CITY OF STOCKTON STANDARD AGREEMENT

Agreement Number:

. This Agreement is entered into between the City of Stockton ("City") and Allstar Fire Equipment, Inc. ("Contractor") to provide LION turnouts and related products s set forth in Exhibit A to this Agreement.			
2. The term of this Agreement is as follows, unless amended as described in Exhibit A and			
xhibit C section 8: Commences on: Terminates on: 3/31/2028			
3. The maximum not to exceed amount to be paid to Contractor for the term of this Agreement, including if authorized, reimbursement of expenses, is: \$\frac{1,500,000}{}			
The complete Agreement consists of all the following Agreement documents which by eference are incorporated and made a part of this Agreement. The parties agree to comply with the terms and conditions of this Agreement. (a) Exhibit A – Statement of Work (b) Exhibit B – Insurance (c) Exhibit C – General Terms & Conditions			
(d) Exhibit D – Goods and Services Special Terms and Conditions (e) Exhibit E – Compensation Schedule			
(f) Exhibit F – Timeline (g) Exhibit G - Special Funding Terms & Conditions ARPA (If applicable check box)YES			
IN WITNESS WHEREOF, the authorized parties have executed this Agreement.			
CONTRACTOR Allstar Fire Equipment, Inc. Contractor's Name (if other than an individual, state whether a corporation, partnership, etc.):			
3 27 2023			
Authorized Signature Date			
Mark Preisendorf, Northern California Branch Administrator Printed Name and Title of Person Signing			
2552 Barrington Ct., Hayward, CA 94545			
Address			
CITY OF STOCKTON			
Harry Black, City Manager Date			
ATTEST:			
Eliza R. Garza CMC, City Clerk			
APPROVED AS TO FORM: Lori M. Asuncion, City Attorney			
BY:			

EXHIBIT A

STATEMENT OF WORK

1. <u>Project Objectives</u>

- 1.1 To establish a Purchase Agreement for the procurement of National Fire Protection Association (NFPA) compliant LION brand turnouts and related personal protective equipment (PPE).
- 1.2 This Agreement is not exclusive. Contractor expressly acknowledges and agrees that City may purchase at its sole discretion, products that are identical or similar to the products described in this Agreement from any third party.

2. Project Scope

- 2.1 Contractor certifies that they are the Sole Source for LION's NFPA compliant LION brand turnouts and fire training products to the municipal fire service market in California.
- 2.2 Contractor shall offer to the City new, unused and the most current product lines for all Lion brand turnouts and related PPE. If requested by City, Contractor may offer, at a greater discount offered for each category included in Exhibit E, remanufactured goods. Remanufactured goods must be clearly identified as such on all Contractor guotes and invoices.
- 2.3 Contractor shall supply to City, if requested, for sizing purposes: sample fire turnouts, sizing charts, and/or other fitting services to ensure proper sizing of turnouts for fire personnel. Contractor shall arrange the return shipping or pick up of any supplied sample fire turnouts provided.
- 2.4 Contractor shall supply all specifications and/or information that shall include at a minimum: all materials used in the manufacture of the garments, included options/alterations, life expectancy, warranty information, user guide information, and maintenance and care information. This information shall be provided to City for review and acceptance. Contractor shall receive City's approval prior to processing order.

3. **Specifications**

3.1 Fire Turnouts or Turnout Gear: Contractor shall offer turnout gear and accessories available in a variety of designs, patterns, closure and/or fly options, styles, and colors. Turnout coats and pants shall be available in a variety of chest sizes, coat lengths, waist sizes, and inseam measurements.

- 3.2 Gloves: Contractor shall offer gloves including but not limited to structural firefighting wildland firefighting, extrication, technical rescue, general work gloves, etc. All gloves offered for specific use (such as structural firefighting) shall meet current applicable NFPA, ANSI and OSHA standards at time of manufacture.
- 3.3 Turnout Accessories: Contractor shall offer accessories including but not limited to: body worn integrated electronic monitoring (or physiologic monitoring) and/or location tracking systems, eye protection (e.g. goggles, glasses, visors, etc.), belts, straps, radio holders, storage equipment, etc.
- 3.4 Hoods: Contractor shall offer particulate blocking hoods in a variety of options, sizes, and colors.
- 3.5 Additional Products: Contractor may add additional products to the Agreement provided that any additions reasonably fall within the intent of the specifications included in this Agreement. Pricing on additions shall be equivalent to the percentage discount for other similar products included in Exhibit E. Contractor shall not attempt to add products to this Agreement to avoid competitive procurement requirements. City may reject any additions without cause.
- 3.6 Customization: In the event the City needs to customize standard manufacturer specifications to meet operational demands, Contractor shall discount customizations in accordance with section 4.2 below.

4. <u>Internal and External Standards and Guidelines</u>

- 4.1 Contractor shall offer, at a minimum, a discount off Contractor's list price for each product offered to City, according to each category and applicable percentage specified in Exhibit E. At any time throughout the term of the Agreement, Contractor may offer to the City greater discounts than those specified within Exhibit E.
- 4.2 <u>Most Favored Customer</u>. Contractor represents and warrants that the price for the products offered to the City is the lowest price and greatest discount percentage offered by Contractor to any of its external buyers for similar volumes of similar products. If Contractor offers other buyers a lower price or greater discount percentage, Contractor must apply that price or discount percentage to all products offered to City under this Agreement. If Contractor fails to meet this requirement, City, at its sole and absolute discretion, may terminate any pending orders without incurring any financial liability or financial penalty for orders not yet delivered to the City.
- 4.3 Prior to the placement and acceptance of any order under this Agreement, Contractor shall provide to the City a quote detailing product description,

quantity, list price, discount level as specified in Exhibit E, discounted price, freight, and all applicable taxes. All invoices submitted by Contractor to the City shall contain the same information.

4.4 At any point during the term of this Agreement Contract is no longer the Sole Source for LION's NFPA compliant LION brand turnouts and fire training products to the municipal fire service market in California, Contractor shall notify City as soon as reasonably practicable.

5. Criteria of Acceptance for Deliverables

- 5.1 All delivered products will be inspected before acceptance by an authorized City representative for workmanship, appearance, proper function of all components, and conformance to manufacturer's standard or City requested specifications. Should deficiencies be found, it shall be the responsibility of the Contractor to cover the cost of repackaging and return of the delivered items in question, make necessary corrections or replacements, and return the items to City for re-inspection and acceptance.
- 5.2 City shall have the right to inspect products within 30 calendar days after delivery to the City. Products not inspected within 30 calendar days after delivery shall be deemed accepted by City. The payment for products shall in no way impair the right of City to reject nonconforming products.
- 5.3 Contractor shall have the risk of loss of or damage to any products until delivery to City. City will have the risk of loss of or damage to the products after delivery to City. Title to products shall not transfer until the products have been delivered to and accepted by City.

6. Notices

Pursuant to Exhibit C – General Terms and Conditions, Paragraph 15 – Notices, the mailing address for all required notices is as follows:

City: City of Stockton

Contractor: Allstar Fire Equipment, Inc.

Attn: Mark Preisendorf
2552 Barrington Ct.
Hayward, CA 94545
Attn: City Manager
425 N. El Dorado Street
Stockton, CA 95202

7. Key Personnel

Mark Preisendorf, Northern California Branch Administrator, Allstar Fire Equipment, Inc.

EXHIBIT B INSURANCE

Not Applicable – Intentionally Left Blank

EXHIBIT C

GENERAL TERMS AND CONDITIONS

- 1. <u>Goods, Equipment and Services.</u> Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in Exhibit A of the Agreement. Contractor shall provide said services at the time, place and in the manner specified in Exhibit A of the Agreement.
- **2.** <u>City Assistance, Facilities, Equipment and Clerical Support.</u> Except as set forth in Exhibit A, Contractor shall, at its sole cost and expense, furnish and maintain all facilities and equipment that may be required for furnishing services pursuant to this Agreement. If applicable, City shall furnish to Contractor only the facilities and equipment listed in Exhibit A to the Agreement.
- **3.** <u>Compensation</u>. City shall pay Contractor for services rendered pursuant to this Agreement as described more particularly in Exhibit A and Exhibit E to the Agreement.
 - 3.1 Invoices submitted by Contractor to City must contain a brief description of work performed, time spent and City reference number. Within thirty (30) days of receipt of Contractor's invoice, City will review invoice, and if acceptable make payment on approved invoice.
 - 3.2 Upon completion of work and acceptance by City, Contractor shall have sixty (60) days in which to submit final invoicing for payment. An extension may be granted by City upon receiving a written request thirty (30) days in advance of said time limitation. The City shall have no obligation or liability to pay any invoice for work performed which the Contractor fails or neglects to submit within sixty (60) days, or any extension thereof granted by the City, after the work is accepted by the City.
- **4.** <u>Sufficiency of Contractor's Work</u>. All Contractor services, work, and deliverables shall be performed in a good and workmanlike manner with due diligence in accordance with the degree of skill normally exercised by similar contractors supplying services and work of a similar nature, and in conformance with applicable laws, codes and professional standards. Contractor's work shall be adequate and sufficient to meet the purposes of this Agreement.
- **Ownership of Work**. All reports, work product, all other documents completed or partially completed by Contractor or its approved subcontractors, in performance of this Agreement, and if applicable, drawings, designs, and plan review comments shall become the property of the City. Any and all copyrightable subject matter in all materials is hereby assigned to the City and the Contractor and its approved subcontractors agree

to execute any additional documents that may be necessary to evidence such assignment. All materials shall be delivered to the City upon completion or termination of the work under this Agreement. If any materials are lost, damaged or destroyed before final delivery to the City, the Contractor shall replace them at its own expense. Contractor and its approved subcontractors shall keep materials confidential. Materials shall not be used for purposes other than performance of services under this Agreement and shall not be disclosed to anyone not connected with these services, unless the City provides prior written consent.

- **6.** <u>Timeliness.</u> Time is of the essence in this Agreement. Further, Contractor acknowledges that the failure of Contractor to comply with the time limits described in Exhibit A and Exhibit F may result in economic or other losses to the City.
- 7. Changes. Both parties to this Agreement understand that it may become desirable or necessary during the term of this Agreement for City to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work. Until the amendment is so executed, City will not be responsible to pay any charges Contractor may incur in performing such additional services, and Contractor shall not be required to perform any such additional services.
- **8.** <u>Amendment.</u> No variation of the terms of this Agreement shall be valid unless an amendment is made in writing and signed by both parties.

9. Contractor's Status.

- 9. 1 In performing the obligations set forth in this Agreement, Contractor shall have the status of an independent contractor and Contractor shall not be considered to be an employee of the City for any purpose. All persons working for or under the direction of Contractor are its agents and employees and are not agents or employees of City. Contractor by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the City. No agent, officer or employee of the City is to be considered an employee of the Contractor. It is understood by both Contractor and City that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.
- 9.2 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to City only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to City's

control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

- 9.3 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Contractor.
- 9.4 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.

10. Subcontractor.

- 10.1 Subcontractors shall not be recognized as having any direct or contractual relationship with City. Contractor shall be responsible for the work of subcontractors, which shall be subject to the provisions of this Agreement. Subcontractors will be provided with a copy of the Agreement and be bound by its terms. Contractor is responsible to City for the acts and omissions of its subcontractors and persons directly or indirectly employed by them.
- 10.2 If in the performance of this Agreement any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. All terms of employment including hours, wages working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by Contractor.
- 10.3 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's personnel.

11. Termination.

11.1 <u>Termination for Convenience of City</u>. The City may terminate this Agreement at any time by mailing a notice in writing to Contractor. The Agreement shall then be deemed terminated, and no further work shall be performed by Contractor. If the Agreement is so terminated, the Contractor shall be paid for the work actually completed at the time the notice of termination is received.

- 11. 2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.
- 11.3 <u>Funding- Non-Appropriation.</u> It is mutually understood between the Parties that payment to the Contractor for performance shall be dependent upon the availability of appropriations by the City Council for the purposes of this Agreement. No legal liability on the part of the City for any payment may arise under this Agreement until funds are made available and until the Contractor has received funding availability, which will be confirmed in writing. If funding for any fiscal year is reduced or deleted, or if the City loses funding for any reason, the City, in its sole discretion, shall have the option to either (a) cause this Agreement to be canceled or terminated pursuant to applicable provisions of the Agreement; or (b) offer to amend the Agreement to reflect the reduced funding for this Agreement.
- **12. Non-Assignability**. The Contractor shall not assign, sublet, or transfer this Agreement or any interest or obligation in the Agreement without the prior written consent of the City, and then only upon such terms and conditions as City may set forth in writing. Contractor shall be solely responsible for reimbursing subcontractors.
- 13. Indemnity and Hold Harmless. To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify City of Stockton and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's performance of work hereunder or its failure to comply with any of its obligations contained in the Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City of Stockton. This obligation is independent of, and shall not in any way be limited by, the minimum Insurance obligations contained in this Agreement. These obligations shall survive the completion or termination of this Agreement.
- **14.** <u>Insurance</u>. During the term of this Agreement, Contractor shall maintain in full force and effect at its own cost and expense the insurance coverage as set forth in the attached Exhibit B to this Agreement and shall otherwise comply with the other provisions of Exhibit B to this Agreement.
- **15. Notices**. All notices herein required shall be in writing and shall be sent by certified or registered mail, postage prepaid, addressed in Exhibit A to this Agreement.
- **16.** <u>Conformance to Applicable Laws.</u> Contractor shall comply with all applicable Federal, State, and Municipal laws, rules, and ordinances. Contractor shall not discriminate in the employment of persons or in the provision of services under this Agreement on the basis of any legally protected classification, including race, color, national origin, ancestry, sex or religion of such person.

- 17. <u>Licenses, Certifications and Permits</u>. Prior to the City's execution of this Agreement and prior to the Contractor's engaging in any operation or activity set forth in this Agreement, Contractor shall obtain a City of Stockton business license, which must be kept in effect during the term of this Agreement. Contractor covenants that it has obtained all certificates, licenses, permits and the like required to perform the services under this Agreement. Such licenses, certificates and permits shall be maintained in full force and effect during the term of this Agreement.
- **18.** Records and Audits. Contractor shall maintain all records regarding this Agreement and the services performed for a period of three (3) years from the date that final payment is made. At any time during normal business hours, the records shall be made available to the City to inspect and audit. To the extent Contractor renders services on a time and materials basis, Contractor shall maintain complete and accurate accounting records, in a form prescribed by City or, if not prescribed by City, in accordance with generally accepted accounting principles, such records to include, but not be limited to, payroll records, attendance cards, time sheets, and job summaries.
- **19. Confidentiality**. Contractor shall exercise reasonable precautions to prevent the unauthorized disclosure and use of City reports, information or conclusions.
- **20.** <u>Conflicts of Interest</u>. Contractor covenants that other than this Agreement, Contractor has no financial interest with any official, employee or other representative of the City. Contractor and its principals do not have any financial interest in real property, sources of income or investment that would be affected in any manner of degree by the performance of Contractor's services under this Agreement. If such an interest arises, Contractor shall immediately notify the City.
- **21.** <u>Waiver</u>. In the event either City or Contractor at any time waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or of any other covenant, condition or obligation. No payment, partial payment, acceptance, or partial acceptance by City shall operate as a waiver on the part of City of any of its rights under this Agreement.
- **22. Governing Law**. California law shall govern any legal action pursuant to this Agreement with venue for all claims in the Superior Court of the County of San Joaquin, Stockton Branch or, where applicable, in the Federal District Court of California, Eastern District, Sacramento Division.
- **23. No Personal Liability**. No official or employee of City shall be personally liable to Contractor in the event of any default or breach by the City or for any amount due Contractor.

- **24. Severability.** If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or city statue, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.
- 25. Non-Discrimination. During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state, or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition (including genetic characteristics), marital status, age, political affiliation, gender identity, gender expression, sex or sexual orientation, family and medical care leave, pregnancy leave, or disability leave. Contractor and its officers, employees, agents, representative or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the City's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12990 (et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulation or Code of Federal Regulations. Title VI of the Civil Rights Act of 1964 requires that "no person in the United States shall, on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial

assistance." (42 USC Section 2000d). http://www.dol.gov/oasam/regs/statutes/titlevi.htm. The City requires compliance with the requirements of Title VI in all of its programs and activities regardless of funding source.

- **26. Force Majeure**. Neither party shall be responsible for delays or failures in performance resulting from acts of God, acts of civil or military authority, terrorism, fire, flood, strikes, war, epidemics, pandemics, shortage of power or other acts or causes reasonably beyond the control of that party. The party experiencing the force majeure event agrees to give the other party notice promptly following the occurrence of a force majeure event, and to use diligent efforts to re-commence performance as promptly as commercially practicable.
- **27.** <u>Taxes and Charges</u>. Contractor shall be responsible for payment of all taxes, fees, contributions or charges applicable to the conduct of the Contractor's business.
- **28.** <u>Cumulative Rights</u>. Any specific right or remedy provided in this Agreement will not be exclusive but will be cumulative of all other rights and remedies to which may be legally entitled.

- **29.** Advice of Attorney. Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.
- **30.** <u>Heading Not Controlling.</u> Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

31. Entire Agreement, Integration, and Modification.

- 31.1 This Agreement represents the entire integrated agreement between Contractor and the City; supersedes all prior negotiations, representations, or agreements, either written or oral between the parties and may be amended only by a written Amendment signed by the Contractor and City Manager.
- 31.2 All Exhibits to this Agreement and this Agreement are intended to be construed as a single document.
- **22.** Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.
- **33.** Authority. The individual(s) executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

EXHIBIT D

GOODS AND SERVICES TERMS AND CONDITIONS

- **1. <u>Definitions.</u>** The following words and phrases have the following meanings for purposes of this Agreement:
- 1.1 "Services" means, collectively, the services, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.
- 1.2 "Deliverable" means quantifiable goods or services that will be provided upon completion of a project. A deliverable is any tangible material, work or thing delivered by one party to the other, including associated technical documentation. A deliverable can be tangible or intangible parts of the development process, and often are specified functions or characteristics of the project.
- **General.** The following terms and conditions are applicable for the purchase of goods and services only. The special conditions shall be read in conjunction with the Standard Agreement, General Terms and Conditions ("GTC") Exhibit C, and all other Exhibits identified in the Standard Agreement.
- 2.1 Where any portion of the GTC is in conflict to or at variance with any provisions of the Special Conditions of the Agreement, then unless a different intention stated, the provision(s) of the Special Conditions of the Agreement shall be deemed to override the provision(s) of GTC only to the extent that such conflict or variations in the Special Conditions of the Agreement are not possible of being reconciled with the provisions of the GTC.
- 2.2 In the case of modification of a part or provision of the GTC, the unaltered part or provision, or both shall remain in effect. The Special Conditions shall relate to a particular project and be peculiar to that project but shall not weaken the character or intent of the GTC.

3. <u>Time for Performance.</u>

- 3.1 Contractor shall perform the services according to the schedule contained in Exhibit F.
- 3.2 Timeliness of Performance i) Contractor shall provide the Services, and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Exhibit A and Exhibit F. ii) Neither Contractor nor Contractor's agents, employees nor subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other

losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

4. Standard of Performance

In addition to Exhibit C, Section 4 and 17, Contractor agrees as follows:

- 4.1 Contractor's Services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Contractor's profession currently practicing under similar conditions. Contractor shall comply with the profession's standard of performance, applicable laws, regulations, and industry standards. By delivery of completed work, Contractor certifies that the work conforms to the requirements of this Agreement and all applicable federal, state, and local laws. If Contractor is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Contractor shall maintain that license, certification, registration, or other similar requirement throughout the term of this Agreement.
- 4.2 Contractor acknowledges that it is entrusted with or has access to valuable and confidential information and records of the City and with respect to that information, Contractor agrees to be held to the standard of care of a fiduciary. Contractor shall assure that all services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Contractor must provide copies of any such licenses. Contractor remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Contractor or its subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Using Agency and delivered in a timely manner consistent with the requirements of this Agreement.
- 4.3 If Contractor fails to comply with the foregoing standards, Contractor must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance, or payment for any of the Services by the City does not relieve Contractor of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the City's rights against Contractor either under this Agreement, at law or in equity.

5. <u>Compensation</u>

- 5.1 In addition to Section 3 Compensation in Exhibit C GTC, the Contractor shall be compensated for the services provided under this Agreement as follows:
- 5.1.1 Contractor shall be compensated for services rendered and accepted under this Agreement and shall be paid monthly, in arrears on a not to exceed

basis, based upon the rates set forth in Exhibit E attached hereto and made a part of this Agreement. Contractor may vary the compensation for each task in Exhibit E provided that the total project compensation listed in Exhibit E and the Standard Agreement is not exceeded.

6. Reports and Information

Contractor shall at such times and in such forms as the City may require furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Agreement, the costs and obligations incurred or to be incurred in connection therewith, and any other matters are covered by this Agreement as specified in Exhibit A and Exhibit E.

7. Findings Confidential

All the reports, information, data, et cetera, prepared or assembled by the Contractor under this Agreement are confidential and the Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the City. Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is required by applicable law or by proper legal or governmental authority, is already rightfully in the Contractor's possession without obligation of confidentiality, is independently developed by Contractor outside the scope of this Agreement or is rightfully obtained from third parties. Contractor shall give City prompt notice of any such legal or governmental demand and reasonably cooperate with City in any effort to seek a protective order or otherwise to contest such required disclosure.

8. Right of Inspection

All Deliverables furnished by Contractor must be as specified in Exhibit A and will be subject to inspection and approval of City after delivery. City reserves the right to reject and return, at the risk and expense of Contractor, the portion of any Deliverable which may be defective or fail to comply with specifications in Exhibit A without invalidating the remainder of the Deliverables. If rejected, Deliverable will be held for disposition at the expense and risk of Contractor. Payment for Deliverable prior to inspection shall not constitute acceptance of the Deliverable.

9. Warranty

Contractor warrants that (i) any Deliverable created or performed by Contractor for City under this Agreement will conform to specifications, drawings or samples furnished by City to Contractor for a minimum period of one year, and (ii) any standard Deliverable sold by Contractor to other customers besides City will meet or exceed any of the standards for such types of product in industry, any express or implied warranty stated or

advertised by Contractor or the actual manufacturer of such Deliverable, or any warranties implied by law. Contractor's warranty shall survive delivery of Deliverable and shall not be deemed waived by City's failure to discover defects, acceptance of the Deliverable, or payment, therefore.

10. Ownership

Contractor shall have title to and bear the risk of any loss or damage to the Deliverable until the Deliverable is delivered and accepted by City in conformity with this Agreement. Upon delivery and acceptance, Deliverable delivered by Contractor shall become the exclusive property of City. The ownership rights described herein shall include, but not be limited to, the right to copy, publish, display, transfer, or otherwise use the Deliverable. All artwork, patterns, dies, models, samples, materials, drawings, specifications, technical material, advertising material and any other personal property furnished by City to Contractor, or specifically paid for by City for use in performance of the Agreement, shall be and remain the property of City and said property shall be used only for Deliverables benefiting City. Contractor shall return to City or shall dispose of this property only according to City's instruction.

11. Applicable Laws

Under guidelines specified in 29 CFR 1910.1200 (f) and (g) City requests that Contractor label applicable Deliverables accordingly and provide associated Safety Data Sheets ("SDS") to City.

Deliverables must conform with all applicable federal, state, and local laws. Such conformity includes compliance with federal sanctions, and Contractor certifies that it has not and will not engage in prohibited transactions with sanctioned persons or entities.

12. **Shipping Terms**

City shipment terms are F.O.B. Destination, Freight Prepaid and Added unless otherwise specified in the Agreement. Contractor shall observe shipping instructions and, unless otherwise stated in the instructions, shall ship Deliverables in the safest and most economical manner necessary to meet the delivery date specified in the Agreement. Contractor shall provide an itemized packing list showing the Agreement number with the shipment. Contractor shall include the Agreement number on all packages, boxes, invoices, and shipping documents. Contractor shall label all individual boxes with stock number and quantity and items with different stock numbers shall be boxed separately. City reserves the right to refuse, at Contractor's expense, any shipments not containing the Agreement number or stock numbers as required under this section.

13. <u>Deliveries</u>

TIME IS OF THE ESSENCE IN THE PERFORMANCE OF ANY ORDER. If Deliverable is not provided or performed within the times specified in the Agreement, City may cancel the Agreement and hold Contractor liable for damages incurred due to the untimely delivery including, but not limited to, the additional costs resultant from City procuring substitute Deliverables elsewhere.

14. Price and Quantities

Prices and quantities set forth in this Agreement may not be altered by Contractor without the prior written authorization of City, with the exception that quantities of custom paper or printed Deliverables, chemicals, or fuel may deviate from those in the Agreement by the lesser of standard industry practices.

EXHIBIT E

COMPENSATION SCHEDULE

The Contractor shall be compensated for the services identified in Exhibit A, Exhibit C, and Exhibit D to this Agreement as follows:

1. Project Price

- 1.1 The maximum the Contractor shall be paid on this Agreement is \$1,500,000 (hereafter the "not to exceed" amount). The "not to exceed" amount includes all payments to be made pursuant to this Agreement. Nothing in this Agreement requires the City to pay for work that does not meet the Standard of Performance identified in Exhibit D section 4 or other requirements of this Agreement.
- 1.2 The Contractor shall be entitled to receive payments for its work performed pursuant to the Agreement. The City will pay Contractor based on invoices for acceptable work performed and approved until the "not to exceed" amount is reached. Orders may not be processed once the not to exceed amount has been reached until an amendment signed by both parties has been processed.
- 1.3 If work is completed before the "not to exceed" amount is reached, the Contractor's compensation will be based on the Contractor's invoices previously submitted for acceptable work performed and approved.
- **2.** <u>Discount</u>. Contractor shall offer the following discount percentage off list price for each category of products offered under this Agreement.

Category	Description	Discount %
1	Fire Turnouts or Turnout Gear	35%
2	Gloves	10%
3	Hoods	15%

3. <u>Invoice to Address.</u> Each invoice submitted shall identify the specific product listed in Exhibit A and this Exhibit, and the completed work product/deliverable for the agreed upon price listed in this Exhibit. Invoices shall be submitted to the below address:

City of Stockton Fire Department Attention: Brandon Doolan

425 N. El Dorado Street Stockton, CA 95202

EXHIBIT F

TIMELINE

1. Contractor shall fulfill orders throughout the term of the Agreement, as requested by the City.

EXHIBIT G

SPECIAL FUNDING TERMS AND CONDITIONS

Not Applicable – Intentionally Left Blank