bell 505 helicopter, and one (1) Cessna 172 owned and operated by the Sacramento Police Department (SPD). The licenses and permits shall be current and in effect at the time bids are submitted and for the entire term of the contract, to include renewal periods. The licenses and permits shall be available for inspection by the SPD upon request.

4. **FAA Certified Mechanics:** For inspections, maintenance, and repairs performed on SPD aircraft and related equipment, the Contractor shall only assign current Bell and Cessna Federal Aviation Administration (FAA) certified Airframe and Powerplant (A&P) mechanics. Related equipment includes, but is not limited to, avionics, camera, spotlight, PA, downlink, and items used on the aircraft to conduct police air operations missions. The Contractor shall possess and maintain (a) valid FAA approved repair station certificate(s), as prescribed in Part 145 of the Federal Aviation Regulations (FAR), necessary to conduct the level of maintenance required by the contract.

5. **Primary Mechanic:** The Contractor shall assign a primary mechanic who is responsible for the oversight and performance of inspections, maintenance, and repairs of SPD aircraft and equipment. The primary mechanic shall be available by telephone for consultations and guidance regarding maintenance issues within two (2) hours of initiated contact by SPD. The primary mechanic shall have attended the appropriate manufacturer's airframe and engine field maintenance course(s) specific to the SPD aircraft. If the primary mechanic has not attended such (a) course(s), he/she must begin this training within sixty (60) days after notification of contract award or at the next scheduled class, whichever comes first. Upon completion of the training, the Contractor shall provide a copy of the certificate(s) to SPD. In the event the primary mechanic is

unavailable for requested work by SPD, a replacement mechanic may perform the work with pre-approval by SPD.

6. **Bennett Mechanical Comprehension Test (BMCT):** Within six (6) months after notification of contract award, the Contractor shall submit all scores from the BMCT for all mechanics assigned to perform inspections, maintenance, and repairs on SPD aircraft and equipment. SPD shall reserve the right to refuse assignment of a mechanic to work on SPD aircraft and equipment based on BMCT scores. Substitutions for the BMCT will be considered on a case-by-case basis, however, it is the Contractor's responsibility to provide all test scores and industry-recognized criteria for aviation maintenance technician score requirements for alternate mechanical aptitude tests.

7. **Mechanic Qualifications:** Contractor shall submit resumes for **all mechanics** that will be performing maintenance, inspections and repairs on SPD aircraft within sixty (60) days after notification of contract award. This requirement includes mobile mechanic(s) and mechanics working out of the Contractor's maintenance facility. The resumes shall include work experience, schools/courses attended, copies of current certificates, manufacturer's courses attended, and FAA ratings held. The Contractor shall notify SPD in writing/email of any failures of performance requirements or safety violations of any mechanic who performs inspections, maintenance, and repairs on SPD aircraft. SPD reserves the right to refuse the service of any mechanics at any time. SPD will allow the Contractor up to sixty (60) days to identify and retain a suitable replacement mechanic consistent with the requirements set forth in Section 4 above.

8. **Primary Mechanic Replacement:** Should it be necessary during the term of the contract; SPD reserves the right to request a replacement primary mechanic for any/all future inspections, maintenance, or repairs of SPD aircraft and equipment. SPD will allow the Contractor up to sixty (60) days to identify and retain a suitable replacement mechanic consistent with the requirements set forth in Section 4 above.

9. **Additional Mechanics:** When deemed necessary by SPD, Contractor shall provide additional mechanics to assist with required aircraft inspections, maintenance, and repairs. The additional mechanics shall meet the requirements listed herein. For the performance of scheduled inspections, maintenance, and repairs, SPD shall request that Contractor dispatch additional mechanics upon forty-eight (48) hours' notice. For the performance of unscheduled inspections, maintenance, and repairs, Contractor shall honor a request from SPD to dispatch additional mechanics within twenty-four (24) hours of the request. The Contractor shall provide additional qualified mechanics on the date(s) desired by SPD.

10. **Avionics:** Mechanics are expected to be able to remove and reinstall radios, computer, cables, antennas, and various electronic/electrical components which may need to be sent to appropriate service centers for repairs. Avionics related discrepancies that are beyond the capabilities of the Contractor shall be subcontracted to an appropriate repair facility as agreed upon in advance by SPD. A written estimate of subcontractor services and costs shall be provided and agreed to in advance.

11. **List Component:** The Contractor shall be required to maintain a status list of all finite components and their times. The Contractor shall notify SPD when a part is within 300 hours of replacement.

12. **Contractor Facility:** The Contractor's primary/designated maintenance facility must be located within fifty (50) nautical miles of McClellan Park, CA 95652 and must be an FAA Certified Repair Station.

13. **Transport Capability:** The Contractor shall be capable of trailering and transporting SPD aircraft from a designated SPD facility to its maintenance facility. Contractor shall bear the burden of loss/damage/risk for any aircraft, parts, and equipment in its possession for transport, either by the Contractor or by a common carrier. Contractor shall provide insurance up to the amount of the manufacturer's list price for all aircraft, parts, and equipment, including, but not limited to, all engines and engine components. Auto liability and in-transit-insurance coverage that covers the cost of the aircraft, parts, and equipment shall be required. The Contractor shall provide proof of such insurance to SPD upon execution of the contract.

14. **Aircraft Inspections:** Unless the Contractor provides a specific reason for its inability to conduct inspections at the SPD facility, the Contractor shall perform 25-hour inspections for Bell OH58 and 50-hour inspections for Bell 505 helicopters at the designated SPD facility. All additional helicopter manufacturer-recommended inspections, and all Cessna inspections, may be performed at the Contractor's facility.

    All recommended manufacturer inspections performed at the Contractor's facility shall be conducted in a timely manner unless documented hardships exist and are communicated with, and agreed upon, by SPD. Inspection, maintenance, and repair delivery time estimates shall be communicated with the SPD Air Operations representative at the start of the work order. At a minimum, the following inspections are required:

    <u>Bell Helicopter 505:</u>

    50 Hour
    100 Hour
    200 Hour
    300 Hour

400 Hour
500 Hour
600 Hour
1200 Hour
1500 Hour
3000 Hour

Bell Helicopter OH58:

25 Hour
100 Hour
300 Hour

Cessna 172:

50 Hour
100 Hour
Annual Inspection

15. **Unscheduled Repairs:** For all inspections, maintenance, and repairs, other than scheduled inspections, the Contractor shall provide a written estimate of the time, and costs of labor and parts, required to complete the SPD request. Prior to starting such inspections, maintenance, and/or repairs, the Contractor shall obtain written approval from the SPD air operations supervisor. No work shall be started, or parts supplied, in excess of, or different from, the original written estimate without separate, prior approval of the SPD Air Operations supervisor. Use of over-time labor rates must be approved in advance by the SPD Air Operations supervisor.

16. **Defective Parts/Repair & Replacement of Airframe & Engine Components:** While performing any job under the contract, Contractor shall; 1) perform all repairs necessary to allow each component to perform in accordance with Manufacturer's specifications; and 2) replace all parts which are defective or which, according to the manufacturer's specifications or recommendations, should be replaced at the time Contractor is performing the work.

17. **Work Order:** The Contractor shall provide a copy of the work order along with the component, for any component that is overhauled by or through Contractor.

18. **Maintenance Schedule:** The Contractor shall use an appropriate maintenance schedule. When conducting aircraft inspections, maintenance, and repairs, the mechanic shall perform the inspections, maintenance, and repairs utilizing the appropriate manufacturer's checklist and/or a checklist agreed upon in advance by SPD. After completion of the inspections, maintenance, and/or repairs, the mechanic shall provide the checklist(s) to the SPD pilot receiving the aircraft for review prior to any operation of the aircraft. A copy of the checklist shall be given to SPD for retention. The checklist shall verify that each procedure has

been accomplished. The checklist shall include a space for initialing by the mechanic completing the service procedure item and pilot receiving the aircraft.

19. **Aircraft Maintenance Records:** Airframe, engine, component, and avionics logbooks, if applicable, shall be maintained for each aircraft. Entries shall be made by the primary mechanic performing the maintenance or designee, and will be in accordance with, FAR 43.11 (Content, form, and disposition of records for inspections under Part 91). Logbook entries and the appropriate electronic maintenance tracking system entries shall be completed immediately upon completion of maintenance being performed and prior to the aircraft being returned to service.

    Entries shall be made:
    (a) Upon completion of inspections, repairs, or maintenance;
    (b) Upon compliance with an FAA or manufacturer's maintenance directive;
    (c) Upon compliance with manufacturer's Service Bulletins or Service Letters; and
    (d) After a post-maintenance flight and return to service per FAR 91.407(b). This entry shall be made in conjunction with the SPD pilot performing the return -to service-flight.

20. **Protection of SPD Aircraft, Parts, and Equipment:** Contractor shall be responsible for the security of SPD aircraft, parts, and equipment while in its possession and will be fully liable for any loss of, or damage to, the aircraft, parts and equipment. Contractor shall maintain a secure hangar for storing SPD aircraft, parts and equipment not accessible to the public, with a burglar and fire alarm system installed, which is limited to a central reporting station. The Contractor shall provide for safe and secure storage of all SPD parts including, but not limited to, engines, main rotor blades, and main rotor heads. Contractor recognizes that engine, engine components and air frame components may be stored for several months prior to installation. The Contractor shall keep a log of all SPD-owned parts in its possession and provide it upon request to SPD until the agreement expires. Contractor shall maintain a "Garage Keeper Insurance Policy" or similar policy which covers the replacement cost of all SPD aircraft, parts, and equipment when stored at the Contractor's facility. The Contractor shall provide proof of such insurance to SPD upon execution of the contract.

21. **Responsibility for Damage or Loss:** Costs of repairing or replacing SPD aircraft due to any damage caused by the acts or omissions of Contractor, any subcontractor or agent of Contractor, their respective officers and employees, and anyone else for whose acts or omissions any of them may be liable, will be the sole responsibility of the Contractor.

22. **Tools:** It is the Contractor's responsibility to provide all necessary tools to repair and maintain SPD equipment. Should the SPD request the use of a tool

or special equipment that is above and beyond what is required for routine maintenance, the Contractor shall provide a written cost estimate for the tools and obtain prior authorization from the SPD for the purchase. Contractor shall use only manufacturer's tools, if recommended or required by the manufacturer, for instance, to maintain warranty coverage. Tool use shall conform to any and all Bell and Cessna manufacturer guidelines and warranties.

23. **Tool Inventory:** Contractor shall have a formal tool inventory control system to ensure that all tools used during maintenance are removed from the aircraft and returned to their storage areas at the conclusion of the maintenance. Foam shadow boxing of all tools is recommended. If shadow boxing is not used, a tool inventory list of all tools used shall be required and provided to SPD for review during post-maintenance aircraft inspections and prior to operation of the aircraft.

24. **Formal Foreign Object Damage (FOD) Control Program:** Contractor shall have a formal FOD control program in place. At a minimum, the FOD control program shall ensure that tools, parts, and debris are not routinely placed on aircraft surfaces during maintenance actions other than as necessary to complete a specific task. Contractor must provide proof that Contractor has an FOD program in place within sixty (60) days from the award of the contract and will be subject to SPD approval.

25. **Aircraft Change:** The SPD may make changes to its current aircraft fleet by adding additional makes/models during the term of the contract as well as adding or replacing equipment. Contractor will be given a minimum of sixty (60) days notification of any new aircraft or equipment to ensure that Contractor's mechanics can meet the requirements specified in Section 4 above.

26. **Computerized Parts Inventory:** The Contractor shall maintain a computerized parts inventory of SPD parts during the entire term of this agreement and any subsequent extensions. The computerized parts inventory spreadsheet shall list all airframe and engine parts that are finite life items, and state the part number, component name, serial number, total time until overhaul/retirement, component time prior to overhaul/retirement, aircraft time when component/part installed, time on aircraft when part/component installed, overhaul part/component at aircraft total time, retire part/component at aircraft total time, hours remaining that part/component has left, estimated date when part/component needs to be replaced or overhauled, and the percentage of time the part/component has remaining.

27. **Spare Parts Inventory:** The SPD maintains a limited spare parts inventory. When serviceable parts and/or supplies are furnished by the SPD, those items shall be utilized by the Contractor. The SPD will have the option to supply parts as needed. The Contractor is required to supply SPD with a list of parts, with a MSRP that exceeds $100, necessary to perform routine maintenance.

28. **Safety Management System (SMS):** Contractor shall have a demonstrated commitment to Safety Management System (SMS) integration. A demonstrated commitment to SMS integration is defined as having, at a minimum, a stand-alone safety policy, company-wide training in SMS, and actively improving SMS integration. Contractor must provide proof of compliance within sixty (60) days of the award of the contract and will be subject to SPD approval.

29. **Mechanic Distraction Management:** Contractor shall have a formal policy on distraction management to reduce or eliminate distractions during the actual conduct of maintenance actions. This policy shall include, but not be limited to, cell phone management. Contractor must provide proof of compliance within sixty (60) days of award of the contract and will be subject to SPD approval.

30. **Ground and Flight Checks:** All ground and flight checks shall be completed by an SPD pilot per the Rotorcraft Flight Manual (RFM) after maintenance and prior to releasing the aircraft into service. Ground and flight checks shall by documented in the aircraft logbook, and/or an electronic maintenance tracking system. When there is a discrepancy between the maintenance manuals and the RFM as to the requirement of a ground or flight check, the most conservative action shall be followed (for example: the RFM requires a flight check after work on the flight controls, but the maintenance manual does not, a flight check shall be performed because the RFM calls for one).

31. **Manufacturer's Authorization:** Contractor warrants that the manufacturer authorizes Contractor to perform overhaul and maintenance services on the engines/components in the SPD fleet. Contractor shall allow only skilled mechanics, which have been trained and licensed to perform overhaul and maintenance services under the contract. Contractor shall observe the highest standard of diligence and care in the performance of its overhaul and maintenance responsibilities and shall meticulously follow the standards and procedures required by the manufacturer (including all service bulletins) for overhaul and maintenance service.

    The Contractor further warrants that with respect to any components overhauled the following applies:

    1. All parts/components shall be free of defects in title, material, and workmanship.
    2. All parts/components meet or exceed the specifications and requirements of the manufacturer.
    3. Engine components are new, or if authorized by SPD, reconditioned to original manufacturer's specifications.
    4. All parts/components shall be free of any patent infringements, proprietary rights or copyrights.

5. Contractor further warrants that all services and parts provided shall be in strict conformity with all applicable regulations from the FAA.

32. Contractor: Contractor shall have a representative available by phone/cell phone 24 hours a day, seven days a week, to ensure the response of an appropriate current Bell or Cessna FAA certified A&P mechanic to emergency field service requests within the Greater Sacramento Area. Contractor must arrive in the field within four (4) hours of SPD call.

PRICING SCHEDULE

Section A – Cessna (C172)

Line#	Description	Quantity		Hours		Hourly Rate		Extension
1.	50 Hour Inspection	6	X	4	X	$190	=	$760
2.	100 Hour Inspection	3	X	34	X	$190	=	$6,460
3.	Annual Inspection	1	X	40	X	$190	=	$7,600
4.	Hourly Shop Labor Rate $190				X	300 Hours	=	$32,000
5.	OEM Parts Percent Discount 0% - 100% X $80,000						=	$80,000
6.	Round Trip Ferry from SPD Hangar Per Trip Cost $500 X 11 Trips						=	$5,500
	Lines 1 through 6 Subtotal Section A							$157,320

Section B – Bell Helicopters (OH58 & 505)

Line#	Description	Quantity		Hours		Hourly Rate		Extension
7.	25 Hour Inspection	16	X	4	X	$190	=	$760
8.	100 Hour Inspection	9	X	16	X	$190	=	$3,040
9.	300 Hour Inspection	3	X	50	X	$190	=	$9,500
10.	Hourly Shop Labor Rate $190				X	1500 Hours	=	$285,000
11.	OEM Parts Percent Discount 0% - 100% X $80,000						=	$80,000
12.	Round Trip Ferry from SPD Hangar Per Trip Cost $500 X 25 Trips						=	$12,500
	Lines 7 through 12 Subtotal Section B							$390,800

Pricing is for December 1, 2026 through November 30, 2031.