

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

414



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
October 29, 2013

SUBJECT: APPROVAL OF THE AGREEMENTS TO PROVIDE HEAVY EQUIPMENT COMPONENT RECONDITIONING AND REPAIR SERVICE, ALL DISTRICTS, (\$650,000 ANNUALLY)

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Approve and execute the four (4) attached one year personal service agreements with Johnson Machinery for \$500,000 annually as the primary contractor, Road Machinery for \$50,000, American Independent, Inc. for \$50,000, and A.C.E. Rental and Repair, Inc. for \$50,000 as secondary contractors, which contains an option to renew the agreement for four (4) additional one-year periods, with an annual not to exceed \$650,000 amongst all four contractors, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the renewal option, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual CPI rates, and;
3. Authorize the Purchasing Agent to shift funds, as needed, among the awarded vendors while staying within the combined aggregate of \$650,000 annually through October 2018.

BACKGROUND:

Summary

(Continued on Page 2)

FORM APPROVED COUNTY COUNSEL

BY: Neal R. Kipnis DATE: 11/5/13

Robert J. Howdyshell

Robert J. Howdyshell, Director
Purchasing and Fleet Services

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 488,000	\$ 650,000	\$ 3,250,000	\$ 650,000	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Waste Management \$500,000, Flood Control \$75,000, and Transportation Department \$75,000				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE

BY: Serena Chow
Serena Chow

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: November 26, 2013
By: Purchasing

Kecia Harper-Ihem
Clerk of the Board
By: Kalvin...
Deputy

Prev. Agn. Ref.:

District:

Agenda Number:

3-37

Hans Kernkamp
General Manager-Chief Engineer
Waste Management Department
Departmental Concurrence

FISCAL PROCEDURES APPROVED
JEANINE J. REY, FINANCE DIRECTOR
BY: Jeanine J. Rey 11/04/13

Juan C. Perez, Director
Transportation and Land Management

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: APPROVAL OF THE AGREEMENTS TO PROVIDE HEAVY EQUIPMENT COMPONENT
RECONDITIONING AND REPAIR SERVICE, ALL DISTRICTS, (\$650,000 ANNUALLY)**

DATE: October 29, 2013

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BACKGROUND:

Preventative maintenance programs are utilized by Riverside County Waste Management Department, Transportation and Land Management Agency, and the Flood Control District for Caterpillar and other types of heavy equipment, which includes the replacement or repair of major components. The reconditioning and repair of various components assists in prolonging the life cycle use of these machines and provides an alternative to replacement of fleet equipment. Much of the maintenance work is done by County mechanics, however, outsourcing these specific repairs, is a needed option.

In accordance with County Ordinance 459.4, County Purchasing, on behalf of the participating departments, released a Request for Quote (RFQ #PUARC-1299) for Heavy Equipment Component Reconditioning and Repair, distributing solicitations to twenty four (24) companies and advertising on the County's web site. Four (4) responses were received. The quotes were reviewed by the participating departments Fleet Supervisors for overall component inclusive repair cost for the example line item equipment used, hourly labor rates, travel charges and ability to perform the required reconditioning and repair services within the Repair Groups stated in the RFQ. Following the review, the Fleet Supervisors recommended awards to Johnson Machinery as the primary awarded contractor for Repair Groups 1-6, Road Machinery as secondary awarded contractor for Repair Group 1, American Independent, Inc. as secondary awarded contractor for Repair Groups 2-4, and A.C.E. Rental and Repair as secondary awarded contractor for Repair Group 5.

Johnson Machinery, a local Caterpillar and heavy equipment dealer and repair service provider in Riverside, was determined to be the overall best cost based on the comparison of like line item costs and labor charges submitted in the RFQ. Johnson Machinery is able to perform the reconditioning and repair service on all makes and models of equipment currently used in County participating department fleets with the exception of Repair Group 6, which will only cover Caterpillar electronic control module replacements. Usual practice for fleet mechanics of various departments is to assess the component repair needs on site and transport that component to the awarded vendor's location. Johnson Machinery's proximity to the participating department's fleet services locations allows for a quicker turnaround time and less down time for field heavy equipment. In addition, Johnson Machinery will provide on-site repairs at various locations throughout the County as needed.

Road Machinery LLC, a local heavy equipment repair service provider located in Perris, was determined to be the secondary best cost vendor for Repair Group 1 based on the comparison of like line item costs and labor charges submitted in the RFQ. Road Machinery will provide in-house repairs of components brought to their location as well as on-site repairs needed for this component repair group.

American Independent, Inc., a local heavy equipment service provider located in Riverside, was determined to be the secondary best cost vendor for Repair Groups 2-4 based on the comparison of like line item costs and labor charges submitted in the RFQ. American Independent will provide in-house reconditioning and repair services at their location for those repair groups.

A.C.E. Rental and Repair, Inc., a heavy equipment service provider located in Ramona, was determined to be the secondary best cost vendor for Repair Group 5 based on the comparison of like line item costs and labor charges submitted in the RFQ. A.C.E. Rental and Repair, Inc. will provide in-house repairs of components brought to their location as well as on-site repairs needed for this component repair group.

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Impact on Citizens and Businesses

Utilizing local contractors as much as possible will keep tax revenue within Riverside County and also provides for less travel time and cost in regards to delivery and pick-up of components and on-site repair services. Component repairs can be completed in a timely manner, resulting in less down time of machinery, which could cause delays in landfill operations, transportation maintenance, and flood control operations that may impact citizens negatively.

SUPPLEMENTAL:

Additional Fiscal Information

Estimated annual amount of \$650,000 is based on past cumulative budgeted costs for all participating departments equipment repair. Preventative maintenance and repairs are performed by County heavy equipment mechanics as much as possible and only outsourced when needed. County shall have no obligation to purchase any specified amounts of service.

Contract History and Price Reasonableness

Prior to this bid being released, each participating department would individually request repair costs as informal or formal RFQ's on an as needed basis, adding weeks to downtime and resulting in operational impact and slow down. Having contracted vendors available to do component reconditioning will significantly streamline the preventative maintenance process and diminish the costs to transport machinery to various locations as replacements or rent machinery for use while the department's unit is down for repairs.

Participating departments that maintain heavy construction type and landfill equipment estimate the total outsource of service cost to be \$650,000.00 annual aggregate amount. Review of the quoted costs submitted included line item inclusive costs for repairs to example equipment, as well as hourly labor rates for travel charges for on-site services.

In order to insure ongoing best value throughout the period of performance of these agreements, participating departments will be able to request quotes from the awarded contractors within the repair groups for specific reconditioning needs when it is judged to be in the best interest of the County as based on the Fleet Supervisors knowledge and past awards for similar services.

Participating departments will review invoices periodically to ensure the correct contracted labor rates and travel charges are being utilized.

In addition, all repairs estimated to be over \$100,000 per unit will be competitively bid amongst all awarded contractors.

PERSONAL SERVICE AGREEMENT

for

HEAVY EQUIPMENT COMPONENT RECONDITIONING AND REPAIR

between

COUNTY OF RIVERSIDE

and

JOHNSON MACHINERY



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This Agreement, made and entered into this 24TH day of September, 2013, by and between Johnson Machinery, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY") as the **Primary Contract** Awarded vendor for Repair Groups 1 through 6 Services. The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of eight (8) pages at the prices stated in Exhibit B, Payment Provisions, consisting of one (1) page.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to fully and adequately perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through September 23, 2014, with the option to renew for four (4) additional years, each year shall be renewable in one year increments by written amendment, unless terminated earlier with a completion date of 2018. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed five hundred thousand dollars (\$500,000.00) annually including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products.

Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

1) RIVERSIDE COUNTY WASTE MANAGEMENT

Attn: Accounts Payable
14310 Frederick Street
Moreno Valley, CA 92553
Electronically to: WasteAccountsPayable@co.riverside.ca.us

2) TRANSPORTATION AND LAND MANAGEMENT AGENCY

Attn: Accounts Payable
Po Box 1605
Riverside, Ca. 92502

3) FLOOD CONTROL DISTRICT

Attn: Accounts Payable
1995 Market Street
Riverside, CA. 92501
Electronically to: refcap@reflood.org

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division;

Agreement number RIVCO-92950-001-09/14 and/or participating department Purchase Order number; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.

b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress to endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. **Ownership/Use of Contract Materials and Products**

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. **Conduct of Contractor**

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no

employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the

County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public

disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

PURCHASING AND FLEET SERVICES
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

JOHNSON MACHINERY
800 East La Cadena Drive
PO Box 351
Riverside, CA 92502

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the RFQ#PUARC-1299

Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DOCTORS, AND LAWYERS). Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all

attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

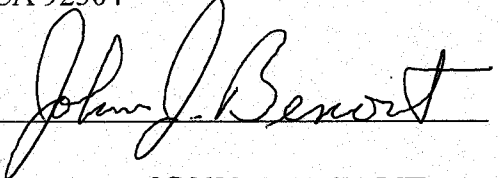
23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

County of Riverside
Purchasing and Fleet Service
2980 Washington Street
Riverside, CA 92504

Signature: 

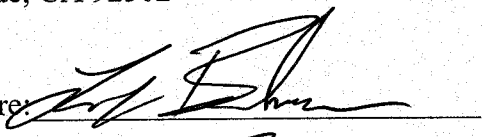
Print Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

Dated: NOV 26 2013

CONTRACTOR:

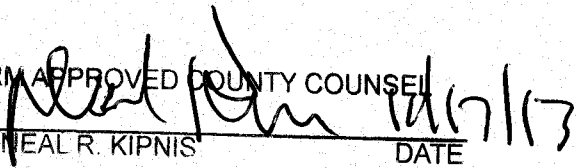
Johnson Machinery
800 East La Cadena Drive
PO Box 351
Riverside, CA 92502

Signature: 

Print Name: Larry Beardman

Title: Operations Manager

Dated: 8/29/2013

FORM APPROVED COUNTY COUNSEL
BY: 
NEAL R. KIPNIS DATE

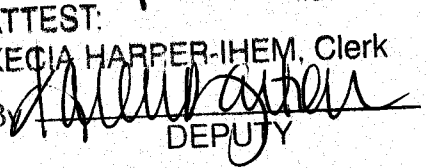
ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

EXHIBIT A SCOPE OF SERVICE

The specifications set forth the minimum requirements for reconditioning various major components of the Caterpillar heavy equipment used in refuse and dirt operations at the various landfill sites for Riverside County Waste Management Department (RCWMD) as well as all construction type equipment listed for the Transportation and Land Management Department (TLMD), Flood Control District (FC) and Waste Management Department (RCWMD). Equipment lists were included of RFQ #PUARC-1299.

PROGRAM INFORMATION:

- 1.0 **Brand names and specifications:** The detailed specifications and/or brand names references are descriptive and indicate quality, design, and construction items required (i.e.: Caterpillar, John Deer, etc.) and shall be of Original Equipment Manufacturer (OEM).
- 1.1 **Reconditioning Program:** The reconditioning of engines, electronic governor and fuel systems, transmissions, hydrostatic drives, pump drives, transfer cases, differentials, torque convertors and final drives shall be limited to established rebuild facilities that have been furnishing rebuild components for the types of equipment listed. The vendor shall have all the necessary tools, equipment, and testing apparatus to properly rebuild and test components prior to turning them back over to County. However, the reconditioning of scraper hitches, hydraulic systems components or brake groups and the repair / replace of undercarriage components may be bid on by any established shop operation that County deems qualified.
- 1.2 In either case, the vendor shall recondition/repair major components in accordance with the manufacturer's disassembly / assembly instructions found in the applicable manufacturer's equipment services manuals, including the latest updates. Caterpillar parts shall be used exclusively when reconditioning engines, electronic governor and fuel systems, transmissions, hydraulic drives, pump drives, transfer cases, differentials, and hitches on Caterpillar equipment. This could include a combination of new or remanufactured parts. Parts for reconditioning hydraulic system components shall be as manufactured by Caterpillar or County approved equal. Certain parts shall always be replaced as specified in the applicable manufacturer's assembly / disassembly instructions. Where applicable, Caterpillar Reusable Guidelines shall be followed. Vendor(s) shall not deviate below minimum standards, but are free to go beyond these standards in the reconditioning of major components if they consider this advisable and it conforms to the desires of County Program Objectives
- 1.3 **Remanufactured Product:** The vendor(s) shall always compare the cost for reconditioning to furnishing "Remanufactured Product", for both the complete major component and certain component parts such as hydraulic pumps, brake shoes, starters, etc. and provide County with notice of the lowest cost item(s). If economically justifiable, a complete manufacturer's "Remanufactured Product" replacement unit should be offered in lieu of reconditioning an existing County core. County will respond to the vendor within three (3) working days after receiving the evaluation and estimate.
- 1.4 **Additional Work:** Although additional work is not anticipated, one or more exceptions to the "normal" reconditioning work could occur with any component. The Awarded Vendor(s) will be notified at that time to prepare a quote based on the specific work requested on an individual basis.

Quotes will be reviewed by County administration for approval and notice to proceed. Award for these exceptions will be based on best cost to the County.

1.5 Quantity of components reconditioned annually: Numbers below are based on historic value and may not accurately reflect the services needed throughout the contract period of performance. There is no obligation by the County of Riverside to purchase any specified amount of goods or services. Annual service requirements may be greater or smaller based on current equipment needs.

- a) **Waste Management Department Annual Estimates:** Undercarriage - 3, Final Drives - 7, Engine - 4, Trans/Torque - 1, Steering Clutch - 1, Differential - 3.
- b) **Flood Control Annual Estimates:** Undercarriage - 1, Final Drives - 1, Engine - 1, Trans/Torque - 1, Steering Clutch - 1, Differential - 1
- c) **Transportation Department Annual Estimates:** Undercarriage- 1, Engine- 1

1.6 Catastrophic failure: Usual practice for fleet mechanics of various departments is to assess the component repair needs on site and transport that component to the awarded vendor's location. However, in the event of catastrophic failure of a piece of equipment, the County may require the awarded vendor to come on-site and diagnose and / or repair the machine if possible at the location. This would apply when the catastrophic failure of a component(s) will not allow for the equipment to be transported in whole or part to the vendor's location. .

1.7 Turnaround Time:

- a) Within two (2) working days after receipt of a major component, the successful bidder(s) shall have the project torn down and evaluated; develop a written estimate of cost and notify the applicable County departmental contact. Additional work must be communicated along with the evaluation for departmental approval.
- b) Normally, major components delivered to the successful bidder(s) shall be reconditioned and ready for County to pick up within sixteen (16) working days. Occasionally, however, in the event of a critical need County may require that a component be ready to pick up within seven (7) calendar days. The vendor will not be held liable for failure or delay in a fulfillment if caused, directly or indirectly, by fire, strike, act of God, or act of Government. County departmental representative will communicate if the component need is "critical" at the time of service scheduling.
- c) With regard to field reconditioning work (i.e. Engine mid-life bearing roll-in), the vendor shall begin an on-site job within three (3) working days of being notified by County to perform said work.
- d) Any exceptions to the above turnaround times **MUST** be clearly communicated at the time of service request. County will determine at that time to accept the delay or contact another awarded contractor(s) based on the requirement parameters at that time. Critical needs will be determined and clearly communicated at the time of service scheduling.

1.8 Quantity of Major Components to be Reconditioned:

County cannot guarantee the number of major components that will be reconditioned over the contract period. The figures listed in the Program Information are based on County's current preventative maintenance practices. Vendor(s) shall recondition more or less major components at the unit prices quoted in accordance with the actual requirements throughout the contract period.

1.9 Removal, Installation and Start Up:

Except for reconditioning field work and where noted in these specifications, County's forces will remove, deliver, pick up, and reinstall each major component reconditioned by the vendor(s). County will notify the vendor(s) before a reconditioned component is installed in a machine. At its option, the vendor(s) may inspect each component installation and supervise the startup of equipment with the reconditioned component(s). County will secure an oil sample after fifty (50) hours of service from all reconditioned components with a fluid compartment. Each sample will be sent to a certified laboratory currently used by County for a standard analysis for wear and contamination, and the results will be reported to the vendor that performed the rebuild.

2.0 Nameplates:

Except for engine mid-life bearing roll-ins, and brake and undercarriage repairs or rebuilds, each major component reconditioned shall have a metal tag affixed to it showing the following:

- a. Date reconditioned
- b. Original part number
- c. A rebuild serial number
- d. A blank space to inscribe or stamp the date of installation

2.1 Electronic Control Modules (ECM)

- a) Flood Control is currently the only County participating department requiring outsourcing of service for diagnosis and replacement of ECM's. Electronic Control Modules will be replaced and serviced to the applicable manufacturing specifications based on make and model of equipment. Repair service will take place at the equipment's location.
- b) Warranty on all parts and labor to diagnose, disassemble, and repair the electronics control units will be required and must be clearly communicated at time of service. Warranty information on this component should be included in the bid response.

2.2 Factory Warranty Time

Labor Time will be calculated according to factory warranty time. The factory warranty time is the amount of time that the factory authorizes for performing the job under warranty.

- 2.3 Combination Time:** Combination time refers to the time possibly required for jobs performed with other operations. One example might be that while performing brake shoe replacement, you need to replace a leaking wheel cylinder as well. The Combination Time gives you the time required to replace the wheel cylinder with the shoes already removed. You add combination items to your estimate the same way you add any other labor item

2.4 WARRANTY:

Regarding Warranty work, the vendor(s) shall be responsible for the travel time and mileage to and from the County facility where the machine in which a reconditioned major component is installed is located, supply all parts, material and labor, at no cost to County to effect repair or replacement of any parts and workmanship that prove defective during the warranty period including removal and reinstallation of the reconditioned major component if necessary. Vendor(s) shall be responsible for any transportation cost for a major component if it has to be removed from a County facility for warranty repair(s).

If the successful bidder is other than the local CAT dealership and its warranty insurance policy allows for it, the successful bidder may arrange with the local CAT dealership to make any warranty repairs required on the reconditioned component for Caterpillar equipment.

County will maintain equipment in which reconditioned major components are installed in accordance with the manufacturer's standard published service manual(s). The vendor shall not be responsible for repairs resulting from improper operations, maintenance, negligence, or physical damage from external sources causing damage to any reconditioned component.

Vendor shall furnish County "no-charge" invoices for all work performed under the warranty described in these specifications. Each invoice shall itemize parts used with cost and show travel time, mileage and labor charges. Invoice will include as well, at minimum, the County's equipment unit number as specified by the repair requestor.

Major Component Warranties:

- a. Engine: Warranty on all parts and labor required to replace or repair the engine, in the event of failure, for the first two (2) years or 4,000 hours, whichever occurs first, excludes the electrical system and normal replacement items when replaced independently of other engine repairs.
- b. Engine Mid Life Bearing Roll-In: Warranty on all parts and labor required to replace or repair the engine, in event of failure, for the first ninety (90) days or 500 hours, whichever comes first, of equipment operation after performing the bearing roll-in.
- c. Electronic Governor & Fuel System: Warranty on all parts and labor required to replace or repair the electronic governor & fuel system in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned system.
- d. Differential: Warranty on all parts and labor required to replace or repair the differential in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned differential.
- e. Transfer Case: Warranty on all parts and labor required to replace or repair the transfer case in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned transfer case.
- f. Transmission: Warranty on all parts and labor required to replace or repair the transmission in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned transmission. This warranty also includes related components, which include but are not limited to, such parts as cross shafts, pinions, pinion shaft, bearings, torque convertor, pumps, heat exchangers, etc.
- g. Hydrostatic Drive: Warranty on all parts and labor required to replace or repair the hydrostatic drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned drive. This warranty also includes related parts or components, which have to be removed and repaired or replaced as a result of drive failure. This warranty excludes gaskets, and seals when physical damage occurs from an outside source.
- h. Pump Drives: Warranty on all parts and labor required to replace or repair the pump drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned drive. This warranty also includes related parts or components, which

have been removed and repaired or replaced as a result of a drive failure. This warranty excludes gaskets, and seals when physical damage occurs from an outside source.

- i. Hydraulic Components: Warranty on all parts and labor required to replace or repair cylinders, valves and hydraulic pumps drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned components, excluding normal wear items such as seals and O-rings required to reinstall a component.
- j. Final Drives: Warranty on all parts and labor required to replace or repair final drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned final drives. This guarantee or warranty excludes gaskets and seals when physical damage occurs from external sources.
- k. Brakes: Warranty on all parts and labor required to replace or repair brake cans or linings in the event of failure for the first year or 2,000 hours, whichever occurs first, of equipment operation after installation of said parts. Reconditioned brake groups consisting of multiple disc clutches shall be warranted for two (2) years or 4,000 hours of equipment operations after installation, whichever is first.
- l. Motor Scraper Cushion Hitch: Warranty on all parts and labor required to replace or repair the bores, bushings, pins and hydraulic components in the event of failure for the first two (2) years or 4,000 hours of equipment operation after the repair and installation of new and reconditioned hitch component parts.
- m. Undercarriage (track and frame groups): Warranty on all parts and labor required to replace or repair undercarriage components, excluding track shoes and grousers, in the event of failure, for the first three (3) years or 4,500 hours, whichever occurs first, of equipment operation after repair / replacement of the undercarriage components. This warranty shall be 100% on parts for the first 2,500 hours and prorated for the reaming 2,000 hours based on bid costs divided by 4,500 hours times service hours on machine since the undercarriage was installed to the time it failed. In either case, this warranty shall cover the labor in full to remove, replace, repair, and re-install undercarriage components.

2.5 Owner Inspections: After a major component has been completely disassembled and inspected by the awarded vendor, the County's Fleet Contact, as listed below, or their designee, shall be contacted to discuss its findings. County may request an opportunity to inspect a disassembled component prior to the vendor continuing the reconditioning work. County will always inspect a disassembled component when the work beyond the "normal" reconditioning work is required. Upon request, the vendor shall provide the department with all damaged parts for inspection. The parts must be organized in a presentable fashion for inspection purposes and all sub-component failures marked and clearly identified for viewing purposes. County reserves the right to inspect component reconditioning work in progress at the vendor's facilities at any time while a component is in the vendors care.

County/Department Fleet Contact Information

WASTE MANAGEMENT - Fleet Program Coordinator, shall be contacted at (951) 486-3200.

FLOOD – Equipment Service Supervisor, shall be contacted at (951) 955-1305

TRANSPORTATION – Equipment Fleet Supervisor, shall be contacted at (951) 955-2062

Bidder shall provide a warranty that includes all parts and labor. Awarded Bidder shall handle all repairs/services of equipment(s) under warranty, manufacture warranty or Awarded Bidder's Company warranty. Awarded Bidder shall assume all responsibilities pertaining to shipping and handling of

equipment that has to be sent back to the manufacture for repairs/services. In the event the equipment is beyond repair, a replacement of a brand new equipment of the same model or equivalent shall be provided by Awarded Bidder.

2.6 Backorders and Substitutions:

Backorders: Remanufactured parts are acceptable in the event that needed repair parts are on backorder with the Bidder’s parts provider / Manufacturer if approved by the requesting department. When a part is on back order, this information must be clearly communicated in writing to the department contact at time of service scheduling with an estimated time of arrival. In the event that such a backorder places the daily operations at an unacceptable stand-still, County reserves the right to procure products or services elsewhere without contract violation.

Substitutions: Substitutions may be accepted upon prior approval of the requesting department. Substitution of OEM parts with “after-market” parts and reconditioned components used as a replacement are acceptable and must be communicated to the department contact at time of service scheduling for approval.

2.7 SERVICE AREAS AND LOCATIONS:

Waste Management Landfill and Fleet Maintenance Locations:

Location	Address	City	Zip	Hours of Operation
RCWMD Fleet Headquarters	14290 Frederick St	Moreno Valley	92553	Mon through Fri 7:00 AM – 5:00 PM
RCWMD Blythe Landfill	1000 Midland Rd	Blythe	92225	Mon through Sat 8 AM to 4:30 PM 10 AM to 2:00 PM - 1st Sunday of Mo.
RCWMD Oasis Landfill	84-505 84 th Ave	Oasis	92274	Sat and Wed only 8:00 AM – 4:30 PM
RCWMD Badlands Landfill	31125 Ironwood Ave.,	Moreno Valley	92555	Mon through Sat 6:00 AM – 4:30 PM
RCWMD Lamb Canyon Landfill	16411 Lamb Canyon Rd.	Beaumont	92223	Mon through Sat 6:00 AM – 4:30 PM

Zone Locations for Waste Management, Transportation, and Flood Control:

ZONE 1 Western County		
	City	Zip Code
<input type="checkbox"/>	Colton	92324
<input type="checkbox"/>	Corona	92879
<input type="checkbox"/>	Corona	92880
<input type="checkbox"/>	Corona	92881
<input type="checkbox"/>	Corona	92882
<input type="checkbox"/>	Elsinore	92530
<input type="checkbox"/>	Elsinore	92531
<input type="checkbox"/>	Elsinore	92532
<input type="checkbox"/>	Homeland	92548
<input type="checkbox"/>	March AFB	92518
<input type="checkbox"/>	Mira Loma	91752
<input type="checkbox"/>	Moreno Valley	92551

ZONE 2 Mid & Southwest County		
	City	Zip Code
<input type="checkbox"/>	Aguanga	92536
<input type="checkbox"/>	Anza	92539
<input type="checkbox"/>	Banning	92220
<input type="checkbox"/>	Beaumont/ Cherry Valley	92223
<input type="checkbox"/>	Cabazon	92230
<input type="checkbox"/>	Calimesa	92320
<input type="checkbox"/>	Hemet	92543
<input type="checkbox"/>	Hemet	92545
<input type="checkbox"/>	Hemet/Valle Vista	92544
<input type="checkbox"/>	Idyllwild	92549

ZONE 3 Desert & Eastern County		
	City	Zip Code
<input type="checkbox"/>	Blythe	92225
<input type="checkbox"/>	Cathedral City	92234
<input type="checkbox"/>	Cathedral City	92235
<input type="checkbox"/>	Coachella	92236
<input type="checkbox"/>	Desert Center/ Eagle Mountain	92239
<input type="checkbox"/>	Desert Hot Springs	92240
<input type="checkbox"/>	Indian Wells	92210
<input type="checkbox"/>	Indio	92201
<input type="checkbox"/>	Indio	92202
<input type="checkbox"/>	Indio	92203

<input type="checkbox"/>	Moreno Valley	92552
<input type="checkbox"/>	Moreno Valley	92553
<input type="checkbox"/>	Moreno Valley	92554
<input type="checkbox"/>	Moreno Valley	92555
<input type="checkbox"/>	Moreno Valley	92556
<input type="checkbox"/>	Moreno Valley	92557
<input type="checkbox"/>	Norco	92860
<input type="checkbox"/>	Nuevo/Lakeview	92567
<input type="checkbox"/>	Perris*	92570
<input type="checkbox"/>	Perris	92571
<input type="checkbox"/>	Perris	92572
<input type="checkbox"/>	Riverside	92501
<input type="checkbox"/>	Riverside	92502
<input type="checkbox"/>	Riverside	92503
<input type="checkbox"/>	Riverside	92504
<input type="checkbox"/>	Riverside	92505
<input type="checkbox"/>	Riverside	92506
<input type="checkbox"/>	Riverside	92507
<input type="checkbox"/>	Riverside	92508
<input type="checkbox"/>	Riverside	92509
<input type="checkbox"/>	Romoland	92585
<input type="checkbox"/>	Sun City	92586
<input type="checkbox"/>	Sun City/ Canyon Lake/Quail Valley	92587
<input type="checkbox"/>	Wildomar	92595

<input type="checkbox"/>	Menifee/Sun City	92584
<input type="checkbox"/>	Mountain Center	92561
<input type="checkbox"/>	Murrieta	92562
<input type="checkbox"/>	Murrieta	92563
<input type="checkbox"/>	San Jacinto	92581
<input type="checkbox"/>	San Jacinto	92582
<input type="checkbox"/>	San Jacinto/ Gilman Springs	92583
<input type="checkbox"/>	Temecula	92590
<input type="checkbox"/>	Temecula	92591
<input type="checkbox"/>	Temecula	92592
<input type="checkbox"/>	Temecula	92593
<input type="checkbox"/>	Winchester	92596

<input type="checkbox"/>	Indio Hills/DHS/ Sky Valley	92241
<input type="checkbox"/>	La Quinta	92253
<input type="checkbox"/>	Mecca/ North Shore	92254
<input type="checkbox"/>	Midland	92255
<input type="checkbox"/>	Palm Desert	92211
<input type="checkbox"/>	Palm Desert	92260
<input type="checkbox"/>	Palm Desert	92261
<input type="checkbox"/>	Palm Springs	92258
<input type="checkbox"/>	Palm Springs	92262
<input type="checkbox"/>	Palm Springs	92263
<input type="checkbox"/>	Palm Springs	92264
<input type="checkbox"/>	Rancho Mirage	92270
<input type="checkbox"/>	Ripley	92272
<input type="checkbox"/>	Thermal/Oasis/ Salton Sea	92274
<input type="checkbox"/>	Thousand Palms	92276
<input type="checkbox"/>	Whitewater	92282

2.8 REPAIR GROUPS – UNITS OF SERVICE:

Group 1 -

- A. Engine Reconditioning Existing or Replace with Remanufactured unit.
- B. Electronic Engine Governor and Fuel System
- C. Field Reconditioning - Engine Mid-Life Bearing Roll-In

Group 2 -

- A. Motor Scraper Cushion Hitch

Group 3 -

- A. Transmissions
- B. Pump Drives
- C. Transfer Cases or Drop Box
- D. Final Drives
- E. Torque Converters
- F. Differential Third Member, Removable Type
- G. Differential Third Member, Modular Type
- H. Brake Groups
- I. Axles

Group 4 -

- A. Main Hydraulic Pump
- B. Auxiliary or Steering Pump
- C. Hydraulic Components
- D. Hydrostatic Drives
- E. Hydrostatic Pump
- F. Hydrostatic Drive Motor

Group 5-

- A. Undercarriage Track Frames
- B. Undercarriage Track Groups
- C. Equalizer Bar
- D. Remove and Install Tracks
- E. Pivot Shaft and Re-Coil Housings

Group 6 -

ECM's - Electronic Control Module and Associated Sensor Repair – **For CATERPILLAR Equipment only.**

**EXHIBIT B
PAYMENT PROVISIONS**

Item Name	DESCRIPTION	Groups serviced:	All Groups
LABOR - GROUP 1	REPAIR GROUP 1: Engine Reconditioning, Electronic Engine Governor and Fuel System, Engine Mid-Life Bearing Roll-In		\$98.00
			hourly
LABOR - GROUP 2	REPAIR GROUP 2: Motor Scraper Cushion Hitch		\$98.00
			hourly
LABOR - GROUP 3	REPAIR GROUP 3: Transmissions, Transfer Cases or Drop Box, Final Drives, Torque Converters, Differential Third Member, Removable Type and Modular Type, Brake Groups, Axles		\$98.00
			hourly
LABOR - GROUP 4	REPAIR GROUP 4: Main Hydraulic Pump, Auxiliary or Steering Pump, Hydraulic Components, Hydrostatic Drives, Hydrostatic Pump, Hydrostatic Drive Motor		\$98.00
			hourly
LABOR - GROUP 5	REPAIR GROUP 5: Undercarriage Track Frames, Undercarriage Track Groups, Equalizer Bar, Remove and Install Tracks, Pivot Shaft and Re-Coil Housings		\$98.00
			hourly
LABOR - GROUP 6	REPAIR GROUP 6: Electronic Control Module and Associated Sensor Repair		\$98.00
			hourly
TRAVEL - ZONE 1	ZONE 1 - Western County		\$100.00
TRAVEL - ZONE 2	ZONE 2 - Mid & Southwest County		\$200.00
TRAVEL - ZONE 3	ZONE 3 - Desert & Eastern County		\$200.00

*Note: Initial cost estimate (quote) per equipment for specific reconditioning / repair need may be requested prior to start of services by the participating departments Fleet Services Supervisor.

**A onetime services estimated to exceed \$100,000.00 will be competitively bid among all awarded Heavy Equipment Reconditioning and Repair Contractors.

PERSONAL SERVICE AGREEMENT

for

HEAVY EQUIPMENT COMPONENT RECONDITIONING AND REPAIR

between

COUNTY OF RIVERSIDE

and

ROAD MACHINERY LLC



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This Agreement, made and entered into this 24TH day of September, 2013, by and between Road Machinery LLC, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY") as the **Secondary Contract Awarded** vendor for Repair Group 1 Services. The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of eight (8) pages at the prices stated in Exhibit B, Payment Provisions, consisting of one (1) page.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to fully and adequately perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through September 23, 2014, with the option to renew for four (4) additional years, each year shall be renewable in one year increments by written amendment, unless terminated earlier with a completion date of 2018. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred fifty thousand dollars (\$250,000.00) annually including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products.

Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

1) RIVERSIDE COUNTY WASTE MANAGEMENT

Attn: Accounts Payable

14310 Frederick Street

Moreno Valley, CA 92553

Electronically to: WasteAccountsPayable@co.riverside.ca.us

2) TRANSPORTATION AND LAND MANAGEMENT AGENCY

Attn: Accounts Payable

Po Box 1605

Riverside, Ca. 92502

3) FLOOD CONTROL DISTRICT

Attn: Accounts Payable

1995 Market Street

Riverside, CA. 92501

Electronically to: rcfcap@rcflood.org

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division;

Agreement number RIVCO-92950-002-09/14 and/or participating department Purchase Order number; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.

b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress to endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Materials and Products

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no

employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the

County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public

disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

PURCHASING AND FLEET SERVICES
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

ROAD MACHINERY LLC
475 West Ryder Street
Perris, CA 92571

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the

Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DOCTORS, AND LAWYERS). Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all

attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

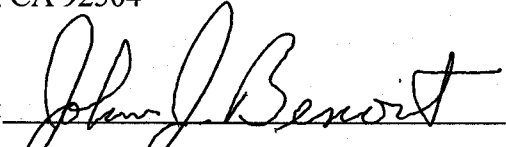
23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

County of Riverside
Purchasing and Fleet Service
2980 Washington Street
Riverside, CA 92504

Signature: 

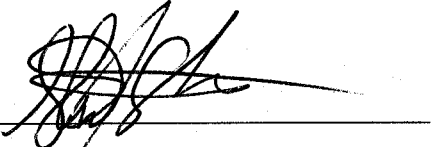
Print Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

Dated: NOV 26 2013

CONTRACTOR:

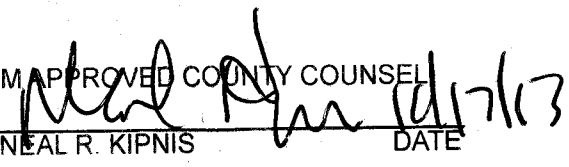
Road Machinery
475 West Ryder Street
Perris, CA 92571

Signature: 

Print Name: STEVE KUGELMA

Title: PSSR

Dated: 8/29/13

FORM APPROVED COUNTY COUNSEL
BY:  DATE 11/17/13
NEAL R. KIPNIS DATE


ATTEST:
KECIA HARPER-IHEM, Clerk
By 
DEPUTY

EXHIBIT A SCOPE OF SERVICE

The specifications set forth the minimum requirements for reconditioning various major components of the Caterpillar heavy equipment used in refuse and dirt operations at the various landfill sites for Riverside County Waste Management Department (RCWMD) as well as all construction type equipment listed for the Transportation and Land Management Department (TLMD), Flood Control District (FC) and Waste Management Department (RCWMD). Equipment lists were included of RFQ #PUARC-1299.

PROGRAM INFORMATION:

- 1.0 **Brand names and specifications:** The detailed specifications and/or brand names references are descriptive and indicate quality, design, and construction items required (i.e.: Caterpillar, John Deer, etc.) and shall be of Original Equipment Manufacturer (OEM).
- 1.1 **Reconditioning Program:** The reconditioning of engines, electronic governor and fuel systems, transmissions, hydrostatic drives, pump drives, transfer cases, differentials, torque convertors and final drives shall be limited to established rebuild facilities that have been furnishing rebuild components for the types of equipment listed. The vendor shall have all the necessary tools, equipment, and testing apparatus to properly rebuild and test components prior to turning them back over to County. However, the reconditioning of scraper hitches, hydraulic systems components or brake groups and the repair / replace of undercarriage components may be bid on by any established shop operation that County deems qualified.
- 1.2 In either case, the vendor shall recondition/repair major components in accordance with the manufacturer's disassembly / assembly instructions found in the applicable manufacturer's equipment services manuals, including the latest updates. Caterpillar parts shall be used exclusively when reconditioning engines, electronic governor and fuel systems, transmissions, hydraulic drives, pump drives, transfer cases, differentials, and hitches on Caterpillar equipment. This could include a combination of new or remanufactured parts. Parts for reconditioning hydraulic system components shall be as manufactured by Caterpillar or County approved equal. Certain parts shall always be replaced as specified in the applicable manufacturer's assembly / disassembly instructions. Where applicable, Caterpillar Reusable Guidelines shall be followed. Vendor(s) shall not deviate below minimum standards, but are free to go beyond these standards in the reconditioning of major components if they consider this advisable and it conforms to the desires of County Program Objectives
- 1.3 **Remanufactured Product:** The vendor(s) shall always compare the cost for reconditioning to furnishing "Remanufactured Product", for both the complete major component and certain component parts such as hydraulic pumps, brake shoes, starters, etc. and provide County with notice of the lowest cost item(s). If economically justifiable, a complete manufacturer's "Remanufactured Product" replacement unit should be offered in lieu of reconditioning an existing County core. County will respond to the vendor within three (3) working days after receiving the evaluation and estimate.
- 1.4 **Additional Work:** Although additional work is not anticipated, one or more exceptions to the "normal" reconditioning work could occur with any component. The Awarded Vendor(s) will be notified at that time to prepare a quote based on the specific work requested on an individual basis.

Quotes will be reviewed by County administration for approval and notice to proceed. Award for these exceptions will be based on best cost to the County.

1.5 Quantity of components reconditioned annually: Numbers below are based on historic value and may not accurately reflect the services needed throughout the contract period of performance. There is no obligation by the County of Riverside to purchase any specified amount of goods or services. Annual service requirements may be greater or smaller based on current equipment needs.

- a) **Waste Management Department Annual Estimates:** Undercarriage - 3, Final Drives - 7, Engine - 4, Trans/Torque - 1, Steering Clutch - 1, Differential - 3.
- b) **Flood Control Annual Estimates:** Undercarriage - 1, Final Drives - 1, Engine - 1, Trans/Torque - 1, Steering Clutch - 1, Differential - 1
- c) **Transportation Department Annual Estimates:** Undercarriage- 1, Engine- 1

1.6 Catastrophic failure: Usual practice for fleet mechanics of various departments is to assess the component repair needs on site and transport that component to the awarded vendor's location. However, in the event of catastrophic failure of a piece of equipment, the County may require the awarded vendor to come on-site and diagnose and / or repair the machine if possible at the location. This would apply when the catastrophic failure of a component(s) will not allow for the equipment to be transported in whole or part to the vendor's location. .

1.7 Turnaround Time:

- a) Within two (2) working days after receipt of a major component, the successful bidder(s) shall have the project torn down and evaluated; develop a written estimate of cost and notify the applicable County departmental contact. Additional work must be communicated along with the evaluation for departmental approval.
- b) Normally, major components delivered to the successful bidder(s) shall be reconditioned and ready for County to pick up within sixteen (16) working days. Occasionally, however, in the event of a critical need County may require that a component be ready to pick up within seven (7) calendar days. The vendor will not be held liable for failure or delay in a fulfillment if caused, directly or indirectly, by fire, strike, act of God, or act of Government. County departmental representative will communicate if the component need is "critical" at the time of service scheduling.
- c) With regard to field reconditioning work (i.e. Engine mid-life bearing roll-in), the vendor shall begin an on-site job within three (3) working days of being notified by County to perform said work.
- d) Any exceptions to the above turnaround times **MUST** be clearly communicated at the time of service request. County will determine at that time to accept the delay or contact another awarded contractor(s) based on the requirement parameters at that time. Critical needs will be determined and clearly communicated at the time of service scheduling.

1.8 Quantity of Major Components to be Reconditioned:

County cannot guarantee the number of major components that will be reconditioned over the contract period. The figures listed in the Program Information are based on County's current preventative maintenance practices. Vendor(s) shall recondition more or less major components at the unit prices quoted in accordance with the actual requirements throughout the contract period.

1.9 Removal, Installation and Start Up:

Except for reconditioning field work and where noted in these specifications, County's forces will remove, deliver, pick up, and reinstall each major component reconditioned by the vendor(s). County will notify the vendor(s) before a reconditioned component is installed in a machine. At its option, the vendor(s) may inspect each component installation and supervise the startup of equipment with the reconditioned component(s). County will secure an oil sample after fifty (50) hours of service from all reconditioned components with a fluid compartment. Each sample will be sent to a certified laboratory currently used by County for a standard analysis for wear and contamination, and the results will be reported to the vendor that performed the rebuild.

2.0 Nameplates:

Except for engine mid-life bearing roll-ins, and brake and undercarriage repairs or rebuilds, each major component reconditioned shall have a metal tag affixed to it showing the following:

- a. Date reconditioned
- b. Original part number
- c. A rebuild serial number
- d. A blank space to inscribe or stamp the date of installation

2.1 Electronic Control Modules (ECM)

- a) Flood Control is currently the only County participating department requiring outsourcing of service for diagnosis and replacement of ECM's. Electronic Control Modules will be replaced and serviced to the applicable manufacturing specifications based on make and model of equipment. Repair service will take place at the equipment's location.
- b) Warranty on all parts and labor to diagnose, disassemble, and repair the electronics control units will be required and must be clearly communicated at time of service. Warranty information on this component should be included in the bid response.

2.2 Factory Warranty Time

Labor Time will be calculated according to factory warranty time. The factory warranty time is the amount of time that the factory authorizes for performing the job under warranty.

- 2.3 Combination Time:** Combination time refers to the time possibly required for jobs performed with other operations. One example might be that while performing brake shoe replacement, you need to replace a leaking wheel cylinder as well. The Combination Time gives you the time required to replace the wheel cylinder with the shoes already removed. You add combination items to your estimate the same way you add any other labor item

2.4 WARRANTY:

Regarding Warranty work, the vendor(s) shall be responsible for the travel time and mileage to and from the County facility where the machine in which a reconditioned major component is installed is located, supply all parts, material and labor, at no cost to County to effect repair or replacement of any parts and workmanship that prove defective during the warranty period including removal and reinstallation of the reconditioned major component if necessary. Vendor(s) shall be responsible for any transportation cost for a major component if it has to be removed from a County facility for warranty repair(s).

If the successful bidder is other than the local CAT dealership and its warranty insurance policy allows for it, the successful bidder may arrange with the local CAT dealership to make any warranty repairs required on the reconditioned component for Caterpillar equipment.

County will maintain equipment in which reconditioned major components are installed in accordance with the manufacturer's standard published service manual(s). The vendor shall not be responsible for repairs resulting from improper operations, maintenance, negligence, or physical damage from external sources causing damage to any reconditioned component.

Vendor shall furnish County "no-charge" invoices for all work performed under the warranty described in these specifications. Each invoice shall itemize parts used with cost and show travel time, mileage and labor charges. Invoice will include as well, at minimum, the County's equipment unit number as specified by the repair requestor.

Major Component Warranties:

- a. Engine: Warranty on all parts and labor required to replace or repair the engine, in the event of failure, for the first two (2) years or 4,000 hours, whichever occurs first, excludes the electrical system and normal replacement items when replaced independently of other engine repairs.
- b. Engine Mid Life Bearing Roll-In: Warranty on all parts and labor required to replace or repair the engine, in event of failure, for the first ninety (90) days or 500 hours, whichever comes first, of equipment operation after performing the bearing roll-in.
- c. Electronic Governor & Fuel System: Warranty on all parts and labor required to replace or repair the electronic governor & fuel system in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned system.

2.5 Owner Inspections: After a major component has been completely disassembled and inspected by the awarded vendor, the County's Fleet Contact, as listed below, or their designee, shall be contacted to discuss its findings. County may request an opportunity to inspect a disassembled component prior to the vendor continuing the reconditioning work. County will always inspect a disassembled component when the work beyond the "normal" reconditioning work is required. Upon request, the vendor shall provide the department with all damaged parts for inspection. The parts must be organized in a presentable fashion for inspection purposes and all sub-component failures marked and clearly identified for viewing purposes. County reserves the right to inspect component reconditioning work in progress at the vendor's facilities at any time while a component is in the vendors care.

County/Department Fleet Contact Information

- WASTE MANAGEMENT - Fleet Program Coordinator, shall be contacted at (951) 486-3200.
- FLOOD – Equipment Service Supervisor, shall be contacted at (951) 955-1305
- TRANSPORTATION – Equipment Fleet Supervisor, shall be contacted at (951) 955-2062

Bidder shall provide a warranty that includes all parts and labor. Awarded Bidder shall handle all repairs/services of equipment(s) under warranty, manufacture warranty or Awarded Bidder's Company warranty. Awarded Bidder shall assume all responsibilities pertaining to shipping and handling of equipment that has to be sent back to the manufacture for repairs/services. In the event the equipment is beyond repair, a replacement of a brand new equipment of the same model or equivalent shall be provided by Awarded Bidder.

2.6 Backorders and Substitutions:

Backorders: Remanufactured parts are acceptable in the event that needed repair parts are on backorder with the Bidder's parts provider / Manufacturer if approved by the requesting department. When a part is on back order, this information must be clearly communicated in writing to the department contact at time of service scheduling with an estimated time of arrival. In the event that such a backorder places the daily operations at an unacceptable stand-still, County reserves the right to procure products or services elsewhere without contract violation.

Substitutions: Substitutions may be accepted upon prior approval of the requesting department. Substitution of OEM parts with "after-market" parts and reconditioned components used as a replacement are acceptable and must be communicated to the department contact at time of service scheduling for approval.

2.7 SERVICE AREAS AND LOCATIONS:

Waste Management Landfill and Fleet Maintenance Locations:

Location	Address	City	Zip	Hours of Operation
RCWMD Fleet Headquarters	14290 Frederick St	Moreno Valley	92553	Mon through Fri 7:00 AM – 5:00 PM
RCWMD Blythe Landfill	1000 Midland Rd	Blythe	92225	Mon through Sat 8 AM to 4:30 PM 10 AM to 2:00 PM - 1st Sunday of Mo.
RCWMD Oasis Landfill	84-505 84 th Ave	Oasis	92274	Sat and Wed only 8:00 AM – 4:30 PM
RCWMD Badlands Landfill	31125 Ironwood Ave.,	Moreno Valley	92555	Mon through Sat 6:00 AM – 4:30 PM
RCWMD Lamb Canyon Landfill	16411 Lamb Canyon Rd.	Beaumont	92223	Mon through Sat 6:00 AM – 4:30 PM

Zone Locations for Waste Management, Transportation, and Flood Control:

ZONE 1 Western County			ZONE 2 Mid & Southwest County			ZONE 3 Desert & Eastern County		
	City	Zip Code		City	Zip Code		City	Zip Code
<input type="checkbox"/>	Colton	92324	<input type="checkbox"/>	Aguanga	92536	<input type="checkbox"/>	Blythe	92225
<input type="checkbox"/>	Corona	92879	<input type="checkbox"/>	Anza	92539	<input type="checkbox"/>	Cathedral City	92234
<input type="checkbox"/>	Corona	92880	<input type="checkbox"/>	Banning	92220	<input type="checkbox"/>	Cathedral City	92235
<input type="checkbox"/>	Corona	92881	<input type="checkbox"/>	Beaumont/ Cherry Valley	92223	<input type="checkbox"/>	Coachella	92236
<input type="checkbox"/>	Corona	92882	<input type="checkbox"/>	Cabazon	92230	<input type="checkbox"/>	Desert Center/ Eagle Mountain	92239
<input type="checkbox"/>	Elsinore	92530	<input type="checkbox"/>	Calimesa	92320	<input type="checkbox"/>	Desert Hot Springs	92240
<input type="checkbox"/>	Elsinore	92531	<input type="checkbox"/>	Hemet	92543	<input type="checkbox"/>	Indian Wells	92210
<input type="checkbox"/>	Elsinore	92532	<input type="checkbox"/>	Hemet	92545	<input type="checkbox"/>	Indio	92201
<input type="checkbox"/>	Homeland	92548	<input type="checkbox"/>	Hemet/Valle Vista	92544	<input type="checkbox"/>	Indio	92202
<input type="checkbox"/>	March AFB	92518	<input type="checkbox"/>	Idyllwild	92549	<input type="checkbox"/>	Indio	92203
<input type="checkbox"/>	Mira Loma	91752	<input type="checkbox"/>	Menifee/Sun City	92584	<input type="checkbox"/>	Indio Hills/DHS/ Sky Valley	92241
<input type="checkbox"/>	Moreno Valley	92551	<input type="checkbox"/>	Mountain	92561	<input type="checkbox"/>	La Quinta	92253
<input type="checkbox"/>	Moreno Valley	92552						
<input type="checkbox"/>	Moreno Valley	92553						
<input type="checkbox"/>	Moreno Valley	92554						

<input type="checkbox"/>		
<input type="checkbox"/>	Moreno Valley	92555
<input type="checkbox"/>	Moreno Valley	92556
<input type="checkbox"/>	Moreno Valley	92557
<input type="checkbox"/>	Norco	92860
<input type="checkbox"/>	Nuevo/Lakeview	92567
<input type="checkbox"/>	Perris*	92570
<input type="checkbox"/>	Perris	92571
<input type="checkbox"/>	Perris	92572
<input type="checkbox"/>	Riverside	92501
<input type="checkbox"/>	Riverside	92502
<input type="checkbox"/>	Riverside	92503
<input type="checkbox"/>	Riverside	92504
<input type="checkbox"/>	Riverside	92505
<input type="checkbox"/>	Riverside	92506
<input type="checkbox"/>	Riverside	92507
<input type="checkbox"/>	Riverside	92508
<input type="checkbox"/>	Riverside	92509
<input type="checkbox"/>	Romoland	92585
<input type="checkbox"/>	Sun City	92586
<input type="checkbox"/>	Sun Canyon City/ Lake/Quail Valley	92587
<input type="checkbox"/>	Wildomar	92595

<input type="checkbox"/>	Center	
<input type="checkbox"/>	Murrieta	92562
<input type="checkbox"/>	Murrieta	92563
<input type="checkbox"/>	San Jacinto	92581
<input type="checkbox"/>	San Jacinto	92582
<input type="checkbox"/>	San Jacinto/ Gilman Springs	92583
<input type="checkbox"/>	Temecula	92590
<input type="checkbox"/>	Temecula	92591
<input type="checkbox"/>	Temecula	92592
<input type="checkbox"/>	Temecula	92593
<input type="checkbox"/>	Winchester	92596

<input type="checkbox"/>	Mecca/ North Shore	92254
<input type="checkbox"/>	Midland	92255
<input type="checkbox"/>	Palm Desert	92211
<input type="checkbox"/>	Palm Desert	92260
<input type="checkbox"/>	Palm Desert	92261
<input type="checkbox"/>	Palm Springs	92258
<input type="checkbox"/>	Palm Springs	92262
<input type="checkbox"/>	Palm Springs	92263
<input type="checkbox"/>	Palm Springs	92264
<input type="checkbox"/>	Rancho Mirage	92270
<input type="checkbox"/>	Ripley	92272
<input type="checkbox"/>	Thermal/Oasis/ Salton Sea	92274
<input type="checkbox"/>	Thousand Palms	92276
<input type="checkbox"/>	Whitewater	92282

2.8 REPAIR GROUPS – UNITS OF SERVICE:

Group 1 -

- A. Engine Reconditioning Existing or Replace with Remanufactured unit.
- B. Electronic Engine Governor and Fuel System
- C. Field Reconditioning - Engine Mid-Life Bearing Roll-In

**EXHIBIT B
PAYMENT PROVISIONS**

Item Name	DESCRIPTION	Groups serviced:	All Groups
LABOR - GROUP 1	REPAIR GROUP 1: Engine Reconditioning, Electronic Engine Governor and Fuel System, Engine Mid-Life Bearing Roll-In		\$99.50
			Field \$135.00
			hourly
TRAVEL - ZONE 1	ZONE 1 - Western County		\$135.00
TRAVEL - ZONE 2	ZONE 2 - Mid & Southwest County		\$270.00
TRAVEL - ZONE 3	ZONE 3 - Desert & Eastern County		\$540.00

*Note: Initial cost estimate (quote) per equipment for specific reconditioning / repair need may be requested prior to start of services by the participating departments Fleet Services Supervisor.

**A onetime services estimated to exceed \$100,000.00 will be competitively bid among all awarded Heavy Equipment Reconditioning and Repair Contractors.

PERSONAL SERVICE AGREEMENT

for

HEAVY EQUIPMENT COMPONENT RECONDITIONING AND REPAIR

between

COUNTY OF RIVERSIDE

and

AMERICAN INDEPENDENT INC.



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This Agreement, made and entered into this 24TH day of September, 2013, by and between American Independent Inc., (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY") as the **Secondary Contract** Awarded vendor for Repair Groups 2 through 4 Services. The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of eight (8) pages at the prices stated in Exhibit B, Payment Provisions, consisting of one (1) page.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to fully and adequately perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through September 23, 2014, with the option to renew for four (4) additional years, each year shall be renewable in one year increments by written amendment, unless terminated earlier with a completion date of 2018. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Payments by COUNTY to CONTRACTOR shall be estimated at fifty thousand dollars (\$50,000.00) annually including all expenses with the understanding that funds may be distributed amongst all awarded Contractors as approved by the County Board of Supervisors. The COUNTY is not responsible for any fees or costs incurred above or

beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

1) RIVERSIDE COUNTY WASTE MANAGEMENT

Attn: Accounts Payable
14310 Frederick Street
Moreno Valley, CA 92553
Electronically to: WasteAccountsPayable@co.riverside.ca.us

2) TRANSPORTATION AND LAND MANAGEMENT AGENCY

Attn: Accounts Payable
Po Box 1605
Riverside, Ca. 92502

3) FLOOD CONTROL DISTRICT

Attn: Accounts Payable
1995 Market Street
Riverside, CA. 92501
Electronically to: rcfcap@rcflood.org

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number RIVCO-92950-003-09/14 and/or participating department Purchase Order number; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or

fails to make progress to endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Materials and Products

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the

CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any

benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants

that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material

requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

PURCHASING AND FLEET SERVICES
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

AMERICAN INDEPENDENT INC
6550 Box Springs Blvd.
Riverside, CA 92507

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. **Insurance**

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DOCTORS, AND LAWYERS). Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all

attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

County of Riverside
Purchasing and Fleet Service
2980 Washington Street
Riverside, CA 92504

Signature: *John J. Benoit*

Print Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

Dated: NOV 26 2013

CONTRACTOR:

American Independent
6550 Box Springs Blvd.
Riverside, CA 92507

Signature: *Daniel Chase*

Print Name: DANIEL CHASE

Title: SERVICE MANAGER

Dated: 8/29/13

FORM APPROVED COUNTY COUNSEL
BY: *Neal R. Kipnis* 10/17/13
NEAL R. KIPNIS DATE

ATTEST:
KECIA HARRER-IHEM, Clerk
By: *Kecia Harrer-Ihem*
DEPUTY

EXHIBIT A SCOPE OF SERVICE

The specifications set forth the minimum requirements for reconditioning various major components of the Caterpillar heavy equipment used in refuse and dirt operations at the various landfill sites for Riverside County Waste Management Department (RCWMD) as well as all construction type equipment listed for the Transportation and Land Management Department (TLMD), Flood Control District (FC) and Waste Management Department (RCWMD). Equipment lists were included of RFQ #PUARC-1299.

PROGRAM INFORMATION:

- 1.0 **Brand names and specifications:** The detailed specifications and/or brand names references are descriptive and indicate quality, design, and construction items required (i.e.: Caterpillar, John Deer, etc.) and shall be of Original Equipment Manufacturer (OEM).
- 1.1 **Reconditioning Program:** The reconditioning of engines, electronic governor and fuel systems, transmissions, hydrostatic drives, pump drives, transfer cases, differentials, torque convertors and final drives shall be limited to established rebuild facilities that have been furnishing rebuild components for the types of equipment listed. The vendor shall have all the necessary tools, equipment, and testing apparatus to properly rebuild and test components prior to turning them back over to County. However, the reconditioning of scraper hitches, hydraulic systems components or brake groups and the repair / replace of undercarriage components may be bid on by any established shop operation that County deems qualified.
- 1.2 In either case, the vendor shall recondition/repair major components in accordance with the manufacturer's disassembly / assembly instructions found in the applicable manufacturer's equipment services manuals, including the latest updates. Caterpillar parts shall be used exclusively when reconditioning engines, electronic governor and fuel systems, transmissions, hydraulic drives, pump drives, transfer cases, differentials, and hitches on Caterpillar equipment. This could include a combination of new or remanufactured parts. Parts for reconditioning hydraulic system components shall be as manufactured by Caterpillar or County approved equal. Certain parts shall always be replaced as specified in the applicable manufacturer's assembly / disassembly instructions. Where applicable, Caterpillar Reusable Guidelines shall be followed. Vendor(s) shall not deviate below minimum standards, but are free to go beyond these standards in the reconditioning of major components if they consider this advisable and it conforms to the desires of County Program Objectives
- 1.3 **Remanufactured Product:** The vendor(s) shall always compare the cost for reconditioning to furnishing "Remanufactured Product", for both the complete major component and certain component parts such as hydraulic pumps, brake shoes, starters, etc. and provide County with notice of the lowest cost item(s). If economically justifiable, a complete manufacturer's "Remanufactured Product" replacement unit should be offered in lieu of reconditioning an existing County core. County will respond to the vendor within three (3) working days after receiving the evaluation and estimate.
- 1.4 **Additional Work:** Although additional work is not anticipated, one or more exceptions to the "normal" reconditioning work could occur with any component. The Awarded Vendor(s) will be notified at that time to prepare a quote based on the specific work requested on an individual basis.

Quotes will be reviewed by County administration for approval and notice to proceed. Award for these exceptions will be based on best cost to the County.

1.5 Quantity of components reconditioned annually: Numbers below are based on historic value and may not accurately reflect the services needed throughout the contract period of performance. There is no obligation by the County of Riverside to purchase any specified amount of goods or services. Annual service requirements may be greater or smaller based on current equipment needs.

- a) **Waste Management Department Annual Estimates:** Undercarriage - 3, Final Drives - 7, Engine - 4, Trans/Torque - 1, Steering Clutch - 1, Differential - 3.
- b) **Flood Control Annual Estimates:** Undercarriage - 1, Final Drives - 1, Engine - 1, Trans/Torque - 1, Steering Clutch - 1, Differential - 1
- c) **Transportation Department Annual Estimates:** Undercarriage- 1, Engine- 1

1.6 Catastrophic failure: Usual practice for fleet mechanics of various departments is to assess the component repair needs on site and transport that component to the awarded vendor's location. However, in the event of catastrophic failure of a piece of equipment, the County may require the awarded vendor to come on-site and diagnose and / or repair the machine if possible at the location. This would apply when the catastrophic failure of a component(s) will not allow for the equipment to be transported in whole or part to the vendor's location. .

1.7 Turnaround Time:

- a) Within two (2) working days after receipt of a major component, the successful bidder(s) shall have the project torn down and evaluated; develop a written estimate of cost and notify the applicable County departmental contact. Additional work must be communicated along with the evaluation for departmental approval.
- b) Normally, major components delivered to the successful bidder(s) shall be reconditioned and ready for County to pick up within sixteen (16) working days. Occasionally, however, in the event of a critical need County may require that a component be ready to pick up within seven (7) calendar days. The vendor will not be held liable for failure or delay in a fulfillment if caused, directly or indirectly, by fire, strike, act of God, or act of Government. County departmental representative will communicate if the component need is "critical" at the time of service scheduling.
- c) With regard to field reconditioning work (i.e. Engine mid-life bearing roll-in), the vendor shall begin an on-site job within three (3) working days of being notified by County to perform said work.
- d) Any exceptions to the above turnaround times **MUST** be clearly communicated at the time of service request. County will determine at that time to accept the delay or contact another awarded contractor(s) based on the requirement parameters at that time. Critical needs will be determined and clearly communicated at the time of service scheduling.

1.8 Quantity of Major Components to be Reconditioned:

County cannot guarantee the number of major components that will be reconditioned over the contract period. The figures listed in the Program Information are based on County's current preventative maintenance practices. Vendor(s) shall recondition more or less major components at the unit prices quoted in accordance with the actual requirements throughout the contract period.

1.9 Removal, Installation and Start Up:

Except for reconditioning field work and where noted in these specifications, County's forces will remove, deliver, pick up, and reinstall each major component reconditioned by the vendor(s). County will notify the vendor(s) before a reconditioned component is installed in a machine. At its option, the vendor(s) may inspect each component installation and supervise the startup of equipment with the reconditioned component(s). County will secure an oil sample after fifty (50) hours of service from all reconditioned components with a fluid compartment. Each sample will be sent to a certified laboratory currently used by County for a standard analysis for wear and contamination, and the results will be reported to the vendor that performed the rebuild.

2.0 **Nameplates:**

Except for engine mid-life bearing roll-ins, and brake and undercarriage repairs or rebuilds, each major component reconditioned shall have a metal tag affixed to it showing the following:

- a. Date reconditioned
- b. Original part number
- c. A rebuild serial number
- d. A blank space to inscribe or stamp the date of installation

2.1 **Electronic Control Modules (ECM)**

- a) Flood Control is currently the only County participating department requiring outsourcing of service for diagnosis and replacement of ECM's. Electronic Control Modules will be replaced and serviced to the applicable manufacturing specifications based on make and model of equipment. Repair service will take place at the equipment's location.
- b) Warranty on all parts and labor to diagnose, disassemble, and repair the electronics control units will be required and must be clearly communicated at time of service. Warranty information on this component should be included in the bid response.

2.2 **Factory Warranty Time**

Labor Time will be calculated according to factory warranty time. The factory warranty time is the amount of time that the factory authorizes for performing the job under warranty.

- ## 2.3 **Combination Time:** Combination time refers to the time possibly required for jobs performed with other operations. One example might be that while performing brake shoe replacement, you need to replace a leaking wheel cylinder as well. The Combination Time gives you the time required to replace the wheel cylinder with the shoes already removed. You add combination items to your estimate the same way you add any other labor item

2.4 **WARRANTY:**

Regarding Warranty work, the vendor(s) shall be responsible for the travel time and mileage to and from the County facility where the machine in which a reconditioned major component is installed is located, supply all parts, material and labor, at no cost to County to effect repair or replacement of any parts and workmanship that prove defective during the warranty period including removal and reinstallation of the reconditioned major component if necessary. Vendor(s) shall be responsible for any transportation cost for a major component if it has to be removed from a County facility for warranty repair(s).

If the successful bidder is other than the local CAT dealership and its warranty insurance policy allows for it, the successful bidder may arrange with the local CAT dealership to make any warranty repairs required on the reconditioned component for Caterpillar equipment.

County will maintain equipment in which reconditioned major components are installed in accordance with the manufacturer's standard published service manual(s). The vendor shall not be responsible for repairs resulting from improper operations, maintenance, negligence, or physical damage from external sources causing damage to any reconditioned component.

Vendor shall furnish County "no-charge" invoices for all work performed under the warranty described in these specifications. Each invoice shall itemize parts used with cost and show travel time, mileage and labor charges. Invoice will include as well, at minimum, the County's equipment unit number as specified by the repair requestor.

Major Component Warranties:

- a. Differential: Warranty on all parts and labor required to replace or repair the differential in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned differential.
- b. Transfer Case: Warranty on all parts and labor required to replace or repair the transfer case in the event of failure for the first two (2) years or 4,000 hours of equipment operation after installation of the reconditioned transfer case.
- c. Transmission: Warranty on all parts and labor required to replace or repair the transmission in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned transmission. This warranty also includes related components, which include but are not limited to, such parts as cross shafts, pinions, pinion shaft, bearings, torque convertor, pumps, heat exchangers, etc.
- d. Hydrostatic Drive: Warranty on all parts and labor required to replace or repair the hydrostatic drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned drive. This warranty also includes related parts or components, which have to be removed and repaired or replaced as a result of drive failure. This warranty excludes gaskets, and seals when physical damage occurs from an outside source.
- e. Pump Drives: Warranty on all parts and labor required to replace or repair the pump drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned drive. This warranty also includes related parts or components, which have been removed and repaired or replaced as a result of a drive failure. This warranty excludes gaskets, and seals when physical damage occurs from an outside source.
- f. Hydraulic Components: Warranty on all parts and labor required to replace or repair cylinders, valves and hydraulic pumps drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned components, excluding normal wear items such as seals and O-rings required to reinstall a component.
- g. Final Drives: Warranty on all parts and labor required to replace or repair final drive in the event of failure for the first two (2) years or 4,000 hours, whichever occurs first, of equipment operation after installation of the reconditioned final drives. This guarantee or warranty excludes gaskets and seals when physical damage occurs from external sources.

- h. **Brakes:** Warranty on all parts and labor required to replace or repair brake cans or linings in the event of failure for the first year or 2,000 hours, whichever occurs first, of equipment operation after installation of said parts. Reconditioned brake groups consisting of multiple disc clutches shall be warranted for two (2) years or 4,000 hours of equipment operations after installation, whichever is first.
- i. **Motor Scraper Cushion Hitch:** Warranty on all parts and labor required to replace or repair the bores, bushings, pins and hydraulic components in the event of failure for the first two (2) years or 4,000 hours of equipment operation after the repair and installation of new and reconditioned hitch component parts.

2.5 **Owner Inspections:** After a major component has been completely disassembled and inspected by the awarded vendor, the County's Fleet Contact, as listed below, or their designee, shall be contacted to discuss its findings. County may request an opportunity to inspect a disassembled component prior to the vendor continuing the reconditioning work. County will always inspect a disassembled component when the work beyond the "normal" reconditioning work is required. Upon request, the vendor shall provide the department with all damaged parts for inspection. The parts must be organized in a presentable fashion for inspection purposes and all sub-component failures marked and clearly identified for viewing purposes. County reserves the right to inspect component reconditioning work in progress at the vendor's facilities at any time while a component is in the vendors care.

County/Department Fleet Contact Information

WASTE MANAGEMENT - Fleet Program Coordinator, shall be contacted at (951) 486-3200.

FLOOD – Equipment Service Supervisor, shall be contacted at (951) 955-1305

TRANSPORTATION – Equipment Fleet Supervisor, shall be contacted at (951) 955-2062

Bidder shall provide a warranty that includes all parts and labor. Awarded Bidder shall handle all repairs/services of equipment(s) under warranty, manufacture warranty or Awarded Bidder's Company warranty. Awarded Bidder shall assume all responsibilities pertaining to shipping and handling of equipment that has to be sent back to the manufacture for repairs/services. In the event the equipment is beyond repair, a replacement of a brand new equipment of the same model or equivalent shall be provided by Awarded Bidder.

2.6 Backorders and Substitutions:

Backorders: Remanufactured parts are acceptable in the event that needed repair parts are on backorder with the Bidder's parts provider / Manufacturer if approved by the requesting department. When a part is on back order, this information must be clearly communicated in writing to the department contact at time of service scheduling with an estimated time of arrival. In the event that such a backorder places the daily operations at an unacceptable stand-still, County reserves the right to procure products or services elsewhere without contract violation.

Substitutions: Substitutions may be accepted upon prior approval of the requesting department. Substitution of OEM parts with "after-market" parts and reconditioned components used as a replacement are acceptable and must be communicated to the department contact at time of service scheduling for approval.

2.7 SERVICE AREAS AND LOCATIONS:

Waste Management Landfill and Fleet Maintenance Locations:

Location	Address	City	Zip	Hours of Operation
RCWMD Fleet Headquarters	14290 Frederick St	Moreno Valley	92553	Mon through Fri 7:00 AM – 5:00 PM
RCWMD Blythe Landfill	1000 Midland Rd	Blythe	92225	Mon through Sat 8 AM to 4:30 PM 10 AM to 2:00 PM - 1st Sunday of Mo.
RCWMD Oasis Landfill	84-505 84 th Ave	Oasis	92274	Sat and Wed only 8:00 AM – 4:30 PM
RCWMD Badlands Landfill	31125 Ironwood Ave.,	Moreno Valley	92555	Mon through Sat 6:00 AM – 4:30 PM
RCWMD Lamb Canyon Landfill	16411 Lamb Canyon Rd.	Beaumont	92223	Mon through Sat 6:00 AM – 4:30 PM

Zone Locations for Waste Management, Transportation, and Flood Control:

ZONE 1 Western County		
	City	Zip Code
<input type="checkbox"/>	Colton	92324
<input type="checkbox"/>	Corona	92879
<input type="checkbox"/>	Corona	92880
<input type="checkbox"/>	Corona	92881
<input type="checkbox"/>	Corona	92882
<input type="checkbox"/>	Elsinore	92530
<input type="checkbox"/>	Elsinore	92531
<input type="checkbox"/>	Elsinore	92532
<input type="checkbox"/>	Homeland	92548
<input type="checkbox"/>	March AFB	92518
<input type="checkbox"/>	Mira Loma	91752
<input type="checkbox"/>	Moreno Valley	92551
<input type="checkbox"/>	Moreno Valley	92552
<input type="checkbox"/>	Moreno Valley	92553
<input type="checkbox"/>	Moreno Valley	92554
<input type="checkbox"/>	Moreno Valley	92555
<input type="checkbox"/>	Moreno Valley	92556
<input type="checkbox"/>	Moreno Valley	92557
<input type="checkbox"/>	Norco	92860
<input type="checkbox"/>	Nuevo/Lakeview	92567
<input type="checkbox"/>	Perris*	92570
<input type="checkbox"/>	Perris	92571
<input type="checkbox"/>	Perris	92572
<input type="checkbox"/>	Riverside	92501

ZONE 2 Mid & Southwest County		
	City	Zip Code
<input type="checkbox"/>	Aguanga	92536
<input type="checkbox"/>	Anza	92539
<input type="checkbox"/>	Banning	92220
<input type="checkbox"/>	Beaumont/ Cherry Valley	92223
<input type="checkbox"/>	Cabazon	92230
<input type="checkbox"/>	Calimesa	92320
<input type="checkbox"/>	Hemet	92543
<input type="checkbox"/>	Hemet	92545
<input type="checkbox"/>	Hemet/Valle Vista	92544
<input type="checkbox"/>	Idyllwild	92549
<input type="checkbox"/>	Menifee/Sun City	92584
<input type="checkbox"/>	Mountain Center	92561
<input type="checkbox"/>	Murrieta	92562
<input type="checkbox"/>	Murrieta	92563
<input type="checkbox"/>	San Jacinto	92581
<input type="checkbox"/>	San Jacinto	92582
<input type="checkbox"/>	San Jacinto/ Gilman Springs	92583
<input type="checkbox"/>	Temecula	92590
<input type="checkbox"/>	Temecula	92591
<input type="checkbox"/>	Temecula	92592

ZONE 3 Desert & Eastern County		
	City	Zip Code
<input type="checkbox"/>	Blythe	92225
<input type="checkbox"/>	Cathedral City	92234
<input type="checkbox"/>	Cathedral City	92235
<input type="checkbox"/>	Coachella	92236
<input type="checkbox"/>	Desert Center/ Eagle Mountain	92239
<input type="checkbox"/>	Desert Hot Springs	92240
<input type="checkbox"/>	Indian Wells	92210
<input type="checkbox"/>	Indio	92201
<input type="checkbox"/>	Indio	92202
<input type="checkbox"/>	Indio	92203
<input type="checkbox"/>	Indio Hills/DHS/ Sky Valley	92241
<input type="checkbox"/>	La Quinta	92253
<input type="checkbox"/>	Mecca/ North Shore	92254
<input type="checkbox"/>	Midland	92255
<input type="checkbox"/>	Palm Desert	92211
<input type="checkbox"/>	Palm Desert	92260
<input type="checkbox"/>	Palm Desert	92261
<input type="checkbox"/>	Palm Springs	92258
<input type="checkbox"/>	Palm Springs	92262
<input type="checkbox"/>	Palm Springs	92263

<input type="checkbox"/>	Riverside	92502
<input type="checkbox"/>	Riverside	92503
<input type="checkbox"/>	Riverside	92504
<input type="checkbox"/>	Riverside	92505
<input type="checkbox"/>	Riverside	92506
<input type="checkbox"/>	Riverside	92507
<input type="checkbox"/>	Riverside	92508
<input type="checkbox"/>	Riverside	92509
<input type="checkbox"/>	Romoland	92585
<input type="checkbox"/>	Sun City	92586
<input type="checkbox"/>	Sun Canyon Lake/Quail Valley	92587
<input type="checkbox"/>	Wildomar	92595

<input type="checkbox"/>	Temecula	92593
<input type="checkbox"/>	Winchester	92596

<input type="checkbox"/>	Palm Springs	92264
<input type="checkbox"/>	Rancho Mirage	92270
<input type="checkbox"/>	Ripley	92272
<input type="checkbox"/>	Thermal/Oasis/ Salton Sea	92274
<input type="checkbox"/>	Thousand Palms	92276
<input type="checkbox"/>	Whitewater	92282

2.8 REPAIR GROUPS – UNITS OF SERVICE:

Group 2 -

- A. Motor Scraper Cushion Hitch

Group 3 -

- A. Transmissions
- B. Pump Drives
- C. Transfer Cases or Drop Box
- D. Final Drives
- E. Torque Converters
- F. Differential Third Member, Removable Type
- G. Differential Third Member, Modular Type
- H. Brake Groups
- I. Axles

Group 4 -

- A. Main Hydraulic Pump
- B. Auxiliary or Steering Pump
- C. Hydraulic Components
- D. Hydrostatic Drives
- E. Hydrostatic Pump
- F. Hydrostatic Drive Motor

**EXHIBIT B
PAYMENT PROVISIONS**

Item Name	DESCRIPTION	Groups serviced:	All Groups
LABOR - GROUP 2	REPAIR GROUP 2: Motor Scraper Cushion Hitch		\$94.00
			hourly
LABOR - GROUP 3	REPAIR GROUP 3: Transmissions, Transfer Cases or Drop Box, Final Drives, Torque Converters, Differential Third Member, Removable Type and Modular Type, Brake Groups, Axles		\$94.00
			hourly
LABOR - GROUP 4	REPAIR GROUP 4: Main Hydraulic Pump, Auxiliary or Steering Pump, Hydraulic Components, Hydrostatic Drives, Hydrostatic Pump, Hydrostatic Drive Motor		\$94.00
			hourly
TRAVEL - ZONE 1	ZONE 1 - Western County		No Bid
TRAVEL - ZONE 2	ZONE 2 - Mid & Southwest County		No Bid
TRAVEL - ZONE 3	ZONE 3 - Desert & Eastern County		No Bid

*Note: Initial cost estimate (quote) per equipment for specific reconditioning / repair need may be requested prior to start of services by the participating departments Fleet Services Supervisor.

**A onetime services estimated to exceed \$100,000.00 will be competitively bid among all awarded Heavy Equipment Reconditioning and Repair Contractors.

PERSONAL SERVICE AGREEMENT

for

HEAVY EQUIPMENT COMPONENT RECONDITIONING AND REPAIR

between

COUNTY OF RIVERSIDE

and

A.C.E. RENTAL AND REPAIR, INC.



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This Agreement, made and entered into this 24TH day of September, 2013, by and between Johnson Machinery, (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY") as the **Secondary Contract Awarded** vendor for Repair Group 5 Services. The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of eight (8) pages at the prices stated in Exhibit B, Payment Provisions, consisting of one (1) page.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to fully and adequately perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect through September 23, 2014, with the option to renew for four (4) additional years, each year shall be renewable in one year increments by written amendment, unless terminated earlier with a completion date of 2018. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Payments by COUNTY to CONTRACTOR shall be estimated at fifty thousand dollars (\$50,000.00) annually including all expenses with the understanding that funds may be distributed amongst all awarded Contractors as approved by the County Board of Supervisors. The COUNTY is not responsible for any fees or costs incurred above or

beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

1) RIVERSIDE COUNTY WASTE MANAGEMENT

Attn: Accounts Payable

14310 Frederick Street

Moreno Valley, CA 92553

Electronically to: WasteAccountsPayable@co.riverside.ca.us

2) TRANSPORTATION AND LAND MANAGEMENT AGENCY

Attn: Accounts Payable

Po Box 1605

Riverside, Ca. 92502

3) FLOOD CONTROL DISTRICT

Attn: Accounts Payable

1995 Market Street

Riverside, CA. 92501

Electronically to: rcfcap@rcflood.org

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number RIVCO-92950-004-09/14 and/or participating department Purchase Order number; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or

fails to make progress to endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Materials and Products

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the

CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any

benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants

that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material

requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

PURCHASING AND FLEET SERVICES
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

A.C.E. RENTAL & REPAIR INC.
PO Box 190
Ramona, CA 92065

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form DE 542 to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.5 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Professional Liability (ONLY TO BE INCLUDED IN CONTRACTS WITH SERVICE PROVIDERS INCLUDING BUT NOT LIMITED TO ENGINEERS, DOCTORS, AND LAWYERS). Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all

attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

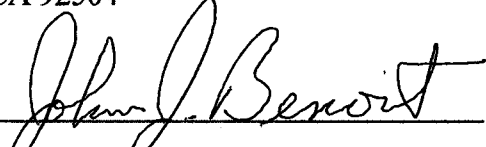
23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

County of Riverside
Purchasing and Fleet Service
2980 Washington Street
Riverside, CA 92504

Signature: 

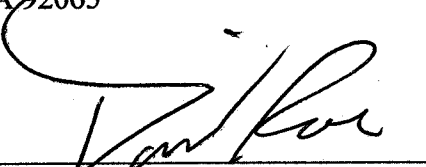
Print Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

Dated: NOV 26 2013

CONTRACTOR:


A.C.E Rental and Repair, Inc.
PO Box 190
Ramona, CA 92065

Signature: 

Print Name: David Roe

Title: President

Dated: 9-6-13

FORM APPROVED COUNTY COUNSEL
BY: 
NEAL R. KIPNIS DATE 10/17/13


ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

EXHIBIT A SCOPE OF SERVICE

The specifications set forth the minimum requirements for reconditioning various major components of the Caterpillar heavy equipment used in refuse and dirt operations at the various landfill sites for Riverside County Waste Management Department (RCWMD) as well as all construction type equipment listed for the Transportation and Land Management Department (TLMD), Flood Control District (FC) and Waste Management Department (RCWMD). Equipment lists were included of RFQ #PUARC-1299.

PROGRAM INFORMATION:

- 1.0 **Brand names and specifications:** The detailed specifications and/or brand names references are descriptive and indicate quality, design, and construction items required (i.e.: Caterpillar, John Deer, etc.) and shall be of Original Equipment Manufacturer (OEM).
- 1.1 **Reconditioning Program:** The reconditioning of engines, electronic governor and fuel systems, transmissions, hydrostatic drives, pump drives, transfer cases, differentials, torque convertors and final drives shall be limited to established rebuild facilities that have been furnishing rebuild components for the types of equipment listed. The vendor shall have all the necessary tools, equipment, and testing apparatus to properly rebuild and test components prior to turning them back over to County. However, the reconditioning of scraper hitches, hydraulic systems components or brake groups and the repair / replace of undercarriage components may be bid on by any established shop operation that County deems qualified.
- 1.2 In either case, the vendor shall recondition/repair major components in accordance with the manufacturer's disassembly / assembly instructions found in the applicable manufacturer's equipment services manuals, including the latest updates. Caterpillar parts shall be used exclusively when reconditioning engines, electronic governor and fuel systems, transmissions, hydraulic drives, pump drives, transfer cases, differentials, and hitches on Caterpillar equipment. This could include a combination of new or remanufactured parts. Parts for reconditioning hydraulic system components shall be as manufactured by Caterpillar or County approved equal. Certain parts shall always be replaced as specified in the applicable manufacturer's assembly / disassembly instructions. Where applicable, Caterpillar Reusable Guidelines shall be followed. Vendor(s) shall not deviate below minimum standards, but are free to go beyond these standards in the reconditioning of major components if they consider this advisable and it conforms to the desires of County Program Objectives
- 1.3 **Remanufactured Product:** The vendor(s) shall always compare the cost for reconditioning to furnishing "Remanufactured Product", for both the complete major component and certain component parts such as hydraulic pumps, brake shoes, starters, etc. and provide County with notice of the lowest cost item(s). If economically justifiable, a complete manufacturer's "Remanufactured Product" replacement unit should be offered in lieu of reconditioning an existing County core. County will respond to the vendor within three (3) working days after receiving the evaluation and estimate.
- 1.4 **Additional Work:** Although additional work is not anticipated, one or more exceptions to the "normal" reconditioning work could occur with any component. The Awarded Vendor(s) will be notified at that time to prepare a quote based on the specific work requested on an individual basis.

Quotes will be reviewed by County administration for approval and notice to proceed. Award for these exceptions will be based on best cost to the County.

- 1.5 Quantity of components reconditioned annually:** Numbers below are based on historic value and may not accurately reflect the services needed throughout the contract period of performance. There is no obligation by the County of Riverside to purchase any specified amount of goods or services. Annual service requirements may be greater or smaller based on current equipment needs.
- a) **Waste Management Department Annual Estimates:** Undercarriage - 3, Final Drives - 7, Engine - 4, Trans/Torque - 1, Steering Clutch - 1, Differential - 3.
 - b) **Flood Control Annual Estimates:** Undercarriage - 1, Final Drives - 1, Engine - 1, Trans/Torque - 1, Steering Clutch - 1, Differential - 1
 - c) **Transportation Department Annual Estimates:** Undercarriage- 1, Engine- 1
- 1.6 Catastrophic failure:** Usual practice for fleet mechanics of various departments is to assess the component repair needs on site and transport that component to the awarded vendor's location. However, in the event of catastrophic failure of a piece of equipment, the County may require the awarded vendor to come on-site and diagnose and / or repair the machine if possible at the location. This would apply when the catastrophic failure of a component(s) will not allow for the equipment to be transported in whole or part to the vendor's location. .
- 1.7 Turnaround Time:**
- a) Within two (2) working days after receipt of a major component, the successful bidder(s) shall have the project torn down and evaluated; develop a written estimate of cost and notify the applicable County departmental contact. Additional work must be communicated along with the evaluation for departmental approval.
 - b) Normally, major components delivered to the successful bidder(s) shall be reconditioned and ready for County to pick up within sixteen (16) working days. Occasionally, however, in the event of a critical need County may require that a component be ready to pick up within seven (7) calendar days. The vendor will not be held liable for failure or delay in a fulfillment if caused, directly or indirectly, by fire, strike, act of God, or act of Government. County departmental representative will communicate if the component need is "critical" at the time of service scheduling.
 - c) With regard to field reconditioning work (i.e. Engine mid-life bearing roll-in), the vendor shall begin an on-site job within three (3) working days of being notified by County to perform said work.
 - d) Any exceptions to the above turnaround times **MUST** be clearly communicated at the time of service request. County will determine at that time to accept the delay or contact another awarded contractor(s) based on the requirement parameters at that time. Critical needs will be determined and clearly communicated at the time of service scheduling.
- 1.8 Quantity of Major Components to be Reconditioned:**
County cannot guarantee the number of major components that will be reconditioned over the contract period. The figures listed in the Program Information are based on County's current preventative maintenance practices. Vendor(s) shall recondition more or less major components at the unit prices quoted in accordance with the actual requirements throughout the contract period.
- 1.9 Removal, Installation and Start Up:**

Except for reconditioning field work and where noted in these specifications, County's forces will remove, deliver, pick up, and reinstall each major component reconditioned by the vendor(s). County will notify the vendor(s) before a reconditioned component is installed in a machine. At its option, the vendor(s) may inspect each component installation and supervise the startup of equipment with the reconditioned component(s). County will secure an oil sample after fifty (50) hours of service from all reconditioned components with a fluid compartment. Each sample will be sent to a certified laboratory currently used by County for a standard analysis for wear and contamination, and the results will be reported to the vendor that performed the rebuild.

2.0 Nameplates:

Except for engine mid-life bearing roll-ins, and brake and undercarriage repairs or rebuilds, each major component reconditioned shall have a metal tag affixed to it showing the following:

- a. Date reconditioned
- b. Original part number
- c. A rebuild serial number
- d. A blank space to inscribe or stamp the date of installation

2.1 Electronic Control Modules (ECM)

- a) Flood Control is currently the only County participating department requiring outsourcing of service for diagnosis and replacement of ECM's. Electronic Control Modules will be replaced and serviced to the applicable manufacturing specifications based on make and model of equipment. Repair service will take place at the equipment's location.
- b) Warranty on all parts and labor to diagnose, disassemble, and repair the electronics control units will be required and must be clearly communicated at time of service. Warranty information on this component should be included in the bid response.

2.2 Factory Warranty Time

Labor Time will be calculated according to factory warranty time. The factory warranty time is the amount of time that the factory authorizes for performing the job under warranty.

- ## **2.3 Combination Time:** Combination time refers to the time possibly required for jobs performed with other operations. One example might be that while performing brake shoe replacement, you need to replace a leaking wheel cylinder as well. The Combination Time gives you the time required to replace the wheel cylinder with the shoes already removed. You add combination items to your estimate the same way you add any other labor item

2.4 WARRANTY:

Regarding Warranty work, the vendor(s) shall be responsible for the travel time and mileage to and from the County facility where the machine in which a reconditioned major component is installed is located, supply all parts, material and labor, at no cost to County to effect repair or replacement of any parts and workmanship that prove defective during the warranty period including removal and reinstallation of the reconditioned major component if necessary. Vendor(s) shall be responsible for any transportation cost for a major component if it has to be removed from a County facility for warranty repair(s).

If the successful bidder is other than the local CAT dealership and its warranty insurance policy allows for it, the successful bidder may arrange with the local CAT dealership to make any warranty repairs required on the reconditioned component for Caterpillar equipment.

County will maintain equipment in which reconditioned major components are installed in accordance with the manufacturer's standard published service manual(s). The vendor shall not be responsible for repairs resulting from improper operations, maintenance, negligence, or physical damage from external sources causing damage to any reconditioned component.

Vendor shall furnish County "no-charge" invoices for all work performed under the warranty described in these specifications. Each invoice shall itemize parts used with cost and show travel time, mileage and labor charges. Invoice will include as well, at minimum, the County's equipment unit number as specified by the repair requestor.

Major Component Warranties:

a. **Undercarriage (track and frame groups):** Warranty on all parts and labor required to replace or repair undercarriage components, excluding track shoes and grousers, in the event of failure, for the first three (3) years or 4,500 hours, whichever occurs first, of equipment operation after repair / replacement of the undercarriage components. This warranty shall be 100% on parts for the first 2,500 hours and prorated for the remaining 2,000 hours based on bid costs divided by 4,500 hours times service hours on machine since the undercarriage was installed to the time it failed. In either case, this warranty shall cover the labor in full to remove, replace, repair, and re-install undercarriage components.

2.5 **Owner Inspections:** After a major component has been completely disassembled and inspected by the awarded vendor, the County's Fleet Contact, as listed below, or their designee, shall be contacted to discuss its findings. County may request an opportunity to inspect a disassembled component prior to the vendor continuing the reconditioning work. County will always inspect a disassembled component when the work beyond the "normal" reconditioning work is required. Upon request, the vendor shall provide the department with all damaged parts for inspection. The parts must be organized in a presentable fashion for inspection purposes and all sub-component failures marked and clearly identified for viewing purposes. County reserves the right to inspect component reconditioning work in progress at the vendor's facilities at any time while a component is in the vendors care.

County/Department Fleet Contact Information

WASTE MANAGEMENT - Fleet Program Coordinator, shall be contacted at (951) 486-3200.

FLOOD – Equipment Service Supervisor, shall be contacted at (951) 955-1305

TRANSPORTATION – Equipment Fleet Supervisor, shall be contacted at (951) 955-2062

Bidder shall provide a warranty that includes all parts and labor. Awarded Bidder shall handle all repairs/services of equipment(s) under warranty, manufacture warranty or Awarded Bidder's Company warranty. Awarded Bidder shall assume all responsibilities pertaining to shipping and handling of equipment that has to be sent back to the manufacture for repairs/services. In the event the equipment is beyond repair, a replacement of a brand new equipment of the same model or equivalent shall be provided by Awarded Bidder.

2.6 Backorders and Substitutions:

Backorders: Remanufactured parts are acceptable in the event that needed repair parts are on backorder with the Bidder's parts provider / Manufacturer if approved by the requesting department. When a part is on back order, this information must be clearly communicated in writing to the department contact at time of service scheduling with an estimated time of arrival. In the event that such a backorder places the daily

operations at an unacceptable stand-still, County reserves the right to procure products or services elsewhere without contract violation.

Substitutions: Substitutions may be accepted upon prior approval of the requesting department. Substitution of OEM parts with “after-market” parts and reconditioned components used as a replacement are acceptable and must be communicated to the department contact at time of service scheduling for approval.

2.7 SERVICE AREAS AND LOCATIONS:

Waste Management Landfill and Fleet Maintenance Locations:

Location	Address	City	Zip	Hours of Operation
RCWMD Fleet Headquarters	14290 Frederick St	Moreno Valley	92553	Mon through Fri 7:00 AM – 5:00 PM
RCWMD Blythe Landfill	1000 Midland Rd	Blythe	92225	Mon through Sat 8 AM to 4:30 PM 10 AM to 2:00 PM - 1st Sunday of Mo.
RCWMD Oasis Landfill	84-505 84 th Ave	Oasis	92274	Sat and Wed only 8:00 AM – 4:30 PM
RCWMD Badlands Landfill	31125 Ironwood Ave.,	Moreno Valley	92555	Mon through Sat 6:00 AM – 4:30 PM
RCWMD Lamb Canyon Landfill	16411 Lamb Canyon Rd.	Beaumont	92223	Mon through Sat 6:00 AM – 4:30 PM

Zone Locations for Waste Management, Transportation, and Flood Control:

ZONE 1 Western County		
	City	Zip Code
<input type="checkbox"/>	Colton	92324
<input type="checkbox"/>	Corona	92879
<input type="checkbox"/>	Corona	92880
<input type="checkbox"/>	Corona	92881
<input type="checkbox"/>	Corona	92882
<input type="checkbox"/>	Elsinore	92530
<input type="checkbox"/>	Elsinore	92531
<input type="checkbox"/>	Elsinore	92532
<input type="checkbox"/>	Homeland	92548
<input type="checkbox"/>	March AFB	92518
<input type="checkbox"/>	Mira Loma	91752
<input type="checkbox"/>	Moreno Valley	92551
<input type="checkbox"/>	Moreno Valley	92552
<input type="checkbox"/>	Moreno Valley	92553
<input type="checkbox"/>	Moreno Valley	92554
<input type="checkbox"/>	Moreno Valley	92555
<input type="checkbox"/>	Moreno Valley	92556

ZONE 2 Mid & Southwest County		
	City	Zip Code
<input type="checkbox"/>	Aguanga	92536
<input type="checkbox"/>	Anza	92539
<input type="checkbox"/>	Banning	92220
<input type="checkbox"/>	Beaumont/ Cherry Valley	92223
<input type="checkbox"/>	Cabazon	92230
<input type="checkbox"/>	Calimesa	92320
<input type="checkbox"/>	Hemet	92543
<input type="checkbox"/>	Hemet	92545
<input type="checkbox"/>	Hemet/Valle Vista	92544
<input type="checkbox"/>	Idyllwild	92549
<input type="checkbox"/>	Menifee/Sun City	92584
<input type="checkbox"/>	Mountain Center	92561
<input type="checkbox"/>	Murrieta	92562
<input type="checkbox"/>	Murrieta	92563

ZONE 3 Desert & Eastern County		
	City	Zip Code
<input type="checkbox"/>	Blythe	92225
<input type="checkbox"/>	Cathedral City	92234
<input type="checkbox"/>	Cathedral City	92235
<input type="checkbox"/>	Coachella	92236
<input type="checkbox"/>	Desert Center/ Eagle Mountain	92239
<input type="checkbox"/>	Desert Hot Springs	92240
<input type="checkbox"/>	Indian Wells	92210
<input type="checkbox"/>	Indio	92201
<input type="checkbox"/>	Indio	92202
<input type="checkbox"/>	Indio	92203
<input type="checkbox"/>	Indio Hills/DHS/ Sky Valley	92241
<input type="checkbox"/>	La Quinta	92253
<input type="checkbox"/>	Mecca/ North Shore	92254

<input type="checkbox"/>	Moreno Valley	92557
<input type="checkbox"/>	Norco	92860
<input type="checkbox"/>	Nuevo/Lakeview	92567
<input type="checkbox"/>	Perris*	92570
<input type="checkbox"/>	Perris	92571
<input type="checkbox"/>	Perris	92572
<input type="checkbox"/>	Riverside	92501
<input type="checkbox"/>	Riverside	92502
<input type="checkbox"/>	Riverside	92503
<input type="checkbox"/>	Riverside	92504
<input type="checkbox"/>	Riverside	92505
<input type="checkbox"/>	Riverside	92506
<input type="checkbox"/>	Riverside	92507
<input type="checkbox"/>	Riverside	92508
<input type="checkbox"/>	Riverside	92509
<input type="checkbox"/>	Romoland	92585
<input type="checkbox"/>	Sun City	92586
<input type="checkbox"/>	Sun Canyon Lake/Quail Valley	92587
<input type="checkbox"/>	Wildomar	92595

<input type="checkbox"/>	San Jacinto	92581
<input type="checkbox"/>	San Jacinto	92582
<input type="checkbox"/>	San Jacinto/ Gilman Springs	92583
<input type="checkbox"/>	Temecula	92590
<input type="checkbox"/>	Temecula	92591
<input type="checkbox"/>	Temecula	92592
<input type="checkbox"/>	Temecula	92593
<input type="checkbox"/>	Winchester	92596

<input type="checkbox"/>	Midland	92255
<input type="checkbox"/>	Palm Desert	92211
<input type="checkbox"/>	Palm Desert	92260
<input type="checkbox"/>	Palm Desert	92261
<input type="checkbox"/>	Palm Springs	92258
<input type="checkbox"/>	Palm Springs	92262
<input type="checkbox"/>	Palm Springs	92263
<input type="checkbox"/>	Palm Springs	92264
<input type="checkbox"/>	Rancho Mirage	92270
<input type="checkbox"/>	Ripley	92272
<input type="checkbox"/>	Thermal/Oasis/ Salton Sea	92274
<input type="checkbox"/>	Thousand Palms	92276
<input type="checkbox"/>	Whitewater	92282

2.8 REPAIR GROUPS – UNITS OF SERVICE:

Group 5-

- A. Undercarriage Track Frames
- B. Undercarriage Track Groups
- C. Equalizer Bar
- D. Remove and Install Tracks
- E. Pivot Shaft and Re-Coil Housings

**EXHIBIT B
PAYMENT PROVISIONS**

Item Name	DESCRIPTION	Groups serviced:	All Groups
LABOR - GROUP 5	REPAIR GROUP 5: Undercarriage Track Frames, Undercarriage Track Groups, Equalizer Bar, Remove and Install Tracks, Pivot Shaft and Re-Coil Housings		\$90.00
			hourly
TRAVEL - ZONE 1	ZONE 1 - Western County		\$90.00 Hour Port to Port
TRAVEL - ZONE 2	ZONE 2 - Mid & Southwest County		
TRAVEL - ZONE 3	ZONE 3 - Desert & Eastern County		

*Note: Initial cost estimate (quote) per equipment for specific reconditioning / repair need may be requested prior to start of services by the participating departments Fleet Services Supervisor.

**A onetime services estimated to exceed \$100,000.00 will be competitively bid among all awarded Heavy Equipment Reconditioning and Repair Contractors.