

INSTALLATION AGREEMENT
FOR
EMERGENCY EQUIPMENT ON POLICE PURSUIT VEHICLES

INNOVATIVE DESIGN AND SHEET METAL PRODUCTS, INC.

On this 13th day of NOVEMBER, 2019, the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and INNOVATIVE DESIGN AND SHEET METAL PRODUCTS, INC., a California corporation, 1616 Marlborough Avenue, Unit S-1, Riverside, California 92507 ("Contractor"), mutually agree as follows:

1. Scope of Work: Contractor shall furnish all equipment and labor and perform the services for installation of various types of emergency equipment on twenty-two (22) police pursuit vehicles as set forth in Scope of Services ("Services"), attached hereto as Exhibit "A" and incorporated herein by this reference.

2. Term. The term of the Agreement shall begin on the date first written above and terminate (2) two years from the date of execution of this Agreement, with one (1) additional one-year option to renew. The City may terminate the agreement upon 30 days' written notice to Contractor.

3. Compensation. Contractor shall perform the Services under this Agreement for the total sum not to exceed Two Hundred Fifty-Two Thousand One Hundred Fifty-One Dollars Thirty-Four Cents (\$252,151.34). Payments shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 13 hereof.

4. Extra Materials. Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by City. In addition, Contractor shall only be compensated for services and materials actually rendered.

5. Business Tax Certificate. As a condition of this Agreement, Contractor shall secure a business tax certificate to operate in the City of Riverside, pursuant to Chapter 5.04 of the Riverside Municipal Code, and shall also secure any other licenses or permits which may be required.

6. Termination/Default. City shall have the right to terminate any or all of Contractor's Services and work covered by this Agreement at any time upon thirty (30) calendar days' written notice to Contractor. In the event of such termination, Contractor shall submit Contractor's final written statement of the amount of services provided as of the date of such termination for payment by the City.

Notwithstanding the foregoing, the City may terminate Contractor's performance of this Agreement upon five (5) calendar days' written notice if:

- a. Contractor fails to promptly begin performance of the Services; or
- b. Contractor fails to perform the Services in accordance with the Contract Documents, including conforming to applicable standards set forth therein, or refuses to remove and replace rejected materials or unacceptable work; or
- c. Contractor discontinues performance of the Services; or
- d. Contractor fails to make payment to subcontractors, if any, for materials or labor in accordance with applicable law; or
- e. Contractor disregards laws, ordinances, or rules, regulations, or orders of a governmental authority having jurisdiction; or
- f. Contractor otherwise is guilty of breach of a provision of this Agreement; or
- g. Contractor becomes insolvent, is adjudicated bankrupt, or makes a general assignment for the benefit of creditors and fails to provide City with adequate assurances of Contractor's ability to satisfy its contractual obligations.
- h. A receiver, trustee, or other judicial officer shall not have any right, title, or interest in or to this Agreement. Upon that person's appointment, City has, at its option and sole discretion, the right to immediately cancel the Agreement and declare it null and void.

7. Workers' Compensation Insurance Certificate. By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification attached hereto and incorporated herein by reference.

- a. Evidence of Coverage. Prior to the City's execution of this agreement, Contractor shall file with the City either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person, the necessary certificate of insurance will immediately be filed with City. Any Certificate filed with the City shall provide that City shall be given ten (10) days' prior written notice before modification or cancellation thereof.
- b. Carrier Rating. Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger.
- c. Subcontractor Worker's Compensation Insurance. Contractor shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement,

complete workers' compensation insurance, meeting or exceeding the coverage's and amounts that California law requires.

8. Contractor's Liability Insurance

- a. Minimum Scope. Prior to City's execution of this Agreement and Contractor's commencement of Work, Contractor shall secure, submit proof of and shall thereafter maintain without interruption, until completion of the Contract, such commercial general and automobile liability insurance as shall protect Contractor, its Subcontractors and the Additional Insured's from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Contract, whether such operations be by or on behalf of Contractor, any subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.
- b. Carrier Ratings. All liability insurance shall be issued by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or larger.
- c. Minimum Limits. Contractor shall maintain minimum limits of insurance as follows:
 - (1) Commercial General Liability: Contractor's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than \$2,000,000.
 - (2) Automobile Liability Insurance: Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor owned vehicles, Contractor leased vehicles, Contractor's employee vehicles, non-Contractor-owned vehicles and hired vehicles.
 - (3) Builder's Risk Insurance. Contractor acknowledges that the City retains its own builder's risk policy. Unless otherwise set forth in the special provisions, Contractor shall obtain their own builder's risk insurance. In any event, should an event occur that is caused by the negligence or willful

misconduct of the Contractor or its agents, employees, subcontractors, hiree's or invitees, in which City must make a claim under its builder's risk policy, Contractor shall be responsible for the City's deductible.

- d. Notice of Cancellation and Renewals. The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to City by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to City). Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.
- e. All Coverage's. The insurance policy or policies shall also comply with the following provisions:
 - (1) Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.
 - (2) The policy shall be endorsed to waive any right of subrogation against the City and its subcontractors, employees, officers, agents and directors for work performed under this Agreement.
 - (3). If policies are written on a claims made basis, the certificate should so specify and the policy must continue in force for five (5) years after completion of the Project. The retroactive date of the coverage must also be listed.
 - (4) The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the City of Riverside.
 - (5) All policies of insurance shall name the City as an Additional Insured and shall contain the following language: "Solely with respect to work done by and on behalf of the name insured for the City of Riverside, it is agreed that the City of Riverside, and its officers and employees are added as additional insureds under this policy."
- f. Certificates of Insurance, Additional Insured Endorsements and Deductibles. Prior to execution of the Agreement, and thereafter upon City's request, Contractor shall furnish City with original certificates of insurance and additional insured endorsements setting forth evidence of all insurance coverage required by this

Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf. The City of Riverside, its City Council and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents and council members shall be named as additional insured's under each policy.

- g. Contractor's Failure to Provide Required Insurance. Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Contract until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its discretion and sole option: (a) procure insurance with collection rights for premiums, attorneys' fees and costs against Contractor by way of set-off or recoupment from sums due Contractor; (b) immediately terminate or suspend Contractor's performance of the Contract; (c) pay Contractor's premiums for renewal of Contractor's coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys' fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due Contractor. Upon demand, Contractor shall repay City for all sums that City paid to obtain, renew, reinstate or replace the insurance, or City may offset the cost against any monies that the City may owe Contractor.
- h. Verification of Coverage. City shall have the right to obtain complete and certified copies of Contractor's and Subcontractors' insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required under the Contractor Documents, upon request (including, but not limited to, the declarations page, form list and riders).
- i. Reassessment of Insurance Requirements. At any time during the duration of this Contract, the City may require that Contractor obtain, pay for, and maintain more or less insurance depending on the City's assessment of any one or more of the following factors: (1) the City's risk of liability or exposure arising out of, or in any way connected with, Contractor's services under this Contract; (2) the nature or number of accidents, claims, or lawsuits arising out of, or in any way connected with, Contractor's services under this Contract; or (3) the availability, or affordability, or both, of increased liability insurance coverage.
- j. Contractor's Insurance for Other Losses. The Contractor and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's (or Subcontractors') employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or Subcontractors as well as to any temporary structures, scaffolding and protective fences.
- k. No Limitation. Contractor's maintenance of insurance as required by the Contract Documents shall not be construed to limit the liability of the Contractor or its

Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

1. Subcontractors' Insurance. The Contractor shall include in all subcontracts a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by paragraphs 8 and 9 of this Agreement except that the limits of liability and deductibles shall be in amounts determined by the Contractor, based on the degree of hazardous exposure according to the Work performed by each Subcontractor and the size of each subcontract.

Contractor shall ensure that any professional engineer retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the Work, maintains professional liability insurance during the entire term of this Agreement. Such insurance shall be in the minimum amount of \$1,000,000 to protect City from claims resulting from the engineer(s) activities. This minimum amount of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations set forth herein.

The City reserves the right to request certificates of insurance from the Contractor for each Subcontractor. The Contractor acknowledges that regardless of insurance obtained by its Subcontractors, the Contractor will be responsible to the City for any and all acts of its Subcontractors.

9. Indemnification. Except as to the sole negligence, active negligence or willful misconduct of the City, Contractor shall indemnify and hold the City, and its employees, officers, managers, agents and council members, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorneys' fees, which arises out of, or is related to, or is in any manner connected with, the performance of Work, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement, notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

10. Duty to Defend. Contractor agrees, at its cost and expense, to promptly defend the City and the City's employees, officers, managers, agents and council members (collectively the "Parties to be defended") from and against any and all claims, allegations, lawsuits or other legal proceedings which arise out of, or are related to, or are in any manner connected with: 1) the Work, activities, operations, or duties of Contractor, or of anyone employed by or working under the Contractor, or 2) any breach of this Agreement by Contractor. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any of the Parties to be defended were actively, passively

or concurrently negligent, or which otherwise assert that the parties to be defended are responsible, in whole or in part, for any loss, damage or injury. Contractor agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to the City.

11. Non-Discrimination. During Contractor's performance of this Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, genetic information, gender, gender identity, gender expression, sex or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Contractor agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

12. Prevailing Wage. If applicable, Contractor and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein. Further, if applicable, pursuant to Labor Code Sections 1725.5 and 1771.1, Contractor and its subcontractors shall register with the Department of Industrial Relations. Registration can be accomplished through the Department of Industrial Relations website by using this link: <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

13. Notices. Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

<u>City</u>	<u>Contractor</u>
City of Riverside General Services/Fleet Management Attn: Carl Carey 3900 Main Street Riverside, CA 92522	Innovative Design and Sheet Metal Products, Inc. Attn: James Wood 1616 Marlborough Avenue, Unit S-1 Riverside, CA 92507

14. Venue. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

15. General Compliance With Laws. The Contractor warrants that in the performance of this Agreement, it shall comply with all Federal, State and local laws and ordinances and all lawful orders, rules and regulations.

16. Severability. Each provision, term, condition, covenant and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement and the remainder of the Agreement shall continue in full force and effect.

17. Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

18. Entire Agreement. This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by, and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

19. Government Code Claims Procedures. Contractor acknowledges and agrees that its failure to submit any claim arising under this Contract shall constitute a waiver of Contractor's right to additional compensation and/or extension of time. Contractor further acknowledges that it must comply with the claims procedures set forth in Government Code sections 900 set seq. prior to filing a lawsuit against the City for any such claim. Failure to submit a Government Code claim shall bar Contractor from bringing and maintaining a valid lawsuit against the City.

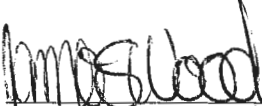
20. No Estoppel or Waiver by City. No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing. The waiver by the City of any breach or violation of any term, covenant or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by the City which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by Contractor or any term, covenant, condition of this Agreement or of any applicable law or ordinance.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF RIVERSIDE, a California charter City and municipal corporation

INNOVATIVE DESIGN AND SHEET METAL PRODUCTS, INC., a California corporation

By: _____
City Manager

By: 
Name: James Wood
Title: president

Attest:

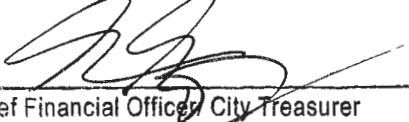
By: _____
City Clerk

By: _____
Name:
Title:

Approved as to form:

By: 
Chief Assistant City Attorney

CERTIFIED AS TO FUNDS AVAILABILITY:

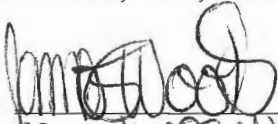
BY: 
Chief Financial Officer/ City Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF RIVERSIDE, a California charter City and municipal corporation

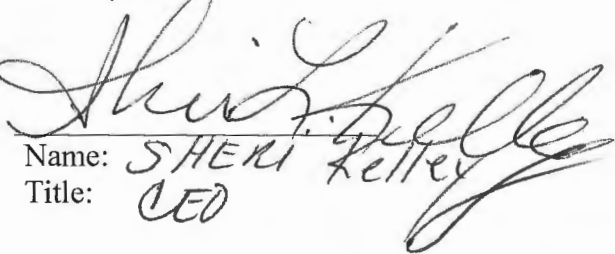
INNOVATIVE DESIGN AND SHEET METAL PRODUCTS, INC., a California corporation

By: _____
City Manager

By: 
Name: James Wood
Title: president

Attest:

By: _____
City Clerk

By: 
Name: SHERI Kelley
Title: CEO

Approved as to form:

By: _____
Chief Assistant City Attorney

WORKERS' COMPENSATION CERTIFICATION

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this Contract.

By: James Wood
Date: 11/13/2019

EXHIBIT "A"
SCOPE OF SERVICES

A. CONTRACTOR REQUIREMENTS

1. CONTRACTOR shall provide equipment, labor/installation and removal services as ordered by the CITY for all active, retired duty and service vehicles for Riverside Police Department (RPD). The CONTRACTOR shall provide product usage reports to satisfactorily support FLEET MANAGEMENT. FLEET MANAGEMENT shall order products that are identified as approved items that are listed in the RPD Vehicle Specifications Manual 2016, as necessary.
 - a. The FLEET MANAGEMENT shall have the CONTRACTOR build patrol, stealth, and plain vehicles to be determined by the FLEET MANAGEMENT. Current vehicle types are as follows: Ford: Crown Victoria Patrol Cars, Ford: Crown Victoria Stealth Cars, Ford: Expedition Patrol Cars, Ford: Expedition Stealth Cars, and Ford: Utility Interceptors, Chevrolet Caprice and Dodge Chargers.
 - b. The CONTRACTOR shall be responsible for providing the product inventory's, manpower resources, and/or production equipment.
 - c. FLEET MANAGEMENT may evaluate other possible patrol vehicles at the discretion of RPD.
2. FLEET MANAGEMENT may order Specialty Vehicles from time to time during the year that may include Patrol K-9 adaptations, Forensic Trucks, Bomb Squad Vehicles, S.E.R.T. Vehicles (RPD'S Emergency Response Team), S.E.B. Vehicles (Special Enforcement Bureau/SWAT), Correction Transportation Vehicles and Coroner Vehicles.
3. The "Specialty Vehicles" are custom built by the CONTRACTOR, and these specialty vehicles may vary from vehicle to vehicle depending on what type of equipment is needed by the Police station or specialized unit. There is no definitive specification book associated with these types of specialty vehicles because of the constant changes in the equipment requirements.
4. The CONTRACTOR shall strip a combination of patrol, stealth, and plain vehicles. The CONTRACTOR shall remotely strip non-drivable vehicles (out of service & collision totals) at the FLEET MANAGEMENT'S location.
5. Vehicle strips may include, but not limited to, the removal of:
 - a. All emergency lighting equipment and siren
 - b. Police radio, scanner, and mobile data computer
 - c. Partition cages or K-9 kennels
 - d. All gun racks
 - e. Metal trunk boxes and trays
 - f. Fire extinguisher
 - g. Rear plastic seat and seat belts
6. The CITY shall have the best pricing, based on the economies of scale, for those items specifically identified in the RPD Vehicle Specification Manual 2016. The CITY is to receive the lowest price for those identical/similar items as listed in Exhibit B of the Agreement.
7. Commodities that the RPD, FLEET MANAGEMENT, CITY Agencies, or Contract Cities may not acquire from the Agreement are items that would be identified as a fire-arm (weapon) or the ammunition and accessories for such equipment.
8. The CONTRACTOR shall deliver, and shall have "will-call" delivery product inventory as needed for the FLEET MANAGEMENT.

9. Pricing will be all inclusive of any vendor vehicle pick-up or delivery fees, should the FLEET MANAGEMENT personnel not be able to provide that service. The FLEET MANAGEMENT personnel may bring either a new vehicle or a retired vehicle with them when notified by the CONTRACTOR of a completed new vehicle installation or the completion of a vehicle "strip-out."
11. CONTRACTOR pricing shall be accurate to the type of RPD vehicle being built and or stripped (i.e.: a plain RPD vehicle build or strip is expected to be far less than the same for a patrol vehicle equipped with a Mobile Data Computer (MDC) and emergency lighting.
12. The CONTRACTOR shall provide a unit price for the individual products as noted in the Exhibit B and extend those prices to the vehicle type as specified. FLEET MANAGEMENT requests that unless an item is discontinued, substitutes are subject to prior review and written approval by the CITY.
 - a. Special Equipment:
 - i. The CONTRACTOR shall make the necessary commitment to provide equipment and trained personnel, at the CONTRACTOR'S location, to support the volume of vehicles FLEET MANAGEMENT requires to maintain its operations and fleet levels.
 - ii. The CONTRACTOR shall be required to have access to a custom fabrication shop that would allow for the many and various vehicle builds and subsequent installations that arise from various needs and specialty configurations of the department.
 - iii. The CONTRACTOR shall have made or have made a "one-piece electrical wiring harness" to be installed in the RPD's vehicles to maintain consistency in installation of equipment and ease in trouble shooting electrical problems. NO EXCEPTIONS.
13. Equipment: The CITY reserves the right to have equipment/parts installed that are of equal design, form, fit, and function. The CITY reserves the right to specify or make changes on equipment for the duration of the Agreement.

B. OPERATIONAL SPECIFICATIONS

1. CONTRACTOR shall contact the FLEET MANAGEMENT personnel to identify all vehicle service equipment/parts that will be stocked at the CONTRACTOR'S location. This shall be accomplished within 30 days of the approved Agreement. This shall repeat itself every year and prior to the renewal of the Agreement. This is necessary to adjust for rolling stock changes within the FLEET MANAGEMENT. By mutual agreement between the CONTRACTOR and the CITY, available inventory of equipment/parts shall be determined using expected weekly production output based on monthly or yearly vehicle installation projections.
2. The CONTRACTOR shall be committed to the "Maximum" production/delivery time required to complete the projected number of vehicle installations. The CONTRACTOR shall complete a single vehicle installation in five (5) business days. The CONTRACTOR shall commit to a service satisfaction level (i.e.95%) and to make the necessary investment in "on-hand inventory of equipment/parts" and service personnel to maintain this Agreement. The CONTRACTOR shall monitor their local and back-up inventories on a regular basis and coordinate their replenishment orders with the supplying factory to take into account lead time and production schedules, and sales to other user agencies, and to insure that the CITY FLEET MANAGEMENT shall be serviced in a proper manner to this Agreement.
 - a. *Should it be determined that the CONTRACTOR has not made the necessary commitment to service the CITY with proper inventory stocking levels, demonstrated poor performance, or poor*

quality of workmanship to FLEET MANAGEMENT, the CITY may issue a thirty (30) day notice to rescind the balance of this Agreement shall and will be issued by the CITY on behalf of the FLEET MANAGEMENT. Frequent late deliveries of completed vehicle installations or consistent failure to meet delivery of vehicles without valid and justified reasons may result in cancellation of the entire award/contract and/or possible removal from the bid list.

3. DELAYS: If a delay is foreseen in the availability of any part, an accessory (of any type), or piece of equipment required to complete the vehicle installation as ordered by the Riverside FLEET MANAGEMENT personnel, or any of the above items that are normally considered an "In-Stock" inventory item, the CONTRACTOR shall give thirty (30) day prior written notice to the RPD and to the Riverside Purchasing. This notice shall detail the exact nature of the delay and the date of when the item will be received by the CONTRACTOR to be available in inventory and ready for installation. FLEET MANAGEMENT and the CITY Purchasing Department has the right to extend the delivery due date if reasons appear to be reasonable, at the sole discretion of the CITY. The CONTRACTOR must keep FLEET MANAGEMENT personnel advised at all times of the status of the delay. Default in "promised delivery" (without acceptable reasons) or failure to meet specifications, authorizes the FLEET MANAGEMENT and CITY Purchasing Department to purchase the parts, accessories, or equipment elsewhere and charge full increase in cost and handling to the defaulting CONTRACTOR.
4. EQUIPMENT PICK-UP: The CONTRACTOR shall notify FLEET MANAGEMENT, only after the required equipment has been completely and successfully installed of the previously delivered RPD vehicle; and that this vehicle has successfully completed and passed functionality testing of the installed equipment prior to pick-up from the FLEET MANAGEMENT. A delivery/check-out form, for each vehicle, shall also have been prepared, annotated, and ready for the vehicle pick-up inspection. CONTRACTOR delivery/inspection procedure is important; and that in the event a completed delivery is not made as required by the CITY, or the per vehicle delivery/inspection time has been prolonged due to on-site repairs of equipment or installation defects on that vehicle, liquidated damages of \$70.00 per hour will be assessed for the total combined extended waiting times on those vehicles at the end of the month. The CONTRACTOR will be allotted a total combined waiting time (down time) for minor installation repairs of one (1) hour per month. Excess hours of waiting time (down-time), beyond the one (1) hour, will be "charged-back" to the CONTRACTOR. In the event such liquidated damages are assessed by the CITY, the CITY shall deduct the amount thereof from any moneys due or that may come due to the CONTRACTOR under this Agreement.
5. INSTALLATION LOCATION: The CITY'S, FLEET MANAGEMENT DIVISION is located in Riverside, California. The CONTRACTOR installation site shall be located within this area. CONTRACTOR shall be responsible for transporting all vehicles to and from the FLEET MANAGEMENT DIVISION located at 8095 Lincoln Avenue., Riverside, California 92504. Should a delivered vehicle be required to be returned back to the "out-of-the-area" CONTRACTOR, for reason(s) that the CONTRACTOR caused, then a "\$70.00 per hour charge-back" will be assessed back to the CONTRACTOR for each day the vehicle is unable to be placed into service. The CITY, FLEET MANAGEMENT personnel will not be responsible for transporting said vehicle to or from the out-of-the-area CONTRACTOR.
6. SERVICE CENTER: The CONTRACTOR shall have the ability and experience to service (Emergency Vehicle Lighting Equipment) upon commencement of the Agreement. The

CONTRACTOR is not required to be an authorized manufacture warranty repair center, it is expected that the CONTRACTOR will handle all warranty claims.

7. ALTERATIONS: Any alterations to the specifications, without the written approval of the FLEET MANAGEMENT personnel and the Purchasing Agent, will be considered not compliant.
8. CONTRACT QUANTITIES: The quantities in the Agreement are not guaranteed and are given for information purposes only to the CONTRACTOR. They do not indicate the actual quantity, which will be ordered, since such volume will depend upon requirements, which develop during the Agreement period.
 - a. Quantities shown or discussed shall not be construed to represent any amount of which the CITY shall be obligated to purchase under the Agreement, or relieve the CONTRACTOR of the obligation to fill all vehicle installation orders placed by the CITY.
 - b. The CITY shall NOT guarantee any order of a specific quantity on any vehicle installation, type of vehicle installation, or vehicle strip-out.
 - c. The CITY does not guarantee any amount of services or products to any vendor or vendors. If the CONTRACTOR is unable to perform to the requirements as stated in the Agreement, the CITY reserves the right to assign work to another CONTRACTOR in order to maintain RPD Vehicles for Public Safety at any time.
9. WARRANTY: CONTRACTOR shall provide a warranty that includes all parts and labor, which includes all repairs/services of equipment(s) under warranty, manufacture warranty or CONTRACTOR warranty. CONTRACTOR warranty for workmanship shall be for two (2) years. CONTRACTOR 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 CONTRACTOR. REMANUFACTURED equipment is not accepted.
10. CONTRACTOR SITE LOCATION SECURITY: CONTRACTOR shall provide site security at their location with no additional charge to the CITY. Site security shall be maintained 24 hours a day/365 days a year. All CITY vehicles that are in the possession of the CONTRACTOR shall be responsible for any and all damages while they are at the CONTRACTORS site. If any CITY vehicle is driven on public roads by the CONTRACTOR, they must have the proper insurance to be provided to the CITY and are responsible for any and all damages while in the possession of the CONTRACTOR. CITY vehicles that are outfitted with approved equipment shall be placed inside the CONTRACTOR's building when the CONTRACTOR is closed.

C. CALIFORNIA STATE BOARD OF EQUALIZATION

1. The California State Board of Equalization ("BOE") has determined that labor charge for installing parts or accessories to a new vehicle is fabrication labor subject to sales tax. Pursuant to the 60 Day Rule, a vehicle is considered new if it entered the CONTRACTOR's facility for vehicle-equipment installation within 60 days of the date the vehicle is registered with the California Department of Motor Vehicles ("DMV") as a new vehicle.
2. Based on the 60 Day Rule, CITY agrees to pay California sales tax to the CONTRACTOR on the labor performed by CONTRACTOR for installing equipment to new CITY vehicles during the term of this Agreement if the CONTRACTOR's invoice includes such sales tax. CONTRACTOR acknowledges and agrees that the CITY is not liable for any penalties and/or interests which may

be owed by the CONTRACTOR to the State of California relating to sales tax. Within thirty (30) days of CITY's written request, CONTRACTOR shall refund the CITY any California sales tax that was paid by the CITY on labor performed by the CONTRACTOR for installing equipment to CITY vehicles if such vehicles entered the CONTRACTOR's facility for vehicle-equipment installation after 60 days such vehicles registered with the DMV as new vehicles.

3. In regards to CITY vehicles entering CONTRACTOR's facility for vehicle-equipment installation on or after May 1, 2016, the CITY agrees to provide the CONTRACTOR with a copy of the DMV registration as a new vehicle when available. CONTRACTOR shall not delay its performance of services under this Agreement based on lack of receipt of such DMV registration.