

SUPPLY CONTRACT

THIS SUPPLY CONTRACT is made and entered on _____,
by and between GEORGE REED, INC., a California corporation, with a business
address of P.O. Box 4760, Modesto, CA 95352, hereinafter called "CONTRACTOR,"
and CITY OF STOCKTON, a municipal corporation, hereinafter called "CITY."

W I T N E S S E T H :

WHEREAS, specifications for the **PURCHASE OF HOT MIX ASPHALT THROUGH DECEMBER 31, 2016 (PROJECT NO. O&M-16-004)** were regularly adopted by Council Motion _____ on **November 17, 2015**, and

WHEREAS, the contract for the **PURCHASE OF HOT MIX ASPHALT THROUGH DECEMBER 31, 2016**, was regularly awarded to **GEORGE REED, INC., a California corporation**, by Council Motion _____ on November 17, 2015.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto expressly agree as follows:

1. CONTRACTOR agrees:

a) To furnish **HOT MIX ASPHALT FOR USE BY THE PUBLIC WORKS DEPARTMENT** for the City of Stockton for a period through December 31, 2016, in accordance with the bid of CONTRACTOR and the Specifications regularly adopted by Council Motion _____, on **November 17, 2015**, at the prices hereinafter specified:

(QUANTITIES APPROXIMATE)

Type 'A' NMAAS 3/4-inch for 11,500 Tons @ \$54.00/Ton.....	\$ 621,000.00
Type 'A' NMAAS 1/2-inch for 1,000 Tons @ \$56.70/Ton.....	\$ 56,700.00
Type 'B' NMAAS 3/8-inch for 750 Tons @ \$63.72/Ton.....	\$ 47,790.00
TOTAL.....	\$ 725,490.00

Unit bid prices include all applicable sales taxes.

b) The estimated usage is 13,250 tons during the contract term. (However, the quantities purchased will be controlled by City Council approved budgets and CITY will pay only for the hot mix asphalt needed and used during the term of requirements contract.)

c) To supply said HOT MIX ASPHALT in accordance with the Specifications and as required after award of bid.

2. Contractor, its agents, officers and employees shall defend, indemnify, and hold harmless City, its agents, officers, and employees from and against all claims, damages, losses, judgment, liabilities, expenses, and other costs including litigation costs and attorney's fees from every cause, including but not limited to injury to person or property or wrongful death arising directly or indirectly out of any act or omission of Contractor whether or not the act or omission arises from the sole negligence or other liability of City, or its agents, officers, and employees or volunteers relating to or during the performance of its obligations under this agreement.

Contractor's obligation to defend, indemnify, and hold the City, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.

3. CITY agrees to pay CONTRACTOR for the **HOT MIX ASPHALT** purchased by the CITY in the following manner:

Payments **will** be made each month covering all purchases for that month and/or not previously paid. The City will pay only for actual materials used.

4. Neither the contract, nor any part thereof, nor moneys due or to become due thereunder may be assigned by CONTRACTOR without the prior written approval of CITY.

5. CHANGE ORDERS:

CITY reserves the right to make such alterations, deviations, additions to or omissions from the plans and specifications, including the right to increase or decrease the quantity of any item or portion of the work, as may be deemed by the engineer to be necessary or advisable and to require such extra work as may be determined by the engineer to be required for the proper completion or construction of the whole work contemplated.

Any such changes will be set forth in a contract change order which will specify, in addition to the work done in connection with the change made, adjustment of contract time, if any, and the basis of compensation for such work. A contract change order will not become effective until approved by the City Manager, City Council, and/or Public Works Director.

Processing of change orders shall be in accordance with Section 4-1.03 of the City Standard Specifications as adopted by Council on November 23, 2003, by Resolution No. 03-0707, effective December 1, 2003, or as otherwise amended by Council. When the compensation for an item of work is subject to adjustment under the provisions of Standard Specifications and Plans, section 4-1.03, CONTRACTOR shall, upon request, promptly furnish the engineer with adequate detailed cost data for such item of work.

6. AUDITS:

(a) CITY reserves the right to periodically audit all charges made by CONTRACTOR to CITY for services under the contract. Upon request, CONTRACTOR agrees to furnish to CITY, or a designated representative, with necessary information and assistance.

(b) CONTRACTOR agrees that CITY or its delegate will have the right to review, obtain and copy all records pertaining to performance of the contract. CONTRACTOR agrees to provide CITY or its delegate with any relevant information

requested and shall permit CITY or its delegate access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with this requirement. CONTRACTOR further agrees to maintain such records for a period of three (3) years after final payment under the contract.

7. It is expressly understood and agreed by and between the parties hereto that a waiver of any of the conditions of this contract shall not be considered a waiver of any of the other conditions thereof.

8. The proposal of CONTRACTOR and the Specifications adopted by City Council Motion are hereby incorporated in and made a part of this contract.

[illegible]

9. It is further understood and agreed by and between the parties hereto that time is of the essence of this contract in all respects.

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

ATTEST:
BONNIE PAGE
CITY CLERK

CITY OF STOCKTON, a municipal
corporation

By _____

By _____
KURT WILSON, CITY MANAGER
"CITY"

APPROVED AS TO FORM & CONTENT:
JOHN M. LUEBBERKE
OFFICE OF THE CITY ATTORNEY

GEORGE REED, INC.,
a California corporation
P.O. Box 4760
Modesto, CA 95352

By _____
CITY ATTORNEY

By _____
"CONTRACTOR"

(Indicate status: corporation,
partnership or sole proprietorship)
"CONTRACTOR"

Tax Identification Number