

**Meeting Date:** 2/9/2016

**Report Type:** Consent

**Report ID:** 2016-00133

**Title: Cooperative Purchase Agreement: Tire Repair Services**

**Location:** Citywide

**Recommendation:** Pass a Motion 1) approving the use of the County of Sacramento cooperative purchase agreement with Morgan Tire Company (Contract No. WA00032978) for the purchase of tire repair services in a total amount not to exceed \$691,063 through August 2, 2018 or until the agreement is no longer available for use; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.

**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Department:** Public Works Department

**Division:** Fleet Management

**Dept ID:** 15003211

**Attachments:**

1-Description/Analysis

2-Cooperative Agreement

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### **City Attorney Review**

Approved as to Form  
Sari Myers Dierking  
2/2/2016 6:38:36 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Jerry Way - 1/20/2016 11:26:19 AM

## Description/Analysis

**Issue Detail:** The Department of Public Works (DPW), Fleet Management Division, has an ongoing requirement to purchase tire repair services for the City's fleet of vehicles and equipment.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56.

**Economic Impacts:** None

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** No environmental review is necessary because the recommendations in this report involve the purchase of tire repair services and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** The DPW, Fleet Management Division, has an ongoing requirement to purchase tire repair services for the City's fleet of vehicles and equipment. The recommended cooperative purchase agreement will be used to provide on-site repair services for immediate tire repairs as needed.

After reviewing the available purchase options, Fleet Management has determined that using the County of Sacramento cooperative purchase agreement with Morgan Tire Company represents the most advantageous purchasing strategy because the agreement offers services that meet the City's needs and it was competitively bid locally.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers capital costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

**Financial Considerations:** Sufficient funds are available in the DPW, Fleet Management Division, FY2015/16 operating budget (Fleet Fund, Fund 6501) for tire repair services through June 30, 2016. Purchases made after June 30, 2016 are subject to funding availability in the adopted budget of the applicable fiscal year. In determining the recommended spending authority, Fleet Management staff reviewed the expenditure history for these services and considered future needs. The recommended not-to-exceed amount includes a five percent contingency in each year to allow for increases in service needs by City departments. Annual estimated expenditures are provided in the following table.

<b>Estimated Expenditures – Tire Repair Services</b>				
Vendor	Year 1 (7 mo.)	Year 2	Year 3	Total
Morgan Tire Co.	\$156,047	\$267,508	\$267,508	\$691,063

**Local Business Enterprise (LBE):** Morgan Tire Company is an LBE.



# Open Item Contract

Contract and Purchasing  
Services Division  
9660 Ecology Ln.  
Sacramento, CA 95827  
(916) 876-6360

Your Vendor number with us  
607820

MORGAN TIRE CO  
1500 AUBURN BLVD  
SACRAMENTO CA 95815-1905

Vendors Contact Person: BRANT SERRO  
Vendors Phone Number: 916-924-1458

## Reprint of Open Item Contract WA00032978 / 08/03/2015

This number must appear on all correspondence to the  
Purchasing Division.

Contract number/date  
WA00032978 / 08/03/2015

Issuing Officer/Telephone  
Martinez-Diaz, Jon/916-876-6367

Signature: \_\_\_\_\_

Contract Period  
Valid from: 08/03/2015  
Valid to: 08/02/2016

F.O.B. Dest., Freight Prepaid  
Payment Terms: WITHIN 10 DAYS DUE NET  
Contractual maximum value: 667,237.00

You are hereby notified that the goods and/or services listed have been awarded to you subject to terms and conditions referenced and to the general conditions listed on the reverse.

Before supplying any goods or services to the County, the vendor must obtain a CSO (Contract Shipping Order) number from the ordering department. A CSO is an authorized release (Purchase Order) against the contract and shall be provided in written form. "Verbal" orders are not acceptable. For a CSO to be considered valid, it must be within the scope of this contract and be consistent with its pricing, terms and conditions. The CSO number must be referenced on all documents related to the order (packing slips, invoices, etc.). Failure to obtain a CSO and reference its number may result in the delay or non-payment of the invoice.

Vendor Signature is required as a condition of the anticipated services, and will acknowledge the terms and conditions established in this document, and attached.

Brant Serrao Date 7/30/15

Morgan Tire of Sacramento, Inc.  
1500 Auburn Blvd., Sacramento, CA 95815  
Phone: 916.924.1458 | Fax: 916.924.6645  
morgantire@hotmail.com



## County of Sacramento Open Item Contract

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Services Division  
9660 Ecology Ln.  
Sacramento, CA 95827  
(916) 876-6360

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\_\_\_\_\_  
Brant Serrao                      Date  
Morgan Tire of Sacramento, Inc.  
1500 Auburn Blvd., Sacramento, CA 95815  
Phone: 916.924.1458 | Fax: 916.924.6645  
morgantire@hotmail.com

Commodity: 2600 Heavy Fleet Tires & Tire Services  
Board Resolution Number: 2015-0595, approved 7/28/2015

This contract is established for the purpose of establishing an agreement between the Fleet Services Division of the County of Sacramento Department of General Services and Morgan Tire for the purchase of heavy equipment new & retread tires and tire services according to the requirements, pricing and terms and conditions of this contract and Request for Bid (RFB) #8236 which is hereby incorporated by reference and made a part of this contract.

Department Contacts:

Dan Miller, Department of General Services, Fleet Operations  
millerd@saccounty.net, 916.876.6471

Ronald Dizon, Department of General Services, Fleet Operations  
dizonr@saccounty.net, 916.875.5202

The requirements and terms and conditions of RFB#8236 include, but are not limited to, the following documents and appendices:

- A - Sacramento County General Terms & Conditions
- B - Additional Terms & Conditions
- C - DCSS Contractor Certification of Compliance
- D - Environmental Purchasing Policy
- E - Solicitation Exceptions (NONE)
- F - Non Collusion
- G - Sacramento County Minimum Insurance Requirements
- H - Customer References
- I - RFB8236 Scope of Work
- J - Small and Local Vendor Preferences
- K - RFB8236 Bidder Questionnaire
- L - RFB8236 Services Pricing
- M - Tire Pricing Heavy Fleet

The contractor's response to RFB#8236 is hereby incorporated by reference and made a part of this contract. A partial list of the contract terms and conditions are as follows (see RFB#8236 for complete terms, conditions and supporting documentation):

CONTRACT PRICING: New and retread tire pricing is listed in contractor's response to RFB#8236 Appendix M, which is attached to this contract.

Tire services pricing is listed in contractor's response to RFB#8236 Appendix L, which is attached to this contract.

All pricing will remain the same for the term of this contract. Increases will only be considered after one full term is complete and then only if said increase is requested in writing and accompanied by documents showing a price increase from the manufacturer.

SCOPE OF WORK - SERVICES: The Scope of Work for Services is described in RFB#8236 Appendix I, which is attached to this contract.

PERFORMANCE: Continuance of this contract for the full period specified shall be contingent upon the satisfactory performance of the contractor. Continuing or unrectifiable performance deficiencies may be cause for the County to cancel any balance of contract.

CONTRACT TERM: For reasons of economy and efficiency, the County reserves the right to extend this contract up to two additional one-year periods, for a total of three years, upon mutual agreement.

DELIVERY LOCATION: Contractor shall deliver all equipment and services to the location specified on each order.

INSURANCE: The contractor will comply with Sacramento County Minimum Insurance Requirements (RFB#8236 Appendix G) and will maintain adequate insurance throughout the entire term of this contract.

SUBSTITUTIONS: Products offered in RFB#8236 shall be the same product provided during the term of the contract. There shall be no substitutions unless approved in writing by an authorized County representative. A copy of this acceptance must be sent to the County Purchasing Department - Attention - Debbie Vaughan. If a product has become unavailable because it has been discontinued by the manufacturer the new item must be priced at the same price - or less - than the original item on the bid - or at the same discount offered in this bid.

MINIMUM USAGE: Required usage may vary. The County does not guarantee a minimum quantity during the contract period nor is the County limited to purchase all requirements from a contracted vendor.

DELIVERY: No separate delivery charges will be accepted. Delivery of Heavy Fleet Tires and Tire Services shall include, but not be limited to the following addresses:

NORTH TRANSFER STATION  
4450 ROSEVILLE RD  
NORTH HIGHLANDS, CA 95842

BRADSHAW COMPLEX  
4001 BRANCH CENTER RD  
SACRAMENTO , CA 95827

INTERNATIONAL AIRPORT  
7207 EARHART DRIVE  
SACRAMENTO, CA 95834

INVOICING REQUIREMENTS: Contractor is required to adhere to invoicing procedures as required by the County Auditor-Controller's office. The County requires a readable invoice. Invoices shall be clear and readable and contain an itemized list of items ordered along with ordered minimum of the following information:

1. Invoice Number
2. Date
3. Remittance Address

- 4.CSO Number
- 5.Ordering department
- 6.Invoice Total

Unacceptable Invoices: Invoices that arrive at the County too light to read, smeared or with invoice numbers that are printed over the top of other information will be returned to the vendor for resubmission. Payment for these invoice are not to be considered late. In the State of California, government agencies are not required to pay excess interest and late charges. Pursuant to Gov. Code 926.10, interest or late charges shall not exceed 6% per annum. Such charges commence the 61st day from the receipt date of the original undisputed invoice.

Invoices shall be submitted to the County no later than the 15th day of the month following the invoice period. Payment will be made within 30 days after receipt of an acceptable invoice. The County operates on a July through June fiscal year. Invoices for services provided in any fiscal year must be submitted no later than July 31, one month after the end of the fiscal year. Invoices submitted after July 31 for the prior fiscal year shall not be honored by the County unless the contractor has obtained prior written approval to the contrary.

REPORT REQUIREMENTS: Vendor will provide usage reports as a Microsoft Excel file, showing a description of items ordered - including product number, ordering shop/name of County employee placing the order, date ordered and CSO number used. Price for products ordered are to be included in the report as well. Report is due via email to Jonathan Martinez - martinezjo@saccounty.net.

2 semi-annual reports per contract term are required to be submitted at 6 months from the contract start/renewal date, and the month prior to contract expiry. Further reports may be requested on an as needed basis.

INDEPENDENT CONTRACTOR: 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. Contractor's assigned personnel shall not be entitled to any benefits payable to employees of the County. Contractor hereby indemnifies and holds County harmless from any and all claims that may be made against County based upon any contention by any third party that an employer-employee relationship exists by reason of this agreement.

It is further understood and agreed by the parties hereto that Contractor in the performance of its obligation hereunder is subject to the control or direction of County as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by Contractor for accomplishing the results.

If, in the performance of this agreement, any third persons are employed by Contractor, such person(s) shall be entirely and exclusively under the direction, supervision, and control of Contractor. 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 as an independent contractor and not an employee of County, neither the Contractor nor Contractor's assigned personnel shall have any entitlement as a County employee, right to act on behalf of County in any capacity whatsoever as agent, nor to bind County to any obligation whatsoever.

Notwithstanding Contractor's status as an independent contractor, County shall withhold from payments made to Contractor such sums as are required to be withheld from employees by the Federal Internal Revenue Code; the Federal Insurance Compensation Act; the State Personal Income Tax Law and the State Unemployment Insurance Code; provided, however, that said withholding is for the purpose of avoiding County's liability under said laws and does not abrogate Contractor's status as an independent contractor as described in this contract. Further, Contractor is not included in any group covered by County's present agreement with the federal Social Security Administration.

INDEMNIFICATION: For work or services provided under this Agreement, which are not professional services, Contractor shall indemnify, defend, and hold harmless County, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against any and all claims, demands, actions, losses, liabilities, damages, and costs, including reasonable attorneys' fees, arising out of or resulting from performance of this Agreement, regardless of whether caused in part by a party indemnified hereunder, except for loss caused by the sole negligence of County, its Board of Supervisors, officers, directors, agents, employees and volunteers. The provisions of this indemnity shall survive the expiration or termination of the Agreement.

Item Mat Num	Tgt. qty.	Unit Description	Price /Unit	Unit of Measure	Extended Value
00010	270,675	Each New tires - heavy fleet	1.00	/ 1 EA	270,675.00
00020	1,300	Each CA Waste tire fees	1.00	/ 1 EA	1,300.00
00030	263,794	Each Re-tread - taxable portion	1.00	/ 1 EA	263,794.00
00040	34,000	Each Re-tread - nontaxable portion	1.00	/ 1 EA	34,000.00
00050	1,508	Each Re-tread - misc supplies	1.00	/ 1 EA	1,508.00

Item Mat Num	Tgt. qty.	Unit Description	Price / Unit	Unit of Measure	Extended Value
00060	95,160	Each Tire services - labor	1.00	/ 1 EA	95,160.00
00070	800	Each Tire services - supplies	1.00	/ 1 EA	800.00

# PURCHASE ORDER/CONTRACT GENERAL CONDITIONS

1. **BID/QUOTE/PROPOSAL/GENERAL CONDITIONS:** All of the terms and conditions of the bid, quote, or proposal against which this purchase document is applied, are hereby incorporated.
2. **SALES TAX NOT INCLUDED:** Unless otherwise definitely specified, the unit prices do not include California sales and use tax or Sacramento County sales and use tax.
3. **CASH DISCOUNTS:** In connection with any cash discount specified on this quote, time will be computed from the date of complete delivery of the supplies or equipment as specified, or from date correct invoices are received in the County Auditor's Office if the latter date is later than the date of delivery. For the purpose of earning the discount, payment is deemed to be made on the date of mailing of the County warrant or check.
4. **AMERICANS WITH DISABILITIES ACT:** As a condition of accepting a purchase order from the County of Sacramento, the contractor certifies that their business entity is in compliance with the Americans With Disabilities Act of 1990, as amended. Failure to certify shall prohibit the award of a purchase order to the contractor.
5. **HOLD HARMLESS:** The contractor shall hold the County of Sacramento, its officers, agents, servants and employees harmless from liability of any nature or kind because of use of any copyrighted, or uncopyrighted composition, secret process, patented or unpatented invention, articles or appliances furnished or used under this order, and agrees to defend, at his own expense, any and all actions brought against the County of Sacramento or himself because of the unauthorized use of such articles.
6. **DEFAULT BY CONTRACTOR:** In case of default by contractor, the County of Sacramento may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the contractor, the difference between the price named in the contract or purchase order and actual cost thereof to the County of Sacramento. Prices paid by the County shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent.
7. **RIGHT TO AUDIT:** The County of Sacramento reserves the right to verify, by examination of contractor's records, all invoiced amounts when firm prices are not set forth in the purchase agreement.
8. **ASSIGNMENT:** (a) This award is not assignable by contractor either in whole or in part, without the prior written approval of the Purchasing Agent of the County of Sacramento. (b) In submitting a quote to a public purchasing body, the quoter offers and agrees that if the quote is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec.15) & the Cartwright Act (Chapter 2 [commencing with Section 16700] of part 2 of Division 7 of the Business and Professions Code), arising from the purchases of goods, materials, or services by the quoter for sale to the purchasing body pursuant to the quote. Such assignment shall be made and become effective at the time the purchasing body tenders final payment.
9. **APPLICABILITY TO HEIRS:** Time is of the essence of each and all the provisions of this agreement, and, subject to the limitations of Paragraph 8, the provisions of this agreement shall extend to and be binding upon and inure to the benefits of the heirs, executors, administrators, successors, and assigns of the respective parties hereto.
10. **F.E.T. EXEMPTION:** Sacramento County is exempted from payment of Federal Excise Tax. No Federal tax shall be included in price.
11. **CHARGES NOT INCLUDED ON FACE NOT ACCEPTABLE:** No charge will be accepted for packing, boxing, or cartage, except as specified in the Notice of Award. Freight collect shipments will not be accepted. Merchandise will not be accepted if payment is to be made at the time of delivery.
12. **TITLE:** Except as otherwise expressly provided herein, title to and risk of loss on all items shipped by seller to buyer shall pass to the buyer upon buyer's inspection and acceptance of such items at buyer's building.
13. **CHANGES WITHOUT NOTICE PROHIBITED:** No changes in price, quantity or merchandise will be recognized by the County of Sacramento without written notice of acceptance thereof prior to shipment.
14. **ALL UNDERSTANDINGS IN WRITING:** It is mutually understood and agreed that no alteration or variation of terms of this award shall be valid unless made in writing and signed by the parties hereto, and that no oral understandings or agreements not incorporated herein, and no alterations or variations of the terms hereof unless made in writing between the parties hereto shall be binding on any of the parties hereto.
15. **FORCE MAJEURE:** The contractor will not be held liable for failure or delay in the fulfillment of conditions of purchase order/contract if hindered or prevented by fire, strikes, or Acts of God.
16. **INVOICING:** Upon submission of itemized invoices, in duplicate, payment shall be made of the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Payment on partial deliveries may be made whenever amounts due so warrant or when requested by the vendor and approved by the Purchasing Agent.
17. **SPECIAL CONDITIONS:** Buyer's standard terms and conditions shall govern any contract awarded. If, after award of contract, contractor provides additional terms or conditions, they shall be considered void. To the extent not otherwise stated in the contract, the California Commercial code shall apply.
18. **INFORMATION TECHNOLOGY ASSURANCES:** Contractor shall take all reasonable precautions to ensure that any hardware, software, and/or embedded chip devices used by contractor in the performance of services under this agreement, other than those owned or provided by County, shall be free from viruses. Nothing in this provision shall be construed to limit any rights or remedies otherwise available to County under this agreement.
19. **CHILD, FAMILY, AND SPOUSAL SUPPORT:** Contractor hereby certifies that either: (a) The Contractor is a government or non-profit entity; or (b) the Contractor has no Principal Owners (25% or more); or (c) each Principal Owner (25% or more) does not have any existing child support orders; or (d) Contractor's Principal Owners are currently in substantial compliance with any court-ordered child, family and spousal support order, including orders to provide current residence address, employment information, and whether dependent health insurance coverage is available. If not in compliance, Principal Owner has become current or has arranged a payment schedule with the Department of Child Support Services or the court.  
New Contractor shall certify that each of the following statements is true:  
(a) Contractor has fully complied with all applicable state and federal reporting requirements relating to employment reporting for its employees; and  
(b) Contractor has fully complied with all lawfully served wage and earnings assignment orders and notices of assignment and will continue to maintain compliance.  
**NOTE:** Failure to comply with state and federal reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment constitutes a default under any contract with the County. Failure to cure such default within 90 days of notice by the County shall be grounds for termination of contract.
20. **COMPLIANCE WITH ALL LAWS, LICENSES AND PERMITS:** In the performance of their duties, Contractor shall comply with all applicable federal, state, and county statutes, ordinances, regulations, directives, and laws and this contract shall be deemed to be executed within the State of California and construed with and governed by the laws of the State of California. Contractor shall possess and maintain necessary licenses, permits, certificates and credentials required by the laws of the United States, the State of California, County of Sacramento and all other credentials required by County. Failure to comply with all laws, licenses and permits shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Contract.

**APPENDIX A – COUNTY OF SACRAMENTO**  
**PURCHASE ORDER/CONTRACT**  
**GENERAL CONDITIONS**

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1. **BID/QUOTE/PROPOSAL/GENERAL CONDITIONS:** All of the terms and conditions of the bid, quote, or proposal against which this purchase document is applied, are hereby incorporated.
2. **SALES TAX NOT INCLUDED:** Unless otherwise definitely specified, the unit prices do not include California sales and use tax or Sacramento County sales and use tax.
3. **CASH DISCOUNTS:** In connection with any cash discount specified on this quote, time will be computed from the date of complete delivery of the supplies or equipment as specified, or from date correct invoices are received in the County Auditor's Office if the latter date is later than the date of delivery. For the purpose of earning the discount, payment is deemed to be made on the date of mailing of the County warrant or check.
4. **AMERICANS WITH DISABILITIES ACT:** As a condition of accepting a purchase order from the County of Sacramento, the vendor certifies that their business entity is in compliance with the Americans With Disabilities Act of 1990, as amended. Failure to certify shall prohibit the award of a purchase order to the vendor.
5. **HOLD HARMLESS:** The vendor shall hold the County of Sacramento, its officers, agents, servants and employees harmless from liability of any nature or kind because of use of any copyrighted, or uncopyrighted composition, secret process, patented or unpatented invention, articles or appliances furnished or used under this order, and agrees to defend, at his own expense, any and all actions brought against the County of Sacramento or himself because of the unauthorized use of such articles.
6. **DEFAULT BY VENDOR:** In case of default by vendor, the County of Sacramento may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the vendor, the difference between the price named in the contract or purchase order and actual cost thereof to the County of Sacramento. Prices paid by the County shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent.
7. **RIGHT TO AUDIT:** The County of Sacramento reserves the right to verify, by examination of vendor's records, all invoiced amounts when firm prices are not set forth in the purchase agreement.
8. **ASSIGNMENT:** (a) This award is not assignable by contractor either in whole or in part, without the prior written approval of the Purchasing Agent of the County of Sacramento. (b) In submitting a quote to a public purchasing body, the quoter offers and agrees that if the quote is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) & the Cartwright Act (Chapter 2 [commencing with Section 16700] of part 2 of Division 7 of the Business and Professions Code), arising from the purchases of goods, materials, or services by the quoter for sale to the purchasing body pursuant to the quote. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the quoter.
9. **APPLICABILITY TO HEIRS:** Time is of the essence of each and all the provisions of this agreement, and, subject to the limitations of Paragraph 8, the provisions of this agreement shall extend to and be binding upon and inure to the benefits of the heirs, executors, administrators, successors, and assigns of the respective parties hereto.
10. **F.E.T. EXEMPTION:** Sacramento County is exempted from payment of Federal Excise Tax. No federal tax shall be included in price.
11. **CHARGES NOT INCLUDED ON FACE NOT ACCEPTABLE:** No charge will be accepted for packing, boxing, or cartage, except as specified in the Notice of Award. Freight collect shipments will not be accepted. Merchandise will not be accepted if payment is to be made at the time of delivery.
12. **TITLE:** Except as otherwise expressly provided herein, title to and risk of loss on all items shipped by seller to buyer shall pass to the buyer upon buyer's inspection and acceptance of such items at buyer's building.
13. **CHANGES WITHOUT NOTICE PROHIBITED:** No changes in price, quantity or merchandise will be recognized by the County of Sacramento without written notice of acceptance thereof prior to shipment.
14. **ALL UNDERSTANDINGS IN WRITING:** It is mutually understood and agreed that no alteration or variation of terms of this award shall be valid unless made in writing and signed by the parties hereto, and that no oral understandings or agreements not incorporated herein, and no alterations or variations of the terms hereof unless made in writing between the parties hereto shall be binding on any of the parties hereto.
15. **FORCE MAJEURE:** The vendor will not be held liable for failure or delay in the fulfillment of conditions of purchase order/contract if hindered or prevented by fire, strikes, or Acts of God.
16. **INVOICING:** Upon submission of itemized invoices, in duplicate, payment shall be made of the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Payment on partial deliveries may be made whenever amounts due so warrant or when requested by the vendor and approved by the Purchasing Agent.
17. **SPECIAL CONDITIONS:** Buyer's standard terms and conditions shall govern any contract awarded. If, after award of contract, vendor provides additional terms or conditions, they shall be considered void. To the extent not otherwise stated in the contract, the California Commercial code shall apply.
18. **INFORMATION TECHNOLOGY ASSURANCES:** Contractor shall take all reasonable precautions to ensure that any hardware, software, and/or embedded chip devices used by contractor in the performance of services under this agreement, other than those owned or provided by County, shall be free from viruses. Nothing in this provision shall be construed to limit any rights or remedies otherwise available to County under this agreement.
19. **CHILD, FAMILY, AND SPOUSAL SUPPORT:** Contractor hereby certifies that either: (a) The Contractor is a government or non-profit entity; or (b) the Contractor has no Principal Owners (25% or more); or (c) each Principal Owner (25% or more) does not have any existing child support orders; or (d) Contractor's Principal Owners are currently in substantial compliance with any court-ordered child, family and spousal support order, including orders to provide current residence address, employment information, and whether dependent health insurance coverage is available. If not in compliance, Principal Owner has become current or has arranged a payment schedule with the Department of Child Support Services or the court.  
New Contractor shall certify that each of the following statements is true:  
(a) Contractor has fully complied with all applicable state and federal reporting requirements relating to employment reporting for its employees;  
(b) Contractor has fully complied with all lawfully served wage and earnings assignment orders and notices of assignment and will continue to maintain compliance; and  
**NOTE:** Failure to comply with state and federal reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment constitutes a default under any contract with the County. Failure to cure such default within 90 days of notice by the County shall be grounds for termination of contract.

Rev 1/28/14

**APPENDIX B**  
**COUNTY OF SACRAMENTO**  
**ADDITIONAL TERMS AND CONDITIONS**

**Bidder Responsibility:** You are expected to be thoroughly familiar with all specifications and requirements of this bid. Your failure or omission to examine any relevant form, article, site or document will not relieve you from any obligation regarding this bid. By submitting a response, you are presumed to concur with all terms, conditions and specifications of this bid unless you have specifically, by section number, raised objection.

**Awards:**

- A. The County of Sacramento reserves the right to:
  - 1) award responses received on the basis of individual items, or groups of items, or on the entire list of items;
  - 2) reject any or all responses, or any part thereof;
  - 3) waive any informality in the responses; and
  - 4) accept the response that is in the best interest of the County. The Purchasing Agent's decision shall be final.
- B. Preference for Sacramento County Products. In purchases by the County of Sacramento, price and quality being equal, preference must be given to Sacramento County products (Charter of the County of Sacramento, sec. 83); also, ". . . preference must be given to the lowest responsible local bidder offering to supply such items for purchase which are raised, grown, manufactured, fabricated, processed or assembled in Sacramento County . . ." (Sacramento County Code, sec. 2.56.060).
- C. Preference for California-made materials. Pursuant to Sections 4330-4333 of the Government Code, the County, in awarding the purchase, must prefer supplies partially manufactured, grown or processed in California, price, fitness and quality being equal. In order to receive preference, responses must clearly specify the item(s) for which preference is claimed and the preference applicable.

**Taxes:**

- A. Include any sales, use, or federal excise taxes in your response as separate line item(s).
- B. If your company is outside California and collects sales tax, please state the amount as a separate item if the County is to remit the tax.
- C. Items purchased for resale will show the County's resale permit number on the purchase order.
- D. Exemption certificates will be furnished when federal excise tax is exempted.

**Brand Names:** Brand names and numbers, when used, are for reference to indicate the character or quality desired. Equal items will be considered, provided your offer clearly describes the article. Offers for equal items must state the brand and number, or level of quality. The determination of the Purchasing Agent as to what items are equal is final and conclusive. When brand, number, or level of quality is not stated by bidder, the offer will be considered exactly as specified.

**Samples:** Samples of articles, when required, must be furnished free of cost. Samples may be retained for future comparison. Samples which are not destroyed by testing or which are not retained for future comparison will be returned upon request at your expense.

**Indemnification:** The contractor shall indemnify, defend and hold harmless the County, its officers, agents, employees, and representatives, from and against any and all claims, losses, liabilities, or damages, demands and action including payment of reasonable attorneys' fees, arising out of or resulting from the performance of this agreement, caused in whole or in part by any negligent or willful act or omission of the contractor, its officers, agents, employees, representatives, or anyone directly or indirectly acting on behalf of the contractor, regardless of whether caused in part by a party indemnified hereunder.

**Termination:**

- A. County may terminate any resulting agreement without cause upon thirty (30) days written notice to the other party. Notice shall be deemed served on the date of mailing. If notice of termination for cause is given by County to contractor and it is later determined that contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to this paragraph (A).
- B. County may terminate any resulting agreement for cause immediately upon giving written notice to contractor, should contractor materially fail to perform any of the covenants contained in this agreement in the time and/or manner specified. In the event of such termination, County may proceed with the work in any manner deemed proper by County. If notice of termination for cause is given by County to contractor and it is later determined that contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph (A) above.
- C. County may terminate or amend any resulting agreement immediately upon giving written notice to contractor, 1) if advised that funds are not available from external sources for this agreement or any portion thereof, including if distribution of such funds to the County is suspended or delayed; 2) if funds for the services and/or programs provided pursuant to this Agreement are not appropriated by the State; 3) if funds in County's yearly proposed and/or final budget are not appropriated by County for this agreement or any portion thereof; or 4) if funds that were previously appropriated for this agreement are reduced, eliminated, and/or re-allocated by County as a result of mid-year budget reductions.
- D. If any resulting agreement is terminated under paragraph A or C above, contractor shall only be paid for any services completed and provided prior to notice of termination. In the event of termination under paragraph a or c above, contractor shall be paid an amount which bears the same ratio to the total compensation authorized by the agreement as the services actually performed bear to the total services of contractor covered by this agreement, less payments of compensation previously made. In no event, however, shall County pay contractor an amount which exceeds a pro rata portion of the agreement total based on the portion of the agreement term that has elapsed on the effective date of the termination.

- E. Contractor shall not incur any expenses under any resulting agreement after notice of termination and shall cancel any outstanding expenses obligations to a third party that contractor can legally cancel.

**Public Agency Participation:** It is intended that any other public agency including those identified in the solicitation (i.e., city, district, public authority, public agency, municipality and other political sub-division or public corporation of California) located in California shall have the option to participate in any award made as a result of this solicitation. The County of Sacramento shall incur no financial responsibility in connection with orders issued or delivered by another public agency. Each public agency using this contract shall accept sole and full responsibility for placing of orders and making payments to the contractor. In addition to the above, the contractor shall provide the same level of indemnification and insurance protection to each of the participating agencies ordering products and/or services under any award made as a result of this solicitation.

**Out of State Vendors Providing Services to the County of Sacramento:** Recent state legislation requires the County to withhold seven percent (7%) of all income paid to certain independent contractors who do not reside in California. (Rev. & Tax. Code §18662; Cal.Admin. Code §§18662-1-18662-14.) This provision does not apply if the total amount paid for services in a given year is less than \$1,500. It also does not apply if the contractor is: a) a corporation with a principal place of business in California; b) a partnership with a permanent place of business in California; c) a corporation qualified through the Secretary of State to do business in California; or d) an individual with a permanent residence in the State of California.

**FTB Waiver** -The contractor can apply to the FTB for a waiver from this withholding requirement. An FTB waiver will generally be granted when the nonresident contractor has a current history of filing California tax returns and/or is currently making estimated tax payments to the FTB. An FTB waiver request is made on FTB Form 588, which can be faxed to the FTB at (916) 845-4831.

**Late Payments:** Should the county be late in making payments against invoices submitted correctly and timely, any interest levied by the vendor for payments shall be limited by the Section 926.10 of the California Government Code.

## **RFB 8829 Heavy Tires and Tire Services**

### **Appendix I Scope of Work - Services**

Presently the Department of General Services, Fleet Services Division and the Sacramento County Airport System support over 1,000 pieces of heavy equipment, which includes heavy-duty trucks, trailers and off-road construction equipment. In order to maintain a high level of efficiency a contracted vendor is required to provide supplemental services.

Each bidder shall be required to have adequate equipment and tools and be able of making repairs and/ or installations at various field locations within the boundaries of Sacramento County as needed.

Tools and equipment shall include, but not be limited to equipment to jacks, jack stands, automated tire changing, balancing , spreading equipment, pneumatic hand tools and other tools commonly used in t fleet tire service. Tools and equipment must be in good operating condition. Service truck must be equipped with approved tire inflation cage (portable) and must be equipped to service water-filled tractor tires in the field.

Impact and torque wrenches are to be calibrated periodically.

Contracted vendor must possess equipment, tools and the ability to complete nail hole and section repairs on site.

Service Technician: Technician must be trained, knowledgeable and have a minimum of 6 months experience in the techniques of fleet tire management and service.

Technician must be properly licensed by the Department of Motor Vehicles to operate County owned highway equipment up to 80,000lbs when necessary.

Each shop has its own unique needs and must be serviced as required.



**DEPARTMENT OF GENERAL SERVICES – FLEET SERVICES DIVISION**  
**BRADSHAW CORPORATION YARD**  
**4001 Branch Center Road**  
**Sacramento, CA 95827**

**VEHICLE FLEET DESCRIPTION -** Tire service may be required on:

- Industrial equipment
- On and Off Road Medium and Heavy Trucks
- Trailers
- Mobile construction equipment
- Other various equipment

**REGULAR WORK HOURS:** The regular work schedule at the Bradshaw complex include two shifts – day & swing shifts. Work periods for the contracted tire repairman may range anywhere from 2 hours to several weeks.

Day Shift: 6:00 a.m. - 2:30 p.m. hours (Monday - Friday)

Swing Shift: 2:30 p.m. - 11:00 p.m. hours (Monday - Friday)

**BRADSHAW CORPORATION YARD DUTIES:**

**DUTIES: Daily** –(Monday – Friday after 3:00pm) In coordination with the shop or shift supervisor, perform tire service on the Fleet's vehicle tires as follows:

- Inspect truck or construction equipment tires as designated for cuts, separations, cracks and impact damage and provide replacement recommendations to the shop or shift supervisor. County shop/shift supervisor will review recommendations daily and make decision on new tire replacement or recap (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with agreed upon tires. Vendor is to store County replaced tires at the on-site location designated by County shop or shift supervisor.

- As directed, inspect tires for mis-match and wear. Provide replacement recommendations to the shop or shift supervisor. County shop/shift supervisor will review recommendations daily and make decision on new tire replacement or recap (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with new manufactured tires. Vendor is to store County replaced tires at the on-site location designated by County shop or shift supervisor.
- Inspect wheels for cracks, missing or damaged wheel components, loose mounting hardware and lug nuts. Provide verbal condition report to the shop or shift supervisor daily.
- Contractor to provide and safely operate shop and field service equipment used in servicing and maintaining automotive, truck and off-road construction equipment such as: equipment jacks, jack stands, automated tire changing, balancing, and spreading equipment, pneumatic hand tools, and other tools commonly used in fleet tire service.
- Impact wrenches and torque wrenches are to be calibrated or checked on a periodic basis.
- Performing any required nail hole and section repairs on-site.
- Transport, dismount & mount tires provided by County Fleet Services.
- Safely operate County owned trucks and construction equipment when necessary for the servicing of tires, wheels and wheel components.

## **INVOICES**

**INVOICES FOR AIRPORT SHOP ONLY:** A separate invoice is required for each vehicle or piece of equipment. Repairs to vehicles and equipment located at this shop are charged out to each individual unit, therefore invoicing must be done by unit.

**INVOICES FOR FLEET SERVICES LOCATIONS:** One separate invoice for each location of each day tire service performed. Multiple jobs may be listed on one invoice as long as each job is referred by the equipment number, labor time and County of Sacramento work order number.

**DEPARTMENT OF GENERAL SERVICES**  
**FLEET SERVICES DIVISION**

<b><u>North Transfer Station</u></b> <b>4450 Roseville Rd</b> <b>North Highlands, CA 95842</b>	<b>Bradshaw Main Shop</b> <b>4001 Branch Center Road</b> <b>Sacramento, California 95827</b>
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**DUTIES:** In coordination with the shop or shift supervisor, perform tire service on the vehicle fleets tires as follows:

- As directed perform tire inflation check and adjust inflation, as needed, within manufacturer's guidelines. Tire inflation must be checked with a pressure gauge once per week.
- As directed, inspect tires for cuts, separations, cracks and impact damage and provide replacement recommendations to the shop or shift supervisor. County shop/shift supervisor will review recommendations daily and make decision on new tire replacement or recap (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with agreed upon tires. Vendor is to store County replaced tires at the on-site location designated by County shop or shift supervisor.
- As directed inspect tires for mis-match and wear. Provide replacement recommendations to the shop or shift supervisor. County shop/shift supervisor will review recommendations daily and make decision on new tire replacement or recap (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with new manufactured tires. Vendor is to store County replaced tires at the on-site location designated by County shop or shift supervisor.
- As directed inspect wheels for cracks, missing or damaged wheel components, loose mounting hardware and lug nuts. Provide written and signed condition report to the shop or shift supervisor daily.
- Contractor to provide and safely operate shop and field service equipment used in servicing and maintaining automotive, truck and off-road construction equipment such as: equipment jacks, jack stands, automated tire changing, balancing, and spreading equipment, pneumatic hand tools, and other tools commonly used in fleet tire service.
- Impact wrenches and torque wrenches are to be calibrated or checked on a periodic basis.

- Ability to complete nail hole and section repairs on-site.
- Transport, dismount & mount tires provided by County Fleet Services.
- Safely operate County owned trucks and construction equipment when necessary for the servicing of tires, wheels and wheel components..
- \* All repairs must be performed on site.

## SACRAMENTO COUNTY AIRPORT SYSTEM

<b>Bradshaw Main Shop</b> 4001 Branch Center Rd. Sacramento, California 95827	<b>Executive Airport</b> 6151 Freeport Blvd Sacramento CA 95822	<b>Mather Airport</b> 3745 Whitehead St Mather CA 95655
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### **VEHICLE FLEET DESCRIPTION:**

Tire service may be required on:

- Pick up trucks
- Vans
- Trailers
- Scooters
- Paint stripers
- Fire / crash vehicles
- Tractors
- Dump trucks
- Forklifts
- Riding mowers
- Paving equipment
- Other miscellaneous equipment

**AIRPORT DUTIES:** Weekly - In coordination with the shop or shift supervisor, perform weekly tire service on the fleet's vehicle tires as follows:

- Perform tire inflation check and adjust inflation, as needed, within manufacturer's guidelines. Tire inflation must be checked with pressure gauge.
- Inspect tires for cuts, separations, cracks and impact damage and provide replacement recommendations to the shop or shift supervisor. County shop/shift supervisor will review recommendations daily and make decision on replacement tire (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with agreed upon tires. Vendor is to store County replaced tires at the on-site location designated by County shop or shift supervisor.

- Inspect tires for mis-match and wear. Provide replacement recommendations to the shop or shift supervisor. County shop or shift supervisor will review recommendations daily and make decision on new tire replacement or recap (possibly through another contract provider). Upon approval of replacement recommendations, vendor is to replace with agreed upon tires. Vendor is to store County replaced tires at the on-site location designated by Airport System shop or shift supervisor.
- Inspect wheels for cracks, missing or damaged wheel components, loose mounting hardware and lug nuts. Provide verbal condition report to the shop or shift supervisor weekly.
- Contractor to provide and safely operate shop and field service equipment used in servicing and maintaining automotive, truck and off-road construction equipment such as: equipment jacks, jack stands, automated tire changing, balancing, and spreading equipment, pneumatic hand tools, and other tools commonly used in fleet tire service.
- Impact wrenches and torque wrenches are be calibrated or checked on a periodic basis.
- Performing any required nail hole and section repairs on-site.
- Transport, dismount & mount tires provided by County Airport System.
- Safely operate Airport owned trucks and construction equipment when necessary for the servicing of tires, wheels and wheel components.
- **24 hour Emergency Tire Response – must be able to respond to emergency calls 24-hours per day.**

**RFB8236  
HEAVY FLEET TIRES AND TIRE SERVICES  
APPENDIX K**

**BIDDER QUESTIONNAIRE**

Company Name Morgan Tire of Sacramento, Inc.	
Address 1500 Auburn Blvd.	
City / Zip Sacramento CA 95815	
Contact Name Brant Serrao	Phone Number 916-924-1458
E-mail address <a href="mailto:morgantire@hotmail.com">morgantire@hotmail.com</a>	Cell phone number 916-919-2904
Alternate Contact Leo Serrao	Phone Number 916-924-1458
E-mail address morgantire@hotmail.com	Cell Phone 916-919-2905
Total Number of Employees 32	Number of delivery vehicles? 28
What are your payment terms? Net 30	Do you offer a discount for fast payment? No
Days and Hours of Operation 7:30AM – 5:00PM Monday thru Friday	Is weekend service available? Yes
Where is your retread plant? Woodland CA	Do you do your own retreads? Yes
How long is the process of Retreading tires ? Morgan Tire has a long history of picking up and returning retreaded tires in 1 week's time.	
<b>** The County may require a site visit – are you willing to show the County your retread process? Yes!</b>	

**If selected for award, I/we agree to furnish the services specified at the prices/discounts and under the conditions indicated.**

Name of Person Authorizing this Bid	Brant Serrao
Title	President
Direct Phone Number	916-919-2904
Date Signed	12/10/14





## RFB 8829 Heavy Tires and Tire Services

### Appendix I Pricing – Services

Daily inspection charge (DUTIES as listed) – Price does not include any tires needed.

North Transfer Station: \$ \_\_\_\_No Charge\_\_\_\_/Day

Bradshaw: \$\_\_\_\_No Charge\_\_\_\_/Day

Weekly inspection charge (DUTIES as listed) – Price does not include any tires needed.

International Airport \$\_\_\_\_No Charge\_\_\_\_/Week

Mather Airport \$\_\_\_\_No Charge\_\_\_\_/Week

Executive Airport \$\_\_\_\_No Charge\_\_\_\_/Week

**REPAIR RATES INCLUDING NECESSARY MOUNTING, DISMOUNTING  
AND BALANCING:**

		Normal Working Hours Charge Per Hour	Weekend/Holiday/ Off-Duty Hours Charge Per Hour
1)	North Transfer Station	\$ 80.00/hr.	\$ 90.00/hr.
2)	International/Executive / Mather Airports	\$ 80.00/hr.	\$ 90.00/hr.
3)	Emergency Roadside Tire Service:	\$80.00/hr	\$90.00/hr
4)	Truck/Passenger Car	\$ 80.00/hr.	\$ 90.00/hr.
5)	Mobile/Construction Equipment	\$ 90.00/hr.	\$ 100/hr.
6)	Minimum Billing Time            1 hour		
7)	Mileage – if mileage charges if applicable – please explain	No mileage charge in Sacramento County	

Normal Work Hours:                      Monday-Friday and Non-  
Designated Holidays (all day)

Weekends:                      Saturday and Sunday

Holidays:                      New Years Day, Easter, Memorial Day, 4th of  
July, Labor Day, Thanksgiving and Christmas.

On site fill-in person for extended absences:

\$ \_\_\_\_\_75.00\_\_\_\_\_/hr. (normal work hours)

\$ \_\_\_\_\_90.00\_\_\_\_\_/hr. (weekend / holiday hours)